The Threat to Improving Gender Balance on Corporate Boards:

Examining the Root Cause of the Leaking Pipeline of Women Identified in the 2011 Lord Davies Review

Evidence from FTSE 100 Banks

Postgraduate dissertation submitted in partial fulfilment of the requirement for the MSc in Corporate Governance & Business Ethics

Word count: 14,666

By Sandra Mottoh

Department of Management,

Birkbeck College, University of London

Student Number: 12827340

Supervisor: Dr Sue Konzelmann

September 2013
# CONTENTS PAGE

ABSTRACT .......................................................................................................................... 5

CHAPTER 1 - INTRODUCTION.......................................................................................... 7

1.1 Background .................................................................................................................. 7
    Figure 1: SWOT Analysis from the Review ................................................................. 8
    Figure 2: Leaking Pipeline Hierarchy ......................................................................... 9

1.2 Personal Interest ...................................................................................................... 10

1.3 Outline of the Dissertation ..................................................................................... 12

CHAPTER TWO – LITERATURE REVIEW....................................................................... 13

2.1 Background ............................................................................................................... 13

2.2 The Case for a Gender Diverse Board (GDB) ........................................................... 13

2.2.1 Strengths: Achieving better Corporate Governance ............................................. 13

2.2.2 Opportunities: Improving Corporate Performance .............................................. 15

2.2.3 What value do women bring to the corporate table? ............................................ 17

2.3 The Coalition Government – “Primary Stakeholder” .............................................. 18

2.3.1 Background ........................................................................................................ 18

2.3.2 Stakeholder Theory ............................................................................................. 19

    Figure 3: Stakeholder Model .................................................................................... 20

2.4 Women on Board Review ....................................................................................... 21

2.4.1 Objectives of the Review ..................................................................................... 21

2.4.2 Weakness & Threats: Findings from the Review .................................................. 22

2.4.3 Recommendations from the Review .................................................................. 23

2.4.4 Theoretical Insights from Institutional Theory ..................................................... 24

2.5 Leaking Pipeline of Women in FTSE 100 Banks ...................................................... 25

2.5.1 Overview ............................................................................................................ 25

2.6 Kaleidoscope Career Model .................................................................................... 28

2.6.1 Introduction ........................................................................................................ 28

2.6.2 What is a Kaleidoscope Career? ......................................................................... 28

    Figure 4: Kaleidoscope Career Model .................................................................... 29

CHAPTER THREE – RESEARCH METHODOLOGY......................................................... 32

3.1 Background .............................................................................................................. 32

    Table 1: Summary of Research Methodological Considerations ................................ 32

3.2 Research Approach ................................................................................................. 33

3.2.1 Research Purpose ............................................................................................. 34

3.3 Data Collection ....................................................................................................... 34
3.3.1 Sample ........................................................................................................... 35
3.3.2 Data Procedures .............................................................................................. 37
Table 2: Age Range ................................................................................................ 38
3.3.3 Data Collection Approach ............................................................................. 38
3.4 Data Analysis ...................................................................................................... 40
3.4.1 Background ................................................................................................... 40
3.4.2 Interpretation of Data ..................................................................................... 42
3.5 Ethical considerations ......................................................................................... 42

CHAPTER FOUR – OUTLINE OF KEY RESEARCH FINDINGS .................................. 43
4.1 Background ........................................................................................................ 43
Table 3: Career Break ............................................................................................... 45
4.3 Theoretical Framework - Kaleidoscope Career Model ........................................ 47
Table 4: Career Stage ............................................................................................... 48
4.3.1 Insight 1 & 2 ................................................................................................. 50
4.4 Key Themes identified during the Study ............................................................. 53
Table 5: Sample with Partner/ Husband .................................................................... 53
Table 6: Sample with Children ................................................................................. 53
Table 7: Ethnicity ...................................................................................................... 57

CHAPTER FIVE – SUMMARY & ANALYSIS OF FINDINGS ...................................... 59
5.1 Introduction ........................................................................................................ 59
5.2 Summary & Analysis of Findings ....................................................................... 59
5.3 Policy Contribution ............................................................................................. 62
5.4 Policy Recommendation ..................................................................................... 64

CHAPTER SIX – CONCLUSIONS AND LIMITATIONS OF RESEARCH...................... 65
6.1 Introduction ........................................................................................................ 65
6.2 Summary of Research ....................................................................................... 65
Table 8: Summary of Study ..................................................................................... 67
6.3 Limitations of research ..................................................................................... 67
6.4 Directions for future research ........................................................................... 68
6.4 Personal Insights from this Study ..................................................................... 68

BIBLIOGRAPHY ........................................................................................................ 70

APPENDIX A: INTERVIEW QUESTIONS .................................................................. 75
APPENDIX B: PARTICIPANT RIGHTS & CONSENT ................................................ 76
APPENDIX C: WIBF REQUEST FOR PARTICIPATION ......................................... 77
ACKNOWLEDGEMENTS

I would like to thank my Creator, the Almighty God, for motivating me at this stage in my career to undertake a Master’s Degree in Corporate Governance and Business Ethics. I appreciate the wisdom and tenacity He blessed me with to embark on and ultimately complete this program.

What an interesting and topical course it was! The course was well structured by the Course Director and brilliantly taught by one of my favourite lecturers, Dr Sue Konzelmann. I was also fortunate to have her as my supervisor. Sue, your emotionally intelligent approach to lecturing and supervision certainly helped guide me through this course. For that, I thank you. Whenever I hear “Enron”, I’ll always think of you.

My family and friends, especially Mummy and Nkem have been amazing through this course. You were all patient with me when I couldn’t devote time to our relationship and friendship. Your understanding was received as a treasured gift. The good news is that, from the 30th of September…..you’ve got me back!

I’ll like to thank the Women on Boards Chapter of WiBF (Women in Banking and Finance) for supporting this work. Finally, I’ll like to extend my appreciation the 12 women who kindly participated in this research. Your candid stories will continue to live in my heart. You thought me a lot about life, work and myself. This dissertation is dedicated to you and to the other women whose lives will be positively impacted after reading this research.
ABSTRACT

“Gender inclusion is critically important, and, frankly, too often neglected by policymakers”¹

Christine Lagarde (2013)

In 2011, Lord Davies Review highlighted the business case for gender diversity on boards (GDB) in the UK. This led to the recommendation that all FTSE 100 boards increase its female representation from current levels to 25% by 2015. The Review found there to be insufficient numbers of qualified women available to occupy board positions now and in the future. This insufficiency is due to the leaking pipeline of women i.e. women opting out from the workforce hierarchy. Statistically this should not be the case as women and men enter the workforce in equal numbers. However understanding, with a view to resolve the threat posed by the leaking pipeline of women would make gender balance on corporate boards’ initiative sustainable.

This study sought to address the research question by examining the root cause of why women are leaving the workforce hierarchy. This study adopted a SWOT analysis methodology by extensively evaluating the strengths, opportunities and weakness associated with a gender balanced board whilst highlighting the potential threats posed by the leaking pipeline. Research shows that women leave the workforce due to child care and flexible working issues, however recent studies crystallised with my personal experience indicate the possibility of other root causes.

In this study we examined this threat, using the Kaleidoscope Career Model to provide a different perspective. This research implemented a qualitative research method approach. Semi-structured interviews were conducted in June 2013, with 12 women across four FTSE 100 Banks. Their responses were analysed and the findings from the interviews were manually coded and reported to ensure that the research question was adequately addressed. Analysis of the qualitative data indicated that women were leaving the workforce for reasons other than child care issues or flexible working.

The major contribution of this research is that it attributes the root cause of the leaking pipeline to “Frustration”. Essentially women use their departure from the workplace as an expression of their frustration. This is caused by the disparity between their career expectations and the reality. In articulating this contribution, the study suggests possible changes to organisational practices and policy.

Keywords:

Leaking pipeline, Frustration, Gender diversity on boards, Child care, Flexible working, Root cause
CHAPTER 1 - INTRODUCTION

“Business all around the world are losing their best and brightest female talent from the pipeline before they even get a chance to smash through the glass ceiling”\(^2\)

(Bailey and Rosati, 2013, p.8)

1.1 Background

In the aftermath of the recent financial crisis, it has become the general consensus amongst policy makers, researchers and business commentators alike that gender diversity on boards have positive outcomes for an organisation. A study by Professor Nick Wilson at Leeds Business School\(^3\), conversely found that the overwhelmingly male makeup of the financial sector (including the composition of the board of directors) had a significant effect in setting off the financial crisis. Therefore improving gender diversity on corporate boards of banks could have a positive ripple effect on maintaining a sound and stable financial system; preventing future government bail-outs.

In 2010, the UK Coalition Government pledged to “promote gender equality on the boards of listed companies”\(^4\)” (Coalition Government Agreement 2010, p.18). This led to the preceding Business Minister\(^5\) and Minister for Women\(^6\) commissioning Lord Davies of Abersoch in 2011 commenced a policy initiative in this area. The objective of the Lord Davies Review (“the Review”) was to “identify the barriers preventing more women reaching the boardroom

\(^2\)Harvey Nash, 2013. The Balancing Act – A study of how to balance the talent pipeline in business: Inspire  
\(^3\)Wilson, N. (2009) Women in the boardroom help companies succeed, [Online], Available from:  
http://www.times.co.uk] [Accessed 11 March 2013]  
\(^4\)Coalition Government (2010) Our programme for Government, [Online], Available from:  
\(^5\)Edward Davey  
\(^6\)Lynne Featherstone
and to make recommendations regarding what government and business could do to increase the proportion of women on corporate boards” (Women on Boards 2011, p.6).

For illustrative purposes we are using the SWOT analysis methodology to illustrate findings from the Review. This methodology captures the strengths, weaknesses and opportunities for having a gender balanced board whilst highlighting the potential threats to the initiative.

**Figure 1: SWOT Analysis from the Review**

<table>
<thead>
<tr>
<th>STRENGTHS – page 13</th>
<th>WEAKNESSES – page 22</th>
</tr>
</thead>
<tbody>
<tr>
<td>Achieving better Corporate Governance</td>
<td>Qualified women not getting board positions</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OPPORTUNITIES – page 15</th>
<th>THREATS – page 22</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improving Corporate Performance</td>
<td>Leaking pipeline of women in the workforce</td>
</tr>
</tbody>
</table>

This study will focus on the threats to the gender balance on boards’ initiative. Nonetheless, to ensure balance in this study the strengths, weaknesses and opportunities identified in the Review will also be explored further in Chapter 2 - Literature review.

The Review found that the current “low number of women on boards is a symptom of insufficient numbers emerging at the top of the management structure” (Women on Boards 2011, p.15). There is an attrition of women throughout the workforce hierarchy preventing them from gaining adequate board experience, which in turn is necessary to serve on a

---

8 Strength, Weakness, Opportunities and Threats
corporate board. This attrition is known as the leaking pipeline and was a key finding identified during the Review.

Lord Davies identified the linkage between the leaking pipeline of women from the workforce hierarchy and its negative impact on gender board diversity, but the finding was considered to be beyond the scope of the Review. This is not to say that the link between the leaking pipeline of women and sustaining a flow of future board ready women is unimportant. The Review presented little solution to this identified issue but recognised that child care, work life balance and flexible working might have a contributory impact on the leaking pipeline issue.

The pipeline supplying the educated workforce is full of women at the entry level but at leadership positions, that same pipeline is stocked with men (Sandberg, 2013). The triangle below shows the resulting leaking pipeline (Davies, 2011), talent gap (Ioannidis C & Walther N, 2010) and leadership gap (Sandberg, 2013) that widens through the workforce hierarchy.

**Figure 2: Leaking Pipeline Hierarchy**

![Leaking Pipeline Hierarchy](image)

Failure to further investigate the root cause of the leaking pipeline could invariably threaten the success of the UK agenda of improving gender balance on corporate boards. This view
was echoed recently by Lord Davies during a 2013 keynote speech. He asserts that companies have to really understand why women are leaving the company to ensure more women are in the executive pipeline\textsuperscript{10}.

