REPORT

Women in Leadership: Obstacles and Opportunities

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Acknowledgments

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Executive Summary

Overview

Despite the growing presence of women in leadership roles at financial institutions across the United States and around the world, there is still significant opportunity for credit unions to realize the promise of female leadership. This report seeks to clarify how credit unions can encourage and support women's ascension to leadership positions.

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Since its publication in 2013, Sheryl Sandberg's *Lean In* has been the touchstone of professional equality for women. It preaches empowerment and hard work and promises collective support, through LeanIn.org, for those who want women to succeed. The response has been overwhelmingly positive, although critics argue that it does not go far enough to address fundamental gender disparities by way of collective action or public policies. Regardless of which view you hold, the statistics about women in the workplace in North America, and especially around the world, show uneven progress.

Around the world, women's wages represent between 70% and 90% of men's, even less in some Asian and Latin American countries. And women around the world often enjoy fewer legal protections than men.[1] In the United States, women on average earned about 80% of what men earned in 2012.[2] The causes of income disparity and professional advancement are complex, and compensation for women in the United States is catching up to that of men, especially among the most educated. But systematic challenges—personal, professional, and cultural—remain for women who want to earn more, do more, and lead organizations.

What Is the Research About?

The academic literature about women and leadership is robust and expanding all the time. This literature review identifies the most relevant existing research as it relates to financial services (which is surprisingly light) and specifically to credit unions (which is virtually nonexistent). This literature review combined with the other reports in this series will help to fill that gap.

Credit unions are part of the financial services industry; they are also the result of a social movement. The advancement of women in credit unions reflects the history of both. On the one hand, credit unions in the United States have a higher percentage of female CEOs than other institutions. On the other, most of those leaders serve at credit unions smaller than $50 million (M). In the $100M–$500M tier, about one out of five CEOs is a woman. One in eight CEOs of credit unions larger than $500M is a woman. Outside of North America, male CEOs predominate, even in smaller credit unions.

What Are the Credit Union Implications?

A literature review like this summarizes what researchers have already found and offers a road map for questions that still demand answers. This is what we know:

- Many more men than women are CEOs of large US credit unions, although when you include credit unions smaller than $50M, the division is almost exactly half.
- Beyond credit unions, the numbers are even more stark. Globally in financial services, women comprise 25% of middle managers, 19% of senior leaders, 14% of board members, and 2% of CEOs.
- Women, on average, seem to be less likely than men to aspire to senior management.
- Employers often sort similarly qualified men and women into different occupational positions, contributing to a perceived lack of fit between stereotypical female attributes and the supposed requirements of some jobs.
- Women's decisions to "opt out" to care for children and elders are an important driver of leadership differential, but those decisions may be a result of implicit and explicit discrimination. Decisions to opt out entirely, opt into less demanding work, or to work fewer hours are heavily influenced by whether a woman has a high-earning spouse.

This is what we still need to find out:

- Do male and female employees enter credit unions with different levels of leadership potential?
- Within credit unions, do male and female employees get different exposure to experiences necessary for promotion?
- Do male and female employees in credit unions employ different leadership styles?
- What are the work–life balance needs of credit union employees, and do they differ by gender or parental status?
- Are there different leadership expectations for male and female employees?

- Does the climate of credit unions support the leadership of men and women equally?
- When we look at outside talent, do we use the same criteria for male and female candidates?

The authors, with support from Filene and the World Council of Credit Unions (WOCCU), will answer many of these questions in the forthcoming *Credit Union Women in Leadership International Research Series Part 2: Attributes and Challenges*, the findings of a survey of nearly 1,000 credit union employees from around the world.

Editor's note: Despite widely divergent usage in academic and popular writing, for clarity and consistency, this report uses the words "man" and "woman" (and their derivatives) exclusively as nouns. The words "male" and "female" are used as adjectives.

