

# Intelligence MEMOS



From: Gillian Brown  
To: Canada's Investment Community  
Date: March 6, 2020  
Re: **THE NEED FOR MORE GENDER DIVERSITY IN INVESTMENT MANAGEMENT**

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I lead the Capital Markets team at Ontario Teachers' Pension Plan, a big job with lots of responsibility and risk. It's fair to assume that careful thought went into who should be leading this team before I was picked 18 months ago.

However, when I was applying for this new position, colleagues and peers, inside and outside the organization, expressed the view that "you'll get this job because you're a woman." Not because I was the most qualified or had the right strategy or the right leadership behaviours, but because I was a woman.

This was a modern version of the same old-school thinking about women in capital markets. And the only way to break that is to get more women onto the floor and into the offices.

After working on a trading floor for more than 20 years, I have some views on gender diversity and governance within the investment management industry.

First, all leaders are focused on getting the best brains for their teams. To succeed, they need to draw from the biggest possible pool of talent.

So rather than focusing on the empirical results that support diversity, let's approach this question with the simple logic of finding the best people. If we're not giving ourselves the largest opportunity set, how can we be confident we're getting the best talent?

#### **Recruiting and retention**

The industry can start with outreach to university students about available opportunities. One easy tool is to have the women who come to us as interns serve as ambassadors going back to their schools.

Talent retention is another key part of addressing gender diversity. Women will remain very underrepresented in investments, particularly in senior leadership roles, as long as there are not strategies to retain, recognize and promote them over their careers.

We talk a lot about flexibility and work-life balance. But we also need to talk about the other universal drivers of job satisfaction: recognition and promotion.

When women see their male counterparts recognized and promoted more quickly, they question whether their skills are aligned with their employer and begin to rethink their career choices.

When we need to replace senior risk takers, finding a balanced slate of candidates is difficult. One answer is to explicitly adapt to candidates whose CV has that early child-rearing hole.

The Return to Bay Street program run by Women in Capital Markets is creating an encouraging pipeline of such experienced women. With a little flexibility in our view of talent, we can attract very engaged women who are intent on getting back into this industry after a hiatus.

#### **Asking women about their interest in available positions**

Open and transparent processes are required to fill senior roles. We can't assume we know everyone interested in a role – we may have to ask women if they're interested. Relying on your networks for referrals can be a disadvantage to women pursuing new opportunities. I know, I had to be asked to apply for my current job.

In looking at my team, my concern is it will likely take five to 10 years before I can promote women into our Capital Markets senior leadership team. How can I bring more voices in earlier? I know I have to be creative in finding ways to add more diverse voices to team meetings before I necessarily have a diverse senior team. This is something with which I'm still struggling.

And I need to consider my own biases.

Not too long ago I submitted a posting for a new Managing Director position to our People & Culture team. They put it through Textio, a language analytics software program, and I got not just a failing grade, but a miserably failing grade. I wrote a job posting that scored 18 out of a possible 100 for balanced language. With some skillful editing, we got that up to an 80.

My point here is we all need some help. Let's accept that we're all biased and that we need to make a conscious effort to use tools and build processes to be less influenced by those biases.

International Women's Day is the perfect time to talk about how to drive that positive change.

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