Therefore it is this underlying root cause that this study will seek to address.

1.2 Personal Interest

During my 11 years + career in the City working within global banks, I have become more aware of the career limiting challenges faced by women in the workplace. Some of these challenges are visible whilst others are so entrenched the system that it has become the accepted norm. The masculine cultures in Banking in terms of expectations, working hours, measures of success are challenges regularly faced by women.

Furthermore, being an ethnic minority lady I have become accustomed to being the only female in a meeting room or the only ethnic minority in the department. Rightly or wrongly, I now accept that whilst diversity issues continue to be an “initiative” rather than integrated with the organisation, these conditions may persist. And I may just for the moment remain the only \textit{black lady in the village}.

Is there a glass ceiling in the City of London? Of course there is. Is it being smashed by some outstanding women? Certainly there are women sitting on corporate boards, however what is

left unsaid by these heroic women is the personal price paid and the scars they have sustained for that pleasure.

There are other women who sadly leave the workforce before they break the glass ceiling into the highest echelons of organisations. Research blames this departure on child care issues, work-life balance etc.

Ironically recently I was on the cusp of quitting my career having attained Director Level at my organisation. As I do not have children, I was perplexed by the findings that women leave their careers due to child care issue. I knew my decision to leave my career had nothing to do with that so I sought alternative explanation to why other experienced women left their careers. Additionally as I embark on the next phase of my life, I also wanted to understand the impact of marriage and children on my ability sit on the corporate board in future.

Intrigued at the magnitude of unanswered questions, I began my research.
1.3 Outline of the Dissertation

The structure of the report is outlined as follows:

**Chapter 2  Literature Review:** This chapter provides an in-depth critical review of relevant academic and policy literature to provide an insight into current issues in this area and the gaps to be addressed in this study.

**Chapter 3  Research Methodology:** This chapter highlights the research methodology that is used to achieve the aims and objective of this study. The techniques used for data collection and analysis are also identified and supported with justification of choice.

**Chapter 4  Outline of Key Research Findings:** This chapter provides a detailed outline of the findings from this study, using the results from the data collected during the interviews to substantiate the findings.

**Chapter 5  Summary and Analysis of Findings:** This chapter provides an in-depth analysis of the findings demonstrating the root cause of the leaking pipeline including the policy contribution by the findings and future policy recommendations.

**Chapter 6  Conclusions and Limitations of Research:** This chapter summarises the entire study. Limitations and areas of future research are also highlighted.
CHAPTER TWO – LITERATURE REVIEW

This chapter provides an in-depth critical review of relevant academic and policy literature to provide an insight into current issues in this area and the gaps to be addressed in this study.

2.1 Background

“Diverse groups are stronger, more creative and more innovative, and that makes them more competitive and customer focused and enhances their ability to exploit growth opportunities and generate revenue and profit”\(^{11}\) (Bailey and Rosati, 2013, p.5)

In consensus with Bailey and Rosati (2013), the review recognised the business case for GDB. Lord Davies found that gender diversity on boards improves corporate performance, achieves better corporate governance, aides a firm in being more responsive to their consumer market and provides access to the widest talent pool\(^{12}\). This section will explore two of the four key dimensions, including a focus on the specific value women bring to the board.

2.2 The Case for a Gender Diverse Board (GDB)

2.2.1 Strengths: Achieving better Corporate Governance

Several literature supports a strong linkage between GDB and stronger corporate governance (Branson, 2007); GDB and corporate decision making (Adams and Ferreira, 2009), (Terjesen,

\(^{11}\) Harvey Nash, 2013. The Balancing Act – A study of how to balance the talent pipeline in business: Inspire

Sealy and Singh, 2009).Whilst not diminishing the importance of the other three dimensions referred to by Lord Davies, this theme has been particularly emphasised in the aftermath of the credit crisis.

The pillar associated with corporate governance such as transparency and accountability are more fortified as there is constructive debate, independent thought and less groupthink (Kim Van Der Zon, 2011).Conceptually, business strategy is likely to be improved as often diversity can enrich customer insight (Kim Van Der Zon, 2011) bringing fresh perspective on complex and problematic issues (Francoeur, Labelle, 2007).

Greater female representation on the board improves the effectiveness of their monitoring and control management (Carter et al, 2003), thereby ensuring that shareholders’ interests are aligned to the objectives of the firm (Adams and Ferriera, 2009). In Hillman and Dalziel (2003), they further state that effective monitoring by the board is achieved when there is an appropriate mix of professional experience and expertise to evaluate in-house management and assess business strategies. However, Adams and Ferriera (2009) balance the view by pointing out that onerous monitoring and control on already strong governance could also lead to excessive oversight and negatively affect corporate performance.

Increasing gender diversity on the board tends to broaden the discussions to better represent the concerns of a wider set of stakeholders. Research shows that female presence on the board fostered a more collaborative approach to leadership, improving communication amongst board members and between the board and management. Interestingly female board members are more willing to pursue answers to difficult questions than their male
counterparts (Konrad and Kramer, 2006); a massive flaw discovered in some of the organisations who were casualties of the financial crisis.

The presence of females on the board seemed to have a reciprocal effect in recruitment and personnel methods as it encourages hiring of future board members from a wider talent pool; thus resulting in more women being recruited. There was also a demonstrable shift in towards the use of search firms, which was likely to reduce the influence of the ever present old boys’ network in the City (Lewis, 2006) and increase selection transparency (Terjesen, Sealy and Singh, 2009). Furthermore, new codified governance requirements to maintain the quality of the talent pool such as succession planning, director induction and training were implemented and adopted earlier on GDBs than all male boards.

2.2.2 Opportunities: Improving Corporate Performance

Whilst there is a gamut of literature highlighting the financial benefits of GDB to a firm, there is recognition of the challenges on how or if parity can be achieved and operationalised.

Empirical evidence has shown a mixed result on the impact of a diverse board on corporate financial performance. Some studies have centred on the positive correlation between a more diverse, fairer and inclusive board and firms’ financial performance (Terjesen, Sealy, Singh, 2009). Research has found that companies with a higher proportion of women in their top management had better return on equity of 10%, stock price growth of 1.8x and EBIT\textsuperscript{13} of 48% (McKinsey, 2007). Firms with GBDs performed better when markets were falling, exhibited less volatility and had lower gearing ratios (Credit Suisse Research, 2012).

\textsuperscript{13} Earnings before interest and tax
In contrast, this correlation has been undermined by Adams and Ferreira (2009). Their studies show no causal link between diversity and performance rather they argue that a diverse board may be an indicator of a well performing firm. Mateos de Cabo and Gimeno (2012) further states that a GDB is also an indicator of a risk adverse and less leveraged firm.

In 2007, Catalyst a US organisation supporting the advancement of women, examined the financial performance of US firms with diverse boards in consumer discretionary, consumer staples, financials, healthcare, industrials, IT and materials sectors. With the exception of the financial sector (which showed different results), the results show on average a higher return on equity (53%), return on sales (42%) and return on invested capital (66%) than those with minimal representation. Moreover, Branson (2007) asserts that regardless of a possible link, financial performance should not be a relevant measure of success as the boards’ role is to monitor not to enhance profitability.

Two observations have been noted from the study conducted by Catalyst – firstly, drilling further into the sector researched by Catalyst it was evident that there was a lack of positive correlation for the return on equity (53%) and return on invested capital (66%) within the financial sector - the focus of this dissertation research. Examples of financial sector firms in the Catalyst sample included American Express, Bank of America, Bank of New York, JP Morgan Chase, Morgan Stanley, Wells Fargo and Wachovia. These banks share similar characteristics to the FTSE 100 Banks within this study sample; in terms of revenues, assets under management and its global reach. Secondly, both McKinsey and Catalyst relates to the pre-credit crisis environment. It is unclear if gender diverse board may derive similar financial benefits in the post-financial crisis environment. This unique variable will not explicitly form part of this study.
2.2.3 What value do women bring to the corporate table?

“The evidence is clear, as is the message: when women do better, economies do better. So policymakers and economic leaders must do better in supporting women. That means we must tear down all obstacles in the path of women, even the subconscious obstacles”\(^{14}\)

Christine Lagarde (2013) - Managing Director: International Monetary Fund

According to John Grey, Men are from Mars and Women are from Venus. So unsurprisingly, female directors contribute different skills, ideas and experiences to their male counterparts on the board.

A recent research by Bart and McQueen (2013) reveals that women have superior innately driven cognitive processes and thinking patterns than men, which leads to significantly better decision making. It is called the “Complex Moral Reasoning” framework. The framework enables women consider the interest of multiple stakeholders to arrive at a fair outcome\(^{15}\), whilst seeking a consensus, collaborative and cooperative approach in decision making. Women are also more inquisitive which leads to more options and outcomes being explored during decision making\(^{16}\).

It is this quality in their decision making that leads to higher rate of returns and more effective risk management when women are present on the board. These qualities are particularly important for the banking sector in light of the financial losses experienced following the credit crisis.


\(^{15}\)This is consistent with Konrad and Kramer (2006)

\(^{16}\)This is consistent with Konrad and Kramer (2006)
Nonetheless concluding this section with the view presented by Terjesen and Singh (2008), while the importance of women on corporate boards has been long acknowledged, females have made only modest gains in terms of directorships on board.

2.3 The Coalition Government – “Primary Stakeholder”

2.3.1 Background

The UK Governments’ support of the GDB initiative was the catalyst for the Review. Prior to the commencement of the Review, there appeared to be an underlying assumption stemming from the governments’ support of the initiative that there was a compelling business case; benefits of which can be leveraged by increasing gender balance on corporate boards. Rightly or wrongly, this assumption the Review resulting in little focus on the fundamental challenge associated with sustaining gender balance on corporate boards.

There appears to be two visible drivers for governmental support in this initiative:

1) First driver - Irrespective of the business case for gender balance on corporate boards, the UK was at deficient levels and lagged other developed EU countries such as Norway and Sweden. A lag widened by the head-start given by the Scandinavian countries in early implementation of gender equality\(^{17}\) government policies (right to vote in Norway and Sweden – 1913 & 1919 respectively compared to 1928 in the UK). Additionally, their egalitarian attitudes towards household responsibilities and government intervention in childcare\(^{18}\)/ parental leave provisions\(^{19}\) to increase female employment participation rates (Jakobsson and Kotsadam, 2009) widened this gap.

\(^{17}\) Norwegian Gender Equality Act 2006
\(^{18}\) Free kindergarten places
\(^{19}\) Maternity (10months) and Paternity (2months)
This has provided a supportive backdrop for GDB agenda in Norway and Sweden, with 90% and 100%\textsuperscript{20} respectively of boards now with female representation.

2) Second driver - Empirical evidence showed that having at least one female director on the board reduces a company’s likelihood of insolvency by 20% as the firm is more risk averse (Professor Nick Wilson, 2011\textsuperscript{21}) and less likely to bet with the company strategies (Bart and McQueen, 2013). Therefore GDB initiative could mitigate the risk of future bank bail-outs that was seen with Northern Rock, RBS or Lloyds Bank(s) during the crisis.

The motivation of the second driver is of particular importance and should not be underestimated. The UK government has a vested interest to protect the taxpayers’ funds by preventing future bank bail-outs including avoiding a collapse of the financial system especially during a cycle of austerity. Within this context, the government are valid “stakeholders” who are seeking to represent the interests of the electorate who elected them - a foundation that underpins every democratic society. Evan and Freemen (1993) defines a stakeholder as an individual or group which can benefit from or harmed by and whose rights can be violated or have to be respected by the firm actions.

2.3.2 Stakeholder Theory

Stakeholder theory requires that firms must balance shareholder interest with that of other stakeholder groups, with particular focus on groups that possess power\textsuperscript{22}, legitimacy\textsuperscript{23} and

\begin{flushleft}
\textsuperscript{22}Defined as the perceived ability of a stakeholder to influence organisational actions
\end{flushleft}
Freeman et al (2008) emphasises that those with legitimate claim on the firms, possessing both power and urgency to enforce the claims are deemed “primary stakeholders”; whilst those without power and urgency are “secondary stakeholders”.

Kochan and Rubinstein (2000) further assert that contributing valued resources whilst putting resources at risk gives one (in this case, the UK government) a moral claim to stakeholder status. Conceptually, by bailing out the banks during the credit crisis the government became a “stakeholder” of banks, possessing multiple vested interests. Hill and Jones (2007) validates this theory by drawing a parallel with the agency model in concluding that in balancing the needs of different stakeholder groups is in the long run interest of the shareholders.

**Figure 3: Stakeholder Model**

---

23 Defined as the perception that the stakeholder’s actions are desirable, proper or appropriate
24 Defined as the degree to which stakeholder claims are perceived to call for immediate attention
As stakeholders, firstly, the UK government sought to protect the invested resources used in prior bank bail-outs. Secondly, they wanted to mitigate the risk of future insolvency (Prof Nick Wilson, 2011\textsuperscript{25}) or bail-outs using taxpayers fund. Thirdly, by improving corporate governance pillars (Kim Van Der Zon, 2011) they needed to prevent a collapse of the financial system and maintain London’s competitive edge as the global financial centre.

Whilst studies demonstrate a link between a GDB and corporate/ societal benefits, to retain balance in this study it is important not to be blindsided by the potential motivations of the coalition government. The government, as stakeholders possess interests of its own. Most notably, they enjoy considerable authority, legislative and institutional power by influencing industry rules (Crane & Matten, 2010) and standards such as the Women on Board Review. They also have a unique political agenda to be re-elected which can supersede the interest of its electorate.

Therefore irrespective of any challenges that may be associated with improving gender balance on boards, arguably the governments’ initiative might have forged ahead regardless to pursue their long term agenda of appealing to and securing female votes for re-election purposes.

2.4 Women on Board Review

2.4.1 Objectives of the Review

Lord Davies of Abersoch was commissioned by the coalition government to review the current barriers preventing women from reaching the highest echelons in UK firms. The aim

of which is to “promote gender equality on the boards of listed companies”\textsuperscript{26} (Women on Board, 2011: p.6).

2.4.2 Weakness & Threats: Findings from the Review

The Review revealed a two-fold challenge. The “threat” challenge is around supply – fewer women than men are coming through to the top level of organisations. The “weakness” challenge focuses on demand – there are women in the UK more than capable of serving on boards who are not currently getting the roles\textsuperscript{27}. To resolve the weakness challenge, the Review developed ten recommendations to ensure more women are recruited to board positions and will not form part of this study.

This study will focus on the threat challenge.

The Review successfully achieved what was commissioned by the Coalition Government – to identify the barriers preventing more women from reaching corporate boards. Additionally they have been instrumental in refocusing the public on issues surrounding diversity in the workplace, specifically gender balance in the boardroom. However GDB is a global issue. Irrespective of educational attainment no country in the world has yet to achieve 100\% gender equality for economic participation and opportunity (Global Gender Gap Report, 2012).


The Review further identifies that there appears to be a “leaking pipeline” of women throughout the workforce hierarchy since the number of men and women who graduate from University are relatively equal. This equality is maintained at junior management levels but then suffers a marked drop at senior management levels. Simply put, firms are investing in developing talented women, only to lose them before they reach senior management levels. The Aviva Board asserts that realistically “for more women to reach the board level we need more women throughout the higher levels of the organisation, creating a stronger pipeline”\textsuperscript{28}, (page 22).

Gleaning from the Norwegian landscape, the long term impact of a lack of board ready females is the notion of “golden skirts” i.e. the same circle of senior women who sit on 8 or 9 Boards at a time as non-executive directors. This negates the benefits of diverse thoughts sought from a gender balanced board. It appears that the Norwegian Gender Equality Act 2006 enacting the quota system has not had the ripple effect of breeding more female representation at the pinnacle of organisations. Global Gender Gap Report (2012) shows that for every man, there are 1.5 women in tertiary education in Norway. Unfortunately this has had limited impact on the issue of golden skirts.

\subsection*{2.4.3 Recommendations from the Review}

The Review set a voluntary target for FTSE 100 firms to achieve a minimum of 25% (currently 21.8% non-executive and 6.1% executive directorships\textsuperscript{29}) female board representation by 2015. Corporate boards in Europe are usually comprised of 15 members which equates to a target of approximately 3.75 females on the board. This target consistent


with Konrad and Kramer (2006) who asserts that having three or more female board members are most effective on the boards as the dynamic is more supportive, less combative and more collaborative.

Whilst this target is not mandatory, it is designed to encourage not coerce gender diversity on corporate boards.

Noteworthy research shows that not all women have the psychological need to be on top or get to the top in the conventional manner. Therefore in this regard, Lord Davies’s target of 25% female should be less about achieving gender parity on corporate boards. According to Eagly (1995), policy initiatives should focus more on equality of opportunity for women and gender representation in all occupations and at all levels.

2.4.4 Theoretical Insights from Institutional Theory

Institutional theory is a prominent lens through which organisational change and processes are interpreted and understood. It serves to motivate the adoption of socially initiated practices.

Ashworth et al (2007, p. 165) asserts that firms are motivated to “adapt their internal characteristics to conform to the expectations of the key stakeholders (the coalition government) in their environment”. Therefore in conforming to the expectations and pressures of the coalition government, FTSE 100 firms can gain legitimacy, stability and resources (Meyer and Rowan, 1977). Additionally, firms that share similar characteristics they yield to the isomorphic pressures that confront them to ensure external support (from the government) and long term survival (DiMaggio and Powell, 1983) in the market place.
Furthermore to ensure survival, the Banks comply by modifying in the direction of the isomorphic pressure i.e. targets set by the Davies Review, ultimately converging and becoming more homogeneous (DiMaggio and Powell, 1983). Therefore providing insight into why the top 100 firms on the FTSE would voluntarily commit to increasing female representation on their boards.

Hannan and Freeman (1984) highlights that the isomorphic pressures from public focus on the Review may alter the “periphery” of the firm i.e. the structures and processes. However argues that it doesn’t quite alter the “core” i.e. the organisations identity and value system (also referred to as its corporate strategy). Hannan and Freeman (1984) views infer the ineffectiveness of the women on boards review to make an impact since the Corporate Governance Code (2012) requires the Board of Directors to be responsible for developing the strategy of its firm,

2.5 Leaking Pipeline of Women in FTSE 100 Banks

2.5.1 Overview

Studies have shown that if more women advance to senior management levels, it would lead to a greater number and percentage of women directors (Broome and Lissa, 2008); ultimately resolving the supply issue identified in the Review.

Empirical evidence there is a great level of female attrition from the UK workforce, not just at senior management levels but through the workforce hierarchy. This is an issue in both developed and developing countries. In a developed country like the US, women represent of 53% of new hires. When promoted, the levels drop to 37% at manager level, 26% at VP/Senior Executive level and at the Executive levels it drops to 14% (McKinsey, 2011).
Similarly in a developing nation such as Nigeria; females occupy 42% of junior banking jobs. This diminishes to 31% and 27% respectively at middle and senior management levels.

Understanding the issue and addressing the cause of the “leaking pipeline” is important because improving women’s progression from middle to senior management has a multiplier effect. It can resolve the supply issue by sustaining a qualified pipeline of board ready women, whilst maximising the corporate governance (Branson, 2007) and corporate performance (Terjesen, Sealy, Singh, 2009) benefits associated with a GDB. From an economic perspective, research shows that gender diversity in business can potentially increase overall UK GDP by 2% and generate £2bn in revenues. Furthermore it can reduce the high cost of employee attrition, which could be as much as £15m per 10,000 employees (Ioannidis, 2010).

A few studies have explored the reasons for the leaking pipeline. These studies have centred around three main themes – the conflict between work and non-work life flexibility, the organisational barriers and lastly unsupportive government policy. Firstly, the work and non-work conflict refers to women’s need to be relational and connected with others (Gilligan, 1982) where their career decisions are strongly influenced by its impact on their ability to care for children and elderly parents or to relocate because of a spouse’s (Powell and Mainiero, 1992). Secondly, the organisational barriers refers to masculine nature of work environment and structure (Maier, 1999) such as inflexible working practices and hours, lack of strong support network or role models (Singh et al, 2006), lack of advancement in skill/opportunity due to lack of access to hot jobs (Catalyst, 2012) and gender gap in pay/level.

---


31 Alexander Mann, 2013. Focus on the Pipeline – Engaging the full potential of female middle managers
Thirdly, unsupportive governmental policies refers to the limited access to subsidised nursery, inflexible working patterns (Credit Suisse Research, 2012); and UK opt-out for the EU 48hrs limitation on working hours. Mainiero and Sullivan (2005) asserts that the leaking pipeline of women cannot be attributed to one factor but has been caused by a combination of factors including work/ non work conflict, lack of career advancement, generational differences, changing work values and discrimination in the workplace.

An emerging theme highlighted by Sandberg (2013)\textsuperscript{32}, and some business commentators is the notion that some women leave the workforce before they have to leave. The leaking in the workforce hierarchy occurs after a series of career limiting decisions women make through the cause of their careers, sometimes for unborn children leading to frustrations and departure.

Within the context of improving gender balance on board, Lord Davies acknowledges the leaking pipeline challenge and the corresponding consequence of the themes highlighted above. However these risks, whilst not unimportant were considered to be a wider issue of women in the workplace and outside the mandate commissioned by the coalition government. At this juncture, the case for GDB means that the leaking pipeline of talented females cannot be neglected if the UK is to maintain their competitive advantage in Europe.

The preceding review of literature has led to the discovery of the Kaleidoscope Career Model which would seek to provide a different perspective and understanding into the leaking pipeline of women phenomenon. This study was done in the US and to date has yet to be tested in the UK, to my knowledge.

\textsuperscript{32} Sandberg, S., 2013. Lean In: Women, Work and the will to lead. Random House Inc
2.6 Kaleidoscope Career Model\textsuperscript{33}

2.6.1 Introduction

Kaleidoscope Career Model was developed in the US by Mainiero and Sullivan following extensive research into male and female careers in 2006. In their research, they found that there is a leaking pipeline through the workforce hierarchy because women opt out of their careers. Mainiero and Sullivan found that the reason why women opt out was more complex than originally thought by previous studies. In understanding the reason, this phenomenon should be viewed from the lens of the female career pattern which differs to that of men.

Two main suggestions have been made:

1) Women do not always leave the workforce for family reasons\textsuperscript{34} but for some it an excuse to leave a dissatisfied career

2) When women opt out of their career it is not always forever\textsuperscript{35}

In this study, these suggestions will be in conjunction with the research question

2.6.2 What is a Kaleidoscope Career?

It is a “career created on your own terms, defined not by corporation but by your own values, life choices and parameters” (Mainiero and Sullivan, 200, p.111). The model developed by Mainiero and Sullivan insightfully reveals how career decisions of men and women are based

\textsuperscript{34}Ibid, Page 38. Other reasons for opting out – medical crisis, lack of challenge, corporate downsizing, desire to travel and education
\textsuperscript{35}Ibid, Page 34. Some leave the workforce for good, some return once children are older, whilst others opt out of full time employment but work part time.
on the shifting importance of challenge\textsuperscript{36}, balance\textsuperscript{37} and authenticity\textsuperscript{38} across one’s lifetime. These parameters are the lens through which career decisions are made and career patterns are formed. Whilst men and women view their careers through the same lens i.e. challenge, balance and authenticity, it is often done at different life stages and different order.

Men tend to follow an “alpha career\textsuperscript{39}” pattern which is linear. This focuses on challenge in early career\textsuperscript{40}, authenticity in mid-career\textsuperscript{41} and balance in late career\textsuperscript{42}. Whilst women tend to follow a “beta career\textsuperscript{43}” pattern which is non-linear, complex and marked by shifts, changes, transitions and compromises. It is often characterised by a focus on challenge in early career, balance in mid-career and authenticity in late career; and this was true for women with or without children or husbands.

**Figure 4: Kaleidoscope Career Model**

\textsuperscript{36} Ibid, Page 118. This parameter reflects a worker’s need to learn, to develop as a person, and to find stimulating, exciting work.

\textsuperscript{37} Defined as making decisions so that the different aspects of one’s life both work and non-work form a coherent whole.

\textsuperscript{38} Ibid, Page 115. This parameter describes being genuine and true to one’s self, knowing one’s strength and limitations and acting on the best information at the time.

\textsuperscript{39} Displayed by individuals who were strongly focused on their careers

\textsuperscript{40} O’Neil and Bilimoria (2005) - described as ranging between the age of 25 and 35

\textsuperscript{41} O’Neil and Bilimoria (2005) - described as ranging between the age of 36 and 45

\textsuperscript{42} O’Neil and Bilimoria (2005) - described as ranging between the age of 46 and 60

\textsuperscript{43} Displayed by individuals who had made adjustments in their careers to have a more balanced family/ non-work life vs. their careers
From the Kaleidoscope Career Model perspective, the starting point to understanding why women’s career patterns and choices differ from men is that women are relational in nature, both personally and professionally. Their careers are contextualised within an intricate web of connected issues and people. Women adjust to find the structure that fits their particular circumstances, even if the choices defy typical definitions of career. For instance on the personal level, women make career decisions with the desire to simultaneously negotiate their needs along with those of family, friends and others. Whilst on the professional level, women possess a collaborative and team work style of interacting which can be seen as a shortcoming when viewed from the traditional male career lens often associated with independent action. This career pattern is a sharp contrast to the traditional career stage model such as Super (1957) (*designed with men in mind*) which tends to be based on a linear career pattern.

Organisational career paths have failed to understand these gender differences, rather they have inadvertently forced women into the traditional linear mould of long working hours; a proxy for superior performance and commitment to the firm. Frustrations created by inflexible corporate policies and expectations, unfortunately have led to many successful and talented women opting out of their careers, sometimes are crucial points but at an immeasurable cost to the firm.

Mainiero and Sullivan (2006) emphasise that until traditional career models cease to be the norm, leaking pipeline of women may endure.

Kaleidoscope Career Model has been used to provide insight to the cause of the leaking pipeline of women through the organisational hierarchy. Coincidentally, it has provided two
further insights. Firstly, men generally thrived in mid-careers to late careers and progressed up the hierarchy because of their willingness to have “authentic” careers. They seek out organisations or professional which enabled their internal values to be aligned with that of the employing organisations. This differs from careers of some women who seemingly opt for careers that provide convenience such as work/ life balance. Bart and McQueen (2013) assert that women will be more effective if they are simply authentic and use their innate skills.

Secondly, men have greater chances of a board appointment as they do not incur career interruption to birth children or care for family. This enables them to strongly pursue the career stage of “challenge” well past the age of 50. This is longer than most women can accomplish as they slow down to make room for relational aspects of their lives.

Mainiero and Sullivan’s Kaleidoscope Career Model provides a credible insight into the root cause of the leaking pipeline in the UK. Their research was based in the US with interviews conducted with men and women in professional jobs across a range of sectors such as sales, marking, manufacturing, telecommunications entertainment, education, legal, banking, medical, science and e-commerce. However this research will be distinct in that it will test this model within the UK focussing on the banking sector only. Examining female employees from Barclays, HSBC, RBS and Lloyds banks, we review the Kaleidoscope Career Model as the theoretical framework for exploring the root cause in women lives of the leaking pipeline.
CHAPTER THREE – RESEARCH METHODOLOGY

This chapter highlights the research methodology that is used to address the research question in this study. The approach used for data collection and analysis are also identified and supported with justification of choice.

3.1 Background

This study focusses on the leaking pipeline of women in the workforce hierarchy within FTSE 100 Banks. It serves to address the gap in current research by empirically examining the root cause of the “leaking pipeline” of women in the UK leading up to senior management levels, and its potential threat to achieving and sustaining gender balance on boards.

Table 1: Summary of Research Methodological Considerations

<table>
<thead>
<tr>
<th>Considerations</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research Aims</td>
<td>To identify the root cause of the leaking pipeline of women in the workforce hierarchy</td>
</tr>
<tr>
<td>Research Question</td>
<td>Within the context of improving gender balance on corporate boards, why is there a leaking pipeline of females in the workforce hierarchy at FTSE 100 Banks such as Barclays, HSBC, Lloyds and RBS?</td>
</tr>
</tbody>
</table>
| Research Insights      | **Insight 1**: Females do not always leave the workforce for family reasons but for some it an excuse to leave a dis-satisfied career. Other reasons for opting out – medical crisis, lack of challenge, corporate downsizing, desire to travel and education  
**Insight 2**: When females opt out of their career it is not always forever. Some leave the workforce for good, some return once children are older, whilst others opt out of full time employment but work part time |
| Research Approach      | Qualitative exploratory approach |
| Data Collection        | Semi-structured interviews |
| Sample                 | 12 females from Barclays, HSBC, Lloyds and RBS Banks - three females from each bank |
| Data Analysis          | Deductive analysis and manual coding to establish patterns |
Due to the gap in the literature, the following research question has been formulated to provide insight into the leaking pipeline of women phenomenon in the workplace.

**Research Question**

RQ1: Within the context of improving gender balance on corporate boards, why is there a leaking pipeline of females in the workforce hierarchy at FTSE 100 Banks such as Barclays, HSBC, Lloyds and RBS?

**3.2 Research Approach**

Research methodology is a body of tools that entails the way research will be carried out and it is critical to any study. It is important to understand the nature of the research and the intended aim as this will determine the methodology to be used (Silverman, 2000; Shaw, 1999).

There are two types of research methods: qualitative and quantitative. The type of approach selected will depend on the type of study being undertaken and its purpose. In this study into the root cause of the leaking pipeline of women in the workforce hierarchy, qualitative method will be the principal approach used in this research. The merits of this approach is that it provides an understanding into the meaning people have constructed, how they see their world and the experiences they have in the world (Merriam, 2009).

Using semi-structured face to face interviews, we shall provide an account of participants’ behaviour, perception, meanings and interpretations they give to relevant events that have occurred. In addressing the research question, this method is particularly useful as it
illuminates the underlying motivations of participants; whilst examining how they seek to
resolve any conflicting motivations in the choices they make.

**Advantages of qualitative research:** This method is advantageous as it allows for more
detailed investigations into particular issues, including how the issue can have a unique
impact on and unique response by the participants. Data from this method is rich, full, earthy,
holistic and real (Miles, 1979).

### 3.2.1 Research Purpose

The purpose of this study is exploratory as it seeks to identify key issues and provide
understanding. Within the context of gender balance on boards, the study into the leaking
pipeline of women and its root cause is relatively new. However in-depth understanding in
this area is vital as it will inform any new organisational practice and policy implementation.

### 3.3 Data Collection

The method applied in data collection can be primary or secondary. Research information
gathered by the researcher themselves through interviews are considered to be primary data.
Whilst research performed using literature, articles that was previously collected by other
researchers is considered to be secondary data. The data collection method used in this study
is from face to face interviews conducted during June and July 2013, and is considered
primary data.
Interviewing is a powerful way of helping people to make explicit things that have been hitherto been implicit (Arksey and Knight, 1999). It enables the researcher gain access to events and unique insight into how each participant views the world (Ryen, 2002) and useful where there is an exploratory element to a study. Therefore through in-depth semi-structured interviews comprising of open-ended questions to encourage input, research data was collected. The unique insight into the perspective, perception and personal motivations of the women interviewed, usually associated with in depth interviews adds a rich dimension to the data collected.

**Advantages of Interviews:** Interviews, particularly semi structured interviews encourage participants to talk freely about events, behaviours and beliefs; thereby giving new insight to the research area. In comparison to other qualitative research methods such as focus groups, interviews can be very time consuming to conduct and expensive to transcribe notes. However, given the value gained from hearing participants speak and watching them reflect, this method seemed the obvious choice.

### 3.3.1 Sample

Data was collected from women currently working at or who had previously worked at four FTSE 100 banks. FTSE 100 firms are the top 100 companies listed on the London Stock Exchange with the highest market capitalisation. They represent about 81%[^44] of the market capitalisation of the whole London Stock Exchange. Therefore the potential impact and benefits of diversity on their corporate boards are quite significant, especially given the prominence of London as a world finance centre.

The sample consisted of twelve women from Barclays Bank, HSBC Bank, Lloyds Bank and Royal Bank of Scotland ("participants"). Whilst the sample does not represent the entire composition of FTSE 100 firms they were selected for two reasons:

- Banks comprise of 11.77% of the FTSE 100 Index and the second largest sector besides Oil & Gas at 16.04%.\(^\text{45}\) Therefore, it is significant.
- With the exception of Standard Chartered Bank, all banks in the FTSE 100 Index have publicly made a voluntary commitment to increasing female representation on their corporate boards by 2015. Barclays and HSBC both pledged a 25% target by 2015, Royal Bank of Scotland (RBS) pledged a 25% target by 2013 whilst Lloyds pledged a higher target of 30% by 2015.

Excerpts demonstrating the commitments made by the Banks in the sample:

- Barclays Bank Plc - “Barclays is supportive of Lord Davies’ recommendations in his report Women on Boards which highlight the need for more female representation on Boards”….

  The Barclays Board fully embraces the benefits of diversity and will strive to continue to increase the diversity of its Board, including by appointing more female Directors, while always ensuring that all Director are appointed on merit”\(^\text{46}\)

- HSBC Holdings Plc - “Shareholders will be pleased that we are at the leading edge of attaining such representation already. From the conclusion of this meeting, our four


women directors will comprise 23.5% of our Board, and 30% of our independent
directors, and we fully expect to exceed the target set for 2015”\textsuperscript{47}

✓ Lloyds Group - “.....welcomes and publicly supports the Davies Review. The Board
has committed to show demonstrable progress towards the goal of achieving at least
25% (and ultimately 30%) female representation on the Board by 2013 and expects to
meet this by 2015.”\textsuperscript{48}

✓ RBS – “RBS is supportive of the recommendations of Lord Davies' Report and
recognises the importance of women having greater representation at key decision
making points in organisations, particularly in the banking industry.... RBS expects to
meet the aspirational target of 25 per cent female board representation in 2012 and
will continue to aspire to meet or exceed this standard”\textsuperscript{49}

3.3.2 Data Procedures

To identify willing participants for the study, a request for participation was sent to members
of the Women on Boards Chapter of the Women in Banking and Finance (WiBF)
organisation in London (see Appendix). I am currently a member of this organisation. Some
of the participants came from WiBF, others from professional contacts in my network.

To mitigate bias, three participants were drawn from each Bank. Each interview conducted
lasted between 1hr – 1.5hrs. Consent was sought from the participants for the interview to be
recorded. This ensured the interview took a conversational approach. The opportunity for

\textsuperscript{47} Lord Davies of Abersoch, 2011. Women on Boards - 6months Monitoring Report [Online] Available from:
https://www.gov.uk/government
\textsuperscript{48} Freshfields – Women on Boards, May 2012, page 6
\textsuperscript{49} RBS Board Diversity Statement [Online] Available from: http://www.rbs.com/about/corporate-
governance/board-diversity-statement.html Accessed on 12\textsuperscript{th} August 2013
enhanced rapport gained from this approach encouraged openness and discussion of confidential matters without fear. The tape was transcribed personally to ensure accuracy and cost efficiency whilst allowing the opportunity to analyse the data whilst transcribing. This approach gave me a better feel of the data as the study progressed. The tape, transcript, notes and its findings were kept confidential and in safe storage.

During the data collection process, efforts were made to ensure validity, reliability, consistency, accuracy and neutrality was maintained throughout the interview process. The one to one interactions between me and the participants ensured responses were free from peer pressure and influence.

**Table 2: Age Range**

The age group of the participants are shown below; with the majority of the participants i.e. 50% being between 36-45years and the minority, 8.3% being between 25-35years.

<table>
<thead>
<tr>
<th>Age</th>
<th>Barclays</th>
<th>HSBC</th>
<th>Lloyds</th>
<th>RBS</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>25-35yrs</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>8.3</td>
</tr>
<tr>
<td>36-45yrs</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>50</td>
</tr>
<tr>
<td>46-60yrs</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>41.7</td>
</tr>
<tr>
<td>Total</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>100%</td>
</tr>
</tbody>
</table>

**3.3.3 Data Collection Approach**

The aim was to examine, from the vantage point of women, the root cause of the leaking pipeline through the workforce hierarchy. It is worth reiterating that the Review attempted to explore this issue, albeit mildly. However the Review presented little solution to this
identified issue but recognised that child care, work life balance and flexible working had a contributory impact on the leaking pipeline issue.

The interviews used various questions to gain an insight (see Appendix), with particular focus on responses from participants who had taken career breaks at some point in their careers.

Using the topic of career break to illicit responses (maternity leave was excluded from the definition of career break), the interview questions include:

1) Can you provide some details around the circumstances leading to the career break?
2) In your early career, what were your career aspirations and were they realised?
3) What factors (internal or external) have impacted your career?
4) Do you aspire to sit on a Board in future?
5) What practical solutions from the government, your employers and at home would support your continued participation in employment such that you would be able to progress to Board level?

**Theoretical Framework - The Kaleidoscope Career Model:** The Kaleidoscope Career Model was based on a US sample with interviews conducted with men and women in professional jobs within sales, marking, manufacturing, telecommunications entertainment, education, legal, banking, medical, science and e-commerce. This model will be applied to the UK Banking context, whilst providing the theoretical framework to establish the root cause of the leaking pipeline of women through the workforce hierarchy.
Mainiero and Sullivan’s Kaleidoscope Career Model provides a credible insight into the root cause. They found that there is a leaking pipeline through the workforce hierarchy because women opt out of their careers i.e. voluntarily leaving their careers.

Contrasting previous studies, the Kaleidoscope Model recognised that the reason why women opted out of their careers was more complex and went beyond the need for child care, work/life balance and flexible working. In addressing this complexity, these two insights were identified.

**Insight 1:** Women do not always leave the workforce for family reasons but for some it an excuse to leave a dis-satisfied career. Other reasons for opting out – medical crisis, lack of challenge, corporate downsizing, desire to travel and education

**Insight 2:** When women opt out of their career it is not always forever. Some leave the workforce for good, some return once children are older, whilst others opt out of full time employment but work part time.

### 3.4 Data Analysis

#### 3.4.1 Background

This process is a rigorous set of procedures designed to identify and examine patterns from textual data in a way that is transparent and credible. It also involves coding these patterns whilst interpreting the structure and content of the theme, with the aim of testing against the theory or themes.

In analysing primary data, it can either be collected to verify theories/themes or data can be collected to build theories. The former is referred to as deductive approach and the latter is the inductive approach. The deductive analysis is the process adopted when analysing data
derived from interviewing the participants. Ghauri et al (1995) asserts that this approach is useful when working out themes and theories which go on to be tested by data collected. Using a deductive approach in the data analysis, the key themes will be highlighted and relevant excerpts provided to substantiate and validate.

In identifying these themes, one draws on two sources of evidence – explicit and implicit explanatory accounts. Explicit accounts refer to issues identified by the participants themselves whilst implicit accounts, my chosen approach, represent issues identified by myself, through manual coding and interpretation.

It is worth noting that qualitative research method can present a host of challenges during data analysis. Data collected is usually unorganised and unprocessed when compared to quantitative data. To find patterns and themes within the “leaking pipeline” agenda and to facilitate effective verification of Insight 1 & 2, the findings were manually coded to generate the bones of the analysis (Charnaz, 2006). The transcripts were examined to identify similar phrases, common sequences, and the relationship between the themes. Finally participant’s responses were verified against three main areas below:

- The Research question
- Theoretical Framework - Kaleidoscope Career Model
- Insight 1 & 2

These have been outlined in the next Chapter.
3.4.2 Interpretation of Data

During data analysis, I was able to understand the meaning of the data in terms of the events described by the participant, the significance of the events and its significance; in terms of theory and policy.

3.5 Ethical considerations

During this study, the following ethical considerations were adhered to:

- Participants from the four banks were not mentioned by name, however direct excerpts from the interview were used. Consent was obtained.
- Personal data rights of participants (Data Protection Act) were complied with.
- The participants were notified that the semi-structured interview will be recorded and their consent obtained.
- Participants were allowed to withdraw their contribution at any stage during the study, prior to publishing.
- Transcripts of the interview were done personally and retained only for the purpose of the study. The recording was destroyed once transcribed.
- No individual with a vested interest in the outcome of the research was permitted to participate in the study.
- At every stage of the research process, I endeavoured to ensure that the findings will not pose any harm to the participants, Birkbeck College or myself.
CHAPTER FOUR – OUTLINE OF KEY RESEARCH FINDINGS

This chapter provides a detailed outline of the findings from this study, using the results from the analysis of data collected during the interviews to substantiate the findings. The data refers to responses from 12 participants from the four banks sampled. A few excerpts from the participants’ responses during the interviews are presented to validate and strengthen the findings. To increase anonymity, the excerpts will not be attributed to any named individual or Bank.

4.1 Background

Lord Davies Review recognised that there is a lack of board ready women. This has been attributed to the leaking pipeline of women in the workforce hierarchy. It is clear that failure to address it can impact the ability to achieve gender balance at the highest echelons of an organisation.

The interviews conducted seek to examine the root cause of the leaking pipeline identified in the Lord Davies Review.

In the following sections, the participants’ responses will be verified against:

- The Research question
- Theoretical Framework - Kaleidoscope Career Model
- Insight1 and Insight2
4.2 Research question

To understand the root cause of the leaking pipeline, during the interviews conducted it was necessary to establish the number of participants who had ever taken a break during their career for reasons other than maternity leave.

**Question 1** was used to establish whether the participant had opted out of the workforce at any point during their career. This was used as the key indicator for the leaking pipeline. Where there was a positive response by a participant, **Question 2** was used to examine the reasons for the career break - an insight into the root cause of the leaking pipeline. The ability to investigate further into issues as they arise is a unique advantage offered by semi-structured interviews.

**Key:**

Q - Question

R - Response

**Q (1):** Have you ever had a break in your career? What was your experience in the time leading up to it and during the break?

**R (1) (from the sample):** Eight out of the twelve participants interviewed had taken a career break during the course of their career. Only one participant had taken more than one career break. These participants will be known as the “career break” sample.
Table 3: Career Break

<table>
<thead>
<tr>
<th></th>
<th>Barclays (%)</th>
<th>HSBC (%)</th>
<th>Lloyds (%)</th>
<th>RBS (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>100</td>
<td>66.67</td>
<td>66.67</td>
<td>33.33</td>
</tr>
<tr>
<td>No</td>
<td>0</td>
<td>33.33</td>
<td>33.33</td>
<td>66.67</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

All i.e. 100% of the participants from Barclays Bank had taken a break from their career at some point, whilst RBS was in the minority with only 33.33%.

**Q (2):** If YES (to a career break), provide some details around the circumstances leading to the break i.e. when, why and for how long.

**R (2) (from the sample):** Of the career break sample i.e. 8 out of 12 women interviewed, six participants had been made redundant; one requested a career break following a traumatic family bereavement and another decided not to return to work after her maternity leave.

This is an interesting finding as there is a gamut of research highlighting that women opt out of the workforce due to inflexible working patterns and child care issues.

Majority of the redundancy group, the majority attributed their departure from the workforce as a consequence of the recent global financial crisis. This is an unsurprising finding since the global crisis impacted numerous countries and sectors. However, a surprising finding from one of the participants was the underlying frustrations she felt as a result of the surrounding circumstances leading to the redundancy.
She felt there was a link between the redundancy and the masculine culture within banking. She states that although her manager acknowledged her stealer performance, her “achievements didn’t seem to count”. She was criticised because she “never looked flustered or hurried....dressed in colourful clothes, they wanted to see me in more serious colours and I was deemed frivolous”. Although she escalated it she was told to “suck it up and not make a fuss about it otherwise it would have detrimental impact on you. Within six months they had asked me to leave”. Although she returned to the workforce she is currently considering “leaving for good” as she is “disenchanted with corporate world due to the political compromises we (women) have to make”. She continues, “Men and women do not have the same rating scale” as “I have to be three times better at my job than a man” and “men still get promoted over us”. Also “when men do a thing wrong, it doesn’t come back on them in the way it does to women”.

She alludes to the fact that in banking, promotions and reward is structured in a way that recognises individual contribution therefore “success is not shared as one person gets credit for it”. This “ends up with a competitive structure not a collaborative structure” at work.

This individualistic environment conflicts with the innate collaborative quality generally possessed by women (Konrad and Kramer, 2006: Mainiero and Sullivan, 2006).
**Q (3)**: What was your experience in the time leading up to it (the career break) and during the break?

**R (3)** (from the sample): The response from the participant who **decided not to return after her maternity leave** demonstrates the complexity surrounding the root cause of the leaking pipeline.

She explains how she “felt there was a lack of commitment by the bank to the work I was doing...there was very little visibility and it was not rewarding”. She continues, “initially when I left, I thought (removed the banks name) was not the right place for me but after interviews with other organisations, I felt private banking was all the same elsewhere. I felt as a working mother I might be able to commit to the work in the way I want”. She highlights the pressure she has felt from other women as “my peers think I am selling out for staying home”. Ironically in spite of her decision not to return to the workforce, she is currently sitting on two charity boards as “I like the fact that I can keep my skills sharp and free but in a far less time commitment way”.

### 4.3 Theoretical Framework - Kaleidoscope Career Model

This career model describes how men and women’s desire for challenge, balance and authenticity occur at different stages in their careers. In early, mid and late career, men strived for challenge, authenticity and balance; whilst women strived for challenge, balance and authenticity, respectively.
Table 4: Career Stage

<table>
<thead>
<tr>
<th>Career Stage</th>
<th>Barclays</th>
<th>HSBC</th>
<th>Lloyds</th>
<th>RBS</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Early Career</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>8.3</td>
</tr>
<tr>
<td>Mid-Career</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>50</td>
</tr>
<tr>
<td>Late Career</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>41.7</td>
</tr>
<tr>
<td>Total</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>100%</td>
</tr>
</tbody>
</table>

From the interviews conducted, it was observed that 100% of participants in early career strived for challenge, 83.3% of those in midcareer strived from balance, and only 40% of those in late career claimed that they strived for authenticity. This finding is important as the early and mid-career participants were consistent with Kaleidoscope Career Model\textsuperscript{50} whilst those in their late career were mostly inconsistent.

See excerpts below:

1) Early Career – 100% aligned with Kaleidoscope Career Model (representing 1 participant)

<table>
<thead>
<tr>
<th>Career Stage</th>
<th>Age Range</th>
<th>Career Need</th>
<th>Number of Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Early Career</td>
<td>25 - 35yrs</td>
<td>Challenge</td>
<td>1</td>
</tr>
</tbody>
</table>

"I want to rise through the ranks and I have taken stretch roles to do that" "I also want to sit on a board in future and in preparation I have done a roadmap to see what skills are needed to be a board member. I am now seeking roles that will give me the right experiences"

\textsuperscript{50} Men tend to follow an “alpha career” pattern which is linear. This focuses on challenge in early career, authenticity in mid-career and balance in late career. Whilst women tend to follow a “beta career” pattern which is non-linear, complex and marked by shifts, changes, transitions and compromises. It is often characterised by a focus on challenge in early career, balance in mid-career and authenticity in late career.
2) Mid-Career – 83.3% aligned with Kaleidoscope Career Model (representing 5 participants)

<table>
<thead>
<tr>
<th>Career Stage</th>
<th>Age Range</th>
<th>Career Need</th>
<th>Number of Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mid-Career</td>
<td>36 - 45yrs</td>
<td>Balance</td>
<td>6</td>
</tr>
</tbody>
</table>

1st Participant: My career “aspirations have changed since the little one and family arrived”. “I try and keep learning but at pace….try not to burn myself out…..so trying to balance things out”.

2nd Participant: “I desire to have a more balanced life, raise a family and be fulfilled professionally”.

3rd Participant: “I appreciate my modern boss who allows me to work flexibly as long as I deliver on my objectives”.

4th Participant: As a working mother “I might not be able to work in the way I want…emotionally I felt the pull to stay home with my kids as they won’t be babies forever”.

5th Participant (at age 45, she is on the cusp of mid and late career): In previous job roles, she sought flexibility but "with my son older now, I am more flexible in the roles I can take”.

3) Late Career – 40% aligned with Kaleidoscope Career Model (representing 2 participants)

<table>
<thead>
<tr>
<th>Career Stage</th>
<th>Age Range</th>
<th>Career Need</th>
<th>Number of Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Late Career</td>
<td>46 - 60yrs</td>
<td>Authenticity</td>
<td>5</td>
</tr>
</tbody>
</table>

1st Participant: “Now that I have got older, I think how do I focus all my various experiences in an organisation and bring all that competency to help the organisation”
2nd Participant: Although she is consulting right now, she says "I miss being part of a team as I like to see an initiative from start to finish"

4.3.1 Insight 1 & 2

Contrary to the findings in the Review and other literature, Mainiero and Sullivan (2006) assert that the reasons why women opt out is complex and it goes beyond work/life balance, flexible working and child care issues. It is crucial that these reasons are not assessed through the lens of the male but through the lens of the female career pattern. Only then can the true complexities be established.

In this section we shall examine these complexities, using the participants’ responses as a proxy to provide this insight.

4.3.1.1 Insight 1: Women do not always leave the workforce for family reasons but for some it is an excuse to leave a dis-satisfied career. Other reasons for opting out – medical crisis, lack of challenge, corporate downsizing, desire to travel and education

This study found that 100% of the “career break” sample opted out of their careers for reasons other than family. The only participant who didn’t return after maternity leave appeared to have complex motives for her career break. During the interview, she initially stated that she “felt the pull to stay home with my kids as they won’t be babies forever” stating how it “was not a career decision to leave but I did it for my kids”. Then she went on to say how “I had reached the height of my pinnacle at (removed the banks name)” and “there was no challenge".
In the next sections, we shall further explore the complexities around voluntary i.e. opting out and involuntary career breaks.

**Involuntary Career Break:** For majority of the participants i.e. 6 out of 8, the career break was not voluntary or self-imposed. Therefore one would argue that the participants did not opt out.

Unfortunately when some participants returned to the workforce, they experienced an adverse impact on their careers. When one of the participant who was made redundant, was asked about her experience when she returned to work, she replied by highlighting the financial impact “I had to take a pay cut and a more junior role to ease my re-entry into the industry”. Another participant frustrated at her career progression post redundancy, stated how her “MD status is 10 years overdue”. Sadly whilst for another participant, the redundancy has impacted her confidence as she “keeps seeking validation (from her manager) that the quality of her work is good” in her new job role.

**Voluntary Career Break:** For some of the participants, where the career breaks appeared to be voluntary and strategically self-imposed, financial buoyancy made it possible for them to opt out or consider opting out of their careers. They cited studying, career frustrations, death of a parent as reasons for opting out. One participant said, “I had money” and thought “I don’t need this crap” referring to when she was considering a career break. “I was going through a lot emotionally and decided to apply for career break and got it”. Another participant who is considering a career break due to work frustrations said, “we are selling our current property and buying another mortgage free”. Referring to this healthy financial
position, she asserts that this “opens up another world for me...I can do things less for the money”.

One participant who would have considered a career break, decided against it “due to financial pressures”

4.3.1.2 Insight 2: When women opt out of their career it is not always forever. Some leave the workforce for good, some return once children are older, whilst others opt out of full time employment but work part time.

All the career break participants sampled (100% i.e. 8 participants) had returned to work or expressed a strong intention to return. There was no intention of the sample to opt out of their careers forever. Each participant returned or intended to return to the workforce once the reason for the departure had been resolved. 75% (6 out of 8) of the career break sample who involuntarily left the workforce due to redundancy returned once they found suitable employment. 12.5% of the career sample returned following her voluntary break due to bereavement. 12.5% of the career break sample had not yet returned to work as she was on extended maternity leave but expressed a strong intention to return to the workforce so that she may continue utilising their professional skills. Continuing with the participant who did return after her maternity leave, it was clear from previous statements that although she left her job, she has stayed in the workforce albeit in the different way. She is currently sitting on charity boards.

One of the participants stated that prior to her career break, her job was no longer rewarding “but starting my own business will be rewarding”. Another participant stated that after her
her career break “I intend to go back to my career but in a different way” “a more flexible way...in a way that is more rewarding for me”. She emphasises that she “wants to decide who she works with, types of clients she works with”.

4.4 Key Themes identified during the Study

Supportive Partners: All of the participants who had children emphasised the benefits of having supportive partners.

Table 5: Sample with Partner/ Husband

<table>
<thead>
<tr>
<th>Number</th>
<th>Barclays</th>
<th>HSBC</th>
<th>Lloyds</th>
<th>RBS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>2</td>
<td>3</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>No</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
</tbody>
</table>

Table 6: Sample with Children

<table>
<thead>
<tr>
<th>Number</th>
<th>Barclays</th>
<th>HSBC</th>
<th>Lloyds</th>
<th>RBS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>1</td>
<td>3</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>No</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
</tbody>
</table>

This support was considered instrumental in enabling them stay in the workforce; and ultimately reaching board level. When one participant was asked to describe some of the factors that supported her career aspirations, she responded emphatically a “very supportive husband definitely helped my career”. The support rendered was not limited to emotional
support but appeared to include practical support. One participant described her husband as her “rock as he is very supportive and can step in to deal with childcare”.

In the majority of cases, their husbands had flexible working patterns which made it easier for them to render this support. This includes self-employment and flexible working arrangements from their employers.

This group made up 66.67% of the overall sample and therefore a significant finding.

**Flexibility and Balance:** The need for flexibility and balance in the lives of the participants was observed to be a common theme. The main viewpoint generally portrayed by policy makers, government and business commentators is that flexibility and work/life balance is a mummy requirement usually sought to alleviate child care issues. Whilst that might be true in certain cases, this study observed that flexibility and work/life balance was needed for a host of other reasons besides child care. Once participant said, “dad was ill so I sold my house to live with my parents as I didn’t know how long he had left. I asked for flexible working to care for him...” Another participant who had grown up children chose a less satisfying job because it offered work life balance. She said “I was told that I’ll have work/life balance and that was a deciding factor as I had another offer (job) on the table for a job I really wanted. My daughter is sitting her GCSE exams and I needed the flexibility to be there for her”.

Ironically one of the participants seeking balance in her current role did not have a partner or children. She was said “I now desire a more balanced life to raise a family”. This desire was not connected to a current child care need. Therefore it is necessary for policy makers to
consider that the need for flexibility and work/life balance impacts the entire workforce not just women with children. For example, Gen Y men value family and they are willing to make adjustments for the sake of balance. McKinsey (2007) found that more men than in the past are asking questions about how they are going to integrate active parenthood with their professional lives. Whilst analysis of the Gen Y population will not form part of this study, this insight might inform some of the future policies implemented in this space.

This group made up 50% of the overall sample and therefore a significant finding.

**Masculinity of the Banking sector:** In a recent report, the government recognises that the “culture of the trading floor is overwhelmingly male”\(^5^1\). As the “people who work in an industry have an impact on the culture of that industry”\(^5^2\), the report focussed both on the higher male representation and on the masculine culture. This report is consistent with the findings in this study.

When one participant was asked to describe what factors impacted her progression through the workforce hierarchy, she said it was because “the banking industry is gender polarised at the executive management level”. One participant also emphasised the impact of gender polarisation saying “it is still a male dominated industry and therefore I saw my male colleagues being promoted ahead of me”. For two participants, they felt that performance is also measured in a masculine way. One stated that in seeking “help and direction from my


manager, this is seen as weakness” whilst another participant stated that “competition rather than collaboration” is rewarded.

For this reason, another participant went on to say that “I have not seen anyone who inspires me. There is a lack of ethnic minorities at the top and mostly male dominated”

This group made up 50% of the overall sample and therefore a significant finding.

Ethnic Minority Women Challenge: Underpinning the GDB initiative is the need for diverse thoughts, skills and experiences on the Corporate Board. It would be short sighted to limit such diversity initiative to gender alone. This initiative should be extended to all protected characteristics under Equality Act 201053 – age, disability, gender reassignment, marriage/civil partnership, pregnancy/maternity, race, region/belief, gender and sexual orientation.

During the interviews, it was observed that there were unique experiences by participants who considered themselves to be from ethnic minority background. One of the participants expressed the burden she feels as a woman but additionally as an ethnic minority woman. She was asked what practical solutions from the government, employers and at home would support your continued participation in employment. She responded that “organisations need to know what drives people and the impact of their specific community expectations on them”. She continues that “being from the Asian community I feel I’ll have to compromise my

career for the relationship and that is the expectation”. Another participant explained her mother said she was being “selfish” when she returned to work after her maternity leave. Her mother said she “should be home caring for her child” rather than being in the workplace.

Holistically, these cultural expectations and norms impacted how the participants viewed their careers. In this regard, policy makers should demonstrate willingness to consider such variables as this will provide a clearer picture of the root cause of the leaking pipeline.

Ethnic minorities made up just 25% of the sample and therefore not considered significant, in terms of population. However this observation is important considering that ethnic minority group is a growing population in the UK, whose views should not be ignored and therefore an emerging key theme.

Table 7: Ethnicity

<table>
<thead>
<tr>
<th>Ethnicity</th>
<th>Barclays</th>
<th>HSBC</th>
<th>Lloyds</th>
<th>RBS</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>66.67</td>
<td>66.67</td>
<td>100</td>
<td>66.67</td>
<td>75</td>
</tr>
<tr>
<td>Ethnic Minority</td>
<td>33.33</td>
<td>33.33</td>
<td>0</td>
<td>33.33</td>
<td>25</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100%</td>
</tr>
</tbody>
</table>

On the face of it, ethnicity was not a variable to be considered as part of this study. However due to the unique responses from some of the ethnic minority participants, such finding brought an interesting dynamic to the study. Unsurprisingly, the vast majority of the participants i.e. 75% did not consider themselves to be of ethnic minority whilst 25% did.
It is important to note that in the 2011 census, 14% of the UK population consider themselves of ethnic minority background. This figure was up 5% from the 2001 census, 10 years prior\textsuperscript{54}.

CHAPTER FIVE – SUMMARY & ANALYSIS OF FINDINGS

5.1 Introduction

Over the past two years since the launch of the Review, there has been reported progress on the number of females recruited to corporate boards in the UK. In order to sustain momentum on the GDB initiative, it is pertinent that the root cause of the leaking pipeline are understood by policy makers and resolved. Failure to do so could impact the number of board ready women available to occupy board positions.

Since corporate boards in Europe are usually comprised of 15 members (as mentioned previously), a 25% female target means that a minimum pipeline of 375 board ready women is required to safeguard this initiative across the top 100 firms in the UK. Therefore policy makers must ensure that sufficient number of women progress through the workforce hierarchy to resolve the leaking pipeline phenomenon identified by the Review.

5.2 Summary & Analysis of Findings

There has been a gamut of studies investigating the root cause of the leaking pipeline. Research shows that this issue is linked to work/life balance and child care conflicts. These challenges whilst not unimportant appear to be a one dimensional assessment as it is viewed from the career lens of men; rather than from the career lens of women.

In this study however, the pattern that emerged following the analysis of the data from the multi-dimensional career lens of women shows different linkage. The data attributes the root
cause of the leaking pipeline to - **Frustration**. Essentially women use their departure from the workplace as an expression of their frustration due to disconnect between their career expectations and the reality. Interestingly when the source of those frustrations dissipates, they tend to return to the workforce.

It appears that women experience frustrations in their careers because they fail to:

*Assess the personal impact of their particular career choice prior to embarking on a career path; and they fail to mitigate the personal impact of that career choice.*

Simply put, women failed to count the cost of their career choices in order to proactively determine if they were willing to make such sacrifices.

It is important to note that the concept of “personal impact” is not a monopoly to women alone but includes men. However differing from men, women being relational in nature seek career decisions that are complementary to other areas of their lives. Men tend to be more single-minded. Therefore women should be diligent in assessing the impact of their career choices on the other areas of their lives, taking active steps to mitigate the personal impact. This includes areas of their lives such as their children, husband/partner/aging parents and community commitment.

Women should proactively assess the impact of their career choices in terms of sectors, professions, and organisations on the other areas of their lives. This assessment should consider the impact at different career stages such as early career, mid-career and late career;

---

55 Defined as “A feeling of dissatisfaction that results when your expectations are not realised”. Accessed on: 22nd September 2013 http://www.thefreedictionary.com/frustration
to ensure the personal consequence is mitigated. Failure to perform an impact assessment could lead to unmet expectations or unanticipated compromises which causes frustrations. Depending on the magnitude or the prolonged nature of the frustrations, this can result in women opting out of the workforce hierarchy.

From the results it appears that a strategic career map developed at the start of a women’s career, could be instrumental in informing how women navigate through their career choices. During the interviews conducted, some of the participants expressed the desire to sit on corporate boards whilst other did not. At different career stages, the decisions taken by a woman to acquire the right experiences and competencies necessary to sit on a corporate board, is likely to be different from the women without those ambitions. So is the personal impact on their lives. For example, at early career stage she might be very focussed on her career in such a way that she becomes too busy to acquire or sustain relationships. For those who settled down and had children, at mid-career they might be stretched on all fronts. To maintain momentum in her career, she may become a weekend mother having delegated childcare responsibilities to nannies or a house husband. At late career, she might have been divorced or estranged from her children as a consequence of being more devoted to her career than her family. These risks are extreme scenarios but not uncommon.

Therefore women should proactively implement adequate provisions in their lives to mitigate the impact of their career choices. For example, if a women wants to achieve MD status by 35 years old and also have children she might make different choices (woman A) from a woman who also wants to achieve MD status, but doesn’t desire children (woman B). In the case of woman A, she might choose to focus on her career but delay having children until later in life or have children very young and then focus on career. This will enable her
commit to her career in the way she wants to without emotional distractions that women are
innately subject to. When she eventually has children, she’ll be able to afford reliable child
care which will support her in taking stretch opportunities in her career and secure her
progression up the workforce hierarchy. She might also choose to marry the type of man who
is supportive of her career and likely to assist with child care. In the case of woman B who
doesn’t anticipate having her career interrupted to have children, she can take a slow and
steady approach rise up through her career. A supportive husband might not be a crucial
consideration neither is balancing when is best to have children.

5.3 Policy Contribution
The policy contribution of this study can be understood in relation to existing literature in the
field as stated in Chapter 2. The most recent study I could find in this area was a research by
Bailey and Rosati (2013)56. They also sought to explore the root cause of the leaking pipeline.
Akin to findings from the Review where child care and work life balance challenges have
been linked to the leaking pipeline, Bailey and Rosati (2013) also focussed on similar
challenges faced by women as the root cause of the leaking pipeline. This includes:

✓ Family responsibilities result in less flexibility to pursue roles
✓ Women have other commitments which they want to devote more time to/prefer to
  invest more in other activities and interests outside of work
✓ Family responsibilities mean women cannot be in the office as much, so have less say
  or influence and visibility during corporate hours
✓ Women don’t want any more pressure combined with their home life
✓ Corporate life becomes less interesting or appealing

56 Harvey Nash, 2013. The Balancing Act – A study of how to balance the talent pipeline in business: Inspire
Women don’t want to engage in workplace politics anymore
Childcare is too expensive

In contrast to my study, a short coming in Bailey and Rosati’s 2013 research was the inclusion of male in their sample. Also they focussed on executive and non-executive board members, who are all likely to be in their late career stage. Whilst not intending to diminish the value of their findings, one can appreciate that a study into men is unlikely to provide real insight into why women leave the workforce. Additionally by focussing on board members in late career, this increased bias and minimised the opportunity for diverse views.

My current study has mitigated the limitation in Bailey and Rosati’s 2013 study by representing only the views of women across all the different career stages – early, mid and late career. This has proved useful in illuminating this evolving research area whilst highlighting a significant finding.

The root cause of the leaking pipeline of women in the workforce is caused - Frustration.

Sample included participants from early career, mid-career and late career
5.4 Policy Recommendation

To address the issues of the pipeline of board ready women and sustain the gender balance on corporate boards’ initiative, government and organisations have unique role to play. Government and organisations should provide women in early career with career impact assessment.

This proactive approach can aide women in defining their careers paths, assessing the personal cost impact of that career path and to mitigate the impact of those choices in a way that supports their career aspirations. Ultimately preventing:

Frustration → Opting Out of the Workforce Hierarchy → Leaking Pipeline

Career impact assessment need not be laborious or convoluted as it can be offered as part of the existing career counselling currently offered when young adults transition from full time education or training to full time employment. This can be reviewed periodically and tracked through the career stages.
CHAPTER SIX – CONCLUSIONS AND LIMITATIONS OF RESEARCH

6.1 Introduction

In the previous chapters, this study provided an introduction to the research alongside a critical analysis of existing literature in this area, whilst highlighting the gaps to be addressed by the research question. To demonstrate the robust execution of this research, the research approach in terms of its design and substantiated findings was provided in detail. In the penultimate chapter, the threat highlighted by the research question was addressed during the analysis of the findings, including carefully articulating the policy contribution offered by this study.

This final chapter will conclude the study by briefly summarising the extent to which the key findings in the research addressed the research question. The limitation of the current study is laid out and the direction for future research is suggested. The study is concluded by commenting on the personal learning gained from this research.

6.2 Summary of Research

This study focussed on the threat to the gender balance on boards’ initiative – the leaking pipeline of women in the workforce hierarchy. Essentially when women leave the workforce midway in their careers, it depletes the number of qualified board ready women who can sit on corporate boards in future. Looking ahead, this can impact and undermine the sustainability of Lord Davies gender balance on boards’ initiative.
A gamut of research, including the 2011 Review by Lord Davies highlights that childcare and flexible working issues contribute to the reasons why women opt out of their careers. However my personal experience crystallised by a recent study by Sandberg (2013) found that deep down females do not always leave the workforce for those reasons. Sandberg found that for some it is an excuse to leave a dis-satisfied career. Furthermore when they leave, it is not always forever.

This study sought to understand the root cause of why some women in Banking were leaving the workforce. Following the interviews conducted with 12 women working across four Banks listed on the FTSE 100 Index, the findings show that when women voluntarily opt out of their careers it is caused by frustration. The study attempted to understand the cause of this frustration and found that it was due to women’s failure to proactively assess the cost of their career choice prior to making the choice. This lack of information unfortunately hinders their ability to implement adequate provision in their lives to mitigate the personal impact of those choices.

Interestingly Sandberg (2013) found that when some women leave the workforce they use that time constructively, for example to further their education or travel the world. Similar to gap year students, both activities are beneficial. They serve to enrich the individual, society and especially the workforce; as they eventually return to the workforce. This is substantiated in this study.
Therefore it seems there are ultimate benefits when women opt out of their careers. These benefits transcend beyond the individual but extend to society and the organisation, when they eventually return to the workforce. On their return, it is recommended that firms should be dynamic in the assessment of the value possessed by these women; in terms of how they value the enhanced diversity of thought and experiences they bring. These organisations should also be creative in how this value is leveraged.

Table 8: Summary of Study

<table>
<thead>
<tr>
<th>Considerations</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research Aims</td>
<td>To identify the root cause of the leaking pipeline of women in the workforce hierarchy</td>
</tr>
<tr>
<td>Research Question</td>
<td>Within the context of improving gender balance on corporate boards, why is there a leaking pipeline of females in the workforce hierarchy at FTSE 100 Banks such as Barclays, HSBC, Lloyds and RBS?</td>
</tr>
<tr>
<td>Research Insights</td>
<td><strong>Insight 1</strong>: Females do not always leave the workforce for family reasons but for some it an excuse to leave a dis-satisfied career. Other reasons for opting out – medical crisis, lack of challenge, corporate downsizing, desire to travel and education. <strong>Insight 2</strong>: When females opt out of their career it is not always forever. Some leave the workforce for good, some return once children are older, whilst others opt out of full time employment but work part time</td>
</tr>
<tr>
<td>Research Approach</td>
<td>Qualitative exploratory approach</td>
</tr>
<tr>
<td>Data Collection</td>
<td>Face to face Semi-structured interviews</td>
</tr>
<tr>
<td>Sample</td>
<td>12 females from Barclays, HSBC, Lloyds and RBS Banks - three females from each bank</td>
</tr>
<tr>
<td>Data Analysis</td>
<td>Deductive analysis and manual coding to establish patterns</td>
</tr>
<tr>
<td>Key Research Finding</td>
<td>The root cause of the leaking pipeline of women in the workforce is <strong>Frustration</strong>. Women use their departure from the workplace as an expression of this frustration. Women experience frustration as they fail to assess the personal impact of their particular career choice prior to embarking on a career path; and they fail to mitigate the personal impact of that career choice.</td>
</tr>
<tr>
<td>Policy Recommendation</td>
<td>Career impact assessment should be provided as they transition into the workforce, from full time education or training. This can be offered as part of career counselling and reviewed periodically and tracked through each career stage ie early career to mid-career; mid-career to late career.</td>
</tr>
</tbody>
</table>

6.3 Limitations of research

There are limitations to this research as the sample comprised of only 12 participants. For future research, it’ll be useful to have a widened population and have a statistical measurement to form more of a causal relationship between the leaking pipeline and women’s frustrations.
Furthermore results based on samples such as these may be indicative of female population within those specific Banks, but are often not representative of the UK banking sector or female population as a whole. A study across a wider range of sectors would provide an interesting dimension to this topical area.

6.4 Directions for future research

Over the past couple of years, there has been substantial focus by the government, policy makers and the public at large on the value of a gender balanced corporate board. Several studies have supported this focus by highlighting the benefits of diverse thoughts and skills to corporate performance, corporate governance and equality at work.

In light of the business case linked to a gender balanced board, it would be short sighted to limit such diversity initiative to gender alone. It is suggested that future research consider if diversity in terms of other protected characteristics under Equality Act 201058 would deliver similar corporate benefits; and if so, to what degree. This would make an interesting study.

6.4 Personal Insights from this Study

This has been an extremely enjoyable area of study for me, personally and professionally. I met some truly inspirational women whose stories will remain with me for years to come.

At the end of this research, I can honestly say that I have collated key life lessons for myself which I will share with other women. This study has taught me two things. Firstly, it confirms that being a professional woman particularly in Banking, can be very challenging. The heightened male corporate culture and expectations distinguish it from many other corporate environments. This is a breeding ground for frustrations. This career path is certainly not for the faint hearted. Secondly, the essentiality of choosing a supportive husband or partner is more crucial that we are led to believe. This is especially true for those of us who desire children in future.
BIBLIOGRAPHY


45) Van Der Zon, K., 2011. Gender Diversity on Boards: Why has change been so long coming? Director Advisory.
APPENDIX A: INTERVIEW QUESTIONS

Purpose of Research: Within the context of improving gender balance on corporate boards, the purpose of this interview is to explore why is there a leaking pipeline of female managers through the hierarchy in FTSE 100 Banks such as Barclays, HSBC, Lloyds and RBS?

Participant Rights and Consent: See next page

FOUNDATION QUESTIONS

1) What is your age range: 30 - 40  40 – 50  50 - 60
2) Do you have a partner or husband? Yes/ No
   • If YES, what is his profession?
3) Do you have children? Yes/ No
   • If YES, how many?
   • If YES, what is the percentage of your child caring responsibilities?
4) How many years working experience do you have in your profession?
5) What is your current job title?

SPECIFIC CAREER QUESTIONS

1) Have you ever had a break in your career? Yes/ No
   • If YES, can you provide some details around the circumstances leading to the break i.e. when, why and for how long. What was your experience in the time leading up to it and during the break?
     ◦ Did you return to work? Yes/ No
       • If YES, why did you return? What was your experience when you returned? Any changes? Any particular areas of dissatisfaction on your return? Any suggestions for improvements?
       ◦ If NO, do you anticipate a break in your career in future? Yes/ No
         ◦ If YES, why?
2) In your early career, what were your career aspirations and were they realised? Describe some of the factors that supported or potentially hindered your aspirations.
3) Now, what are your career aspirations? Have they evolved from early career? Yes/ No
   • If YES, how?
4) From your personal experience, what factors (internal or external) have impacted your career? Which one(s) might have impacted your progression?
5) Do you aspire to sit on a Board in future? Yes/ No
   • If YES, why?
   • If NO, why not?
6) In your view, what practical solutions from the government, your employers and at home would support your continued participation in employment such that you would be able to progress to Board level?
APPENDIX B: PARTICIPANT RIGHTS & CONSENT

1) I understand that I have the right to discuss the ways in which the data may be used.

2) I understand I have the right to withdraw from the research at any time and to decline to answer any particular questions.

3) I agree to provide information to the researcher on the understanding that my name will not be used without my permission (The information will be used only for this research and publications arising from this research project).

4) I agree to the interview being taped, only for the purpose of accuracy. I understand that I have the right to ask for the audio tape to be turned off at any time during the interview.

5) I understand that I have the right to be given access to a summary of the findings once the project is concluded.

Signed: Sandra Mootoh

Date: June 2013
President's Message

Hi Sandra,

I had the pleasure of meeting with Gay Huey Evans, the keynote speaker at our 16th Annual Awards Luncheon on the 7th June at The Dorchester. I highly encourage you to attend the luncheon and invite your colleagues, customers and partners to hear Gay's experiences and inspiring words in navigating your careers. The deadline for award nominations is the 25th March. As a WIBF member you are entitled to nominate a woman for the awards of Young Professional and Achievement. You can nominate a woman or man for the Champion for Women award. The nominee does not have to be a member of WIBF. Royal Bank of Scotland is the major sponsor of the Luncheon and the Award for Achievement. If your employer would like an opportunity to sponsor one of the other awards please contact us at justine.cooper@wibf.org.uk

We started 2013 with a number of events to assist you to learn new skills, broaden your connections and to have some fun. In particular, I was delighted to attend the Networks Chinese New Year celebrations. It was great to speak with members, their partners and guests and to gain an appreciation of Chinese customs and traditions. Many thanks to Heather Mullins, Co-Head of Membership, the Membership team and Yudong Gao for creating this special evening. If you have an idea to showcase a cultural event and are able to assist us in organising it please put your suggestions forward.

Lastly, whilst not a career coach, recently a client came to me to explore how
he could exit equity sales and pursue his interests in science and technology. I recommended he read "The Start-Up of You" by Reid Hoffman, co-founder of LinkedIn and Ben Casnocha. I've found this to be a very engaging book and it is equally as useful for those who do not wish to change jobs or careers. The authors promote an entrepreneurial mindset which they describe as "permanent beta". That is, continuously learning, never being "finished" and leveraging your network for advice, resources, connections, opportunities and support. Hence an excellent fit between you and WIBF, the essential network for women in the financial services industry. Let us help you to remain in permanent beta as you progress to your goals.

Warm regards,

Sylvana Caloni

**Movers and Shakers** This month we congratulate:

- WIBF committee member Heather Mullins on her move within RBS to Business Manager for Anti Money Laundering Operations
- Merryn Craske who has joined Cadwalader, Wickersham and Taft LLP as a senior associate. Merryn, a finance lawyer, has also recently been elected as a parent governor for a girls' school
- Susan Allen, WIBF Advisory Board Member, has been appointed CEO of the newly formed Customer Solutions Group, bringing together the asset finance, invoice finance, transaction services and deposits business for the Corporate Banking Division, Royal Bank of Scotland Group
- Recognising more achievements from our Advisory Board, Jane Platt was appointed last year as a non-executive director of Royal London Group. Royal London is the UK’s largest mutual life and pensions company. She remains in her role of Chief Executive of NS&I, one of the largest savings institutions in the UK with over £100bn of savings and 26m customers
- Noreen Doyle, WIBF Patron, has been appointed to serve as Chair of the
Board of Directors of Credit Suisse International (CSi) which encompasses the global derivatives business and Credit Suisse Securities Europe Ltd (CSSEL) the main equities brokerage in the EMEA region. She has been a member of the Board of Directors of Credit Suisse Group AG since 2004 and a member of the Risk Committee since 2009.

Remember that to improve your power and presence and that of your female colleagues we have to get the word out so send us news of promotions, changes in roles, appointments to non-executive directorships, to school board of governors, as trustees of charities or not for profit organisations, papers written, keynote speeches, awards and other honours.

**Discussion Groups - Have Your Say**

Our LinkedIn and Twitter Groups provide you with an opportunity to connect and network with other current members of Women In Banking & Finance. We now have more than 2000 members on LinkedIn and over 300 followers on Twitter, so if you haven’t already joined then get started today, join these growing forums to share your comments and reviews of our many events & programmes and make your voice heard @WIBFuk

---

**February**

**Monday 11th February: Voice of Authority, Dispelling the Myth of Gravitas with Didi Hopkins**

Explore skills to be seen, heard and taken seriously at all times in the 'spotlight' when presenting or pitching to clients and colleagues. Turn a performance or presentation into a communication that is extraordinary and memorable. For more information and to book your place visit: [http://www.wibf.org.uk/node/1232](http://www.wibf.org.uk/node/1232)

Time: 6:00pm-9:00pm. Venue: CMS Cameron McKenna, 160 Aldersgate Street, London EC1A 4DD
**Tuesday 12th February: WIBF Annual General Meeting**

The WIBF management committee will host its AGM from 7:00pm on Tuesday 12th February in the offices of Royal Bank of Scotland at 135 Bishopsgate, London, EC2M 3UR. All members are invited to attend the meeting which will cover a message from the President, the Financial Report for year end to 30th September 2012 and Any Other Business. If you are planning to attend please register your interest with jackie.chatfield@wibf.org.uk

**Tuesday 26th February: Monthly Network Drinks: Unlocking the Inner Goddess within You with Lorraine Adams**

An opportunity for members to network and guests to come along and hear all about our extensive programme of events. To reserve your place email jackie.charfield@wibf.org.uk

Time: 6:30pm-9:00pm. Venue: Canary Wharf; details at [http://www.wibf.org.uk/node/1252](http://www.wibf.org.uk/node/1252)

**Wednesday 6th February: WIBF Toastmasters Speakers London**

WIBF Canary Wharf club will be hosting a Table topics workshop on Wednesday 6th February, to help members and guests improve impromptu speaking skills. The workshop will be run by Paul Carroll who is an experienced Toastmaster. For more details and to register for the workshop please contact Bandna Chopra via email at: bandnac@aol.com

The WIBF Toastmasters Speakers groups continue to support our development offering by providing opportunities for WIBF members to develop speaking and presentation skills. Many of our members have already benefitted greatly from the Toastmasters programme - why not visit a club as a guest and start to practise your presentation skills in a supportive and welcoming environment. The Canary Wharf group will meet at Credit Suisse One Cabot Square on Wednesday 6th and Wednesday 20th February, and City Club at Royal Bank of Scotland 135 Bishopsgate on Wednesday 13th and Wednesday 27th February from 6:00-8:00pm. For further information and to register as a
March

Monday 11th March: Touchpoint Leadership: Initiating Powerful Conversations. This is a fantastic opportunity to hear from experienced coaches Dr Hilary Lines and Dr Jacqui Scholes-Rhodes on their recently published research, ‘Touchpoint Leadership’. Hilary and Jacqui will draw on their extensive work with leaders to explore with us how we approach conversations, develop our capacity to have powerful conversation and create positive energy through our differences.

Time: 6:00pm - 9:00pm, Venue: RBC, River Bank House, 2 Swan Lane, London, EC4R 3BF; details at: [http://www.wibf.org.uk/node/1233](http://www.wibf.org.uk/node/1233)

Tuesday 19th March: Monthly Networks Drinks from 6:30pm - 9:00pm;

Bio-Identical Hormones: The best kept anti-ageing secret with Dr Anu Arasu, see more information at: [http://www.wibf.org.uk/node/1253](http://www.wibf.org.uk/node/1253)

You will find details of the Personal Excellence Programme workshops through 2013 on our website. Once again these topics reflect feedback from our members, and are tailored for your development.

You can view details of all our events as well as information on the Awards for Achievements Luncheon on Friday 7th June online at [http://wibf.org.uk/event](http://wibf.org.uk/event)

A Final Word

Make Your Voice Heard: Diversity in the Workplace Survey

Another reminder that you can still participate up until 15th February in this
survey. In 2013, subject to election, Fiona Woolf CBE, will be the second woman since 1189 to become the Lord Mayor of the City of London. This will be a highly memorable and exciting event in the City and beyond. Fiona’s key themes are Sustainability, Diversity and Development. Fiona is seeking to understand the perceptions, myths and challenges around diversity to 'shape' a number of key messages to deliver prior to and during her year as Lord Mayor. You can add your perspective by completing the survey. Be a part of a making history and shaping the future.

http://www.surveymonkey.com/s/2G7TMSV

The link will take you directly to the questionnaire. It doesn't take long to complete and is relevant to employees of City firms and those outside the City limits. All responses are confidential and recipients cannot be identified. For those interested, a summary of the findings will be available.

Women on Board Research - Improving gender balance on Corporate Boards: challenges and risks to pipeline of future Board ready women following the 2011 Lord Davies Review

Sandra Mottoh, WIBF member and Director, Wealth Management Compliance at BAML, is currently undertaking a research project for her MSc in Corporate Governance and would like your support. If you are an existing or former colleague of Barclays, HSBC, Lloyds Banking Group or RBS; and are prepared to take part in an interview then please contact Sandra in February at sandramottoh@gmail.com The interview can take place either face to face or via telephone, should last for no longer than 45 minutes, and all contributions will remain entirely anonymous.

The research seeks to explore the causes and impacts of the “leaking pipeline of women” in senior positions, and Sandra would like to hear your views on the types of changes you have had to make to accommodate your role on the Board or aspirations towards the Board, which you think are unique to women and women on Boards. The purpose in gathering this information from you is
to establish if specific adjustments for women are indeed required to accommodate and strengthen Lord Davies’ initiative; so that those adjustments can be highlighted and communicated at large in support of a continued, equipped and informed pipeline of Women on Boards.

---

**External Events**

**Lady Val’s Professional Women’s Network: For Women Who Know How & Know Who**

Thursday 28th February; Time: 6:30pm-9:30pm; Event: Sing for your Supper

An opportunity for networking, food, wine and you in a Gareth Malone-style choir

Venue: Brown's Courtrooms, St Martin's Lane, London, EC2N 4AG

To book your ticket at £50, go to: [http://www.lvpwn.com](http://www.lvpwn.com)

**WOW – Women of the World Festival in March at London's Southbank Centre**

A diverse range of talks, debates, performances, workshops from both established and emerging talent will run from Wednesday 6th to Sunday 10th March. The programme on Friday 8th March will focus more closely on business and the world of work. Leading business figures, authors, policy-makers and entrepreneurs will be present with workshops, seminars, and plenty of opportunities to network throughout the day. For details of the programme and daily workshops go to: [http://southbankcentre.co.uk/wow](http://southbankcentre.co.uk/wow)