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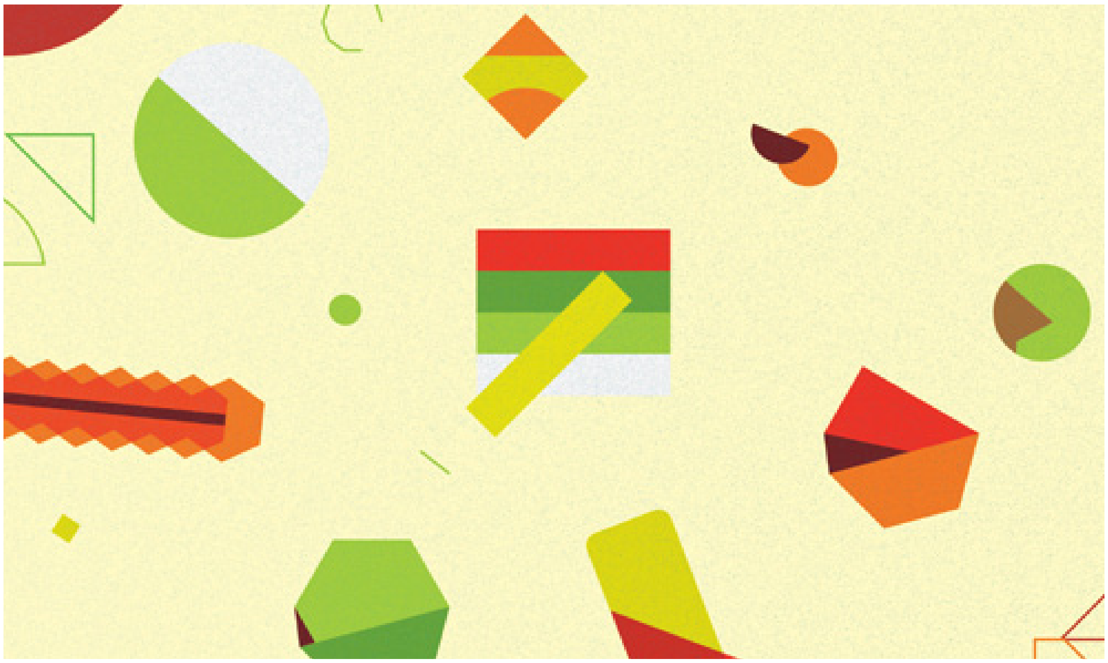

CHAPTER 1

Introduction

This literature review examines women's participation in the workforce, particularly within the financial services industry and credit unions. In recent years, considerable academic and popular attention has been devoted to women's ascension in the workplace, both within the United States and around the globe. In no small part, this focus has been driven by the growing economic power of women around the world and the theory that institutions with women at the helm might have a greater capacity to attract capital, investment, and market share from women. Furthermore, organizations that fail to promote and fully engage their entire workforce, both women and men, risk failing to leverage all their human capital. They jeopardize their own performance.

In the United States alone, women control over 50% of private wealth and head one-third of households.[3] Globally, women generate 65% of consumer discretionary spending, but the chasm between women's presence in the global economy and their representation in leadership roles within corporations, especially financial institutions, is notable.[4] Many organizations have become concerned that if their leadership team and employee base do not reflect women's presence in the global economy, opportunities to engage women as clients, customers, members, and shareholders will disappear.

Shouldn't credit unions, with their egalitarian history and philosophy, facilitate the emergence of female leaders? In some credit unions this has been achieved, but in others the promise of female leadership has not been fully realized. Women constitute 70% of the employee base of credit unions in the United States, yet only 53% of all federally insured credit unions have female CEOs and only 20% have female board presidents (see Figure 1). A dearth of female CEOs emerges as asset size increases: 66% of credit unions with less than $50 million (M) in assets have female CEOs, but only 14% of credit unions larger than $1 billion (B) have female CEOs. The percentage of female board presidents is less straightforward, declining to a low of 14% in credit unions with $100M–$500M in assets and increasing to a high of 23% in credit unions with $1B–$10B in assets.

This report reviews research on the macro and micro phenomena that support and thwart women's ascension to leadership positions in certain credit unions. It also seeks to pinpoint barriers and suggest how to overcome them. It should be noted that there is virtually no empirical research on female leadership within credit unions. Consequently, this report draws from research on women and leadership in general, along with the small amount of research conducted on financial institutions specifically. This report is part one of a multipart effort to better understand the opportunities and challenges women face in credit unions. An empirical investigation of women and leadership in credit unions is currently under way.

FIGURE 1

FEMALE CEOS IN US CREDIT UNIONS, BY CREDIT UNION ASSET SIZE

	Number of credit unions	Total assets ($B)	FTEs	PTEs	Female CEOs	Female board presidents	Female CEOs (%)	Female board presidents
$10B+	4	104.5	15,282	1,453	0	1	0.00	25.00
$1B–$10B	193	419.0	74,651	8,889	27	44	13.99	22.80
$500M–$1B	216	153.9	37,150	4,119	27	32	12.50	14.81
$100M–$500M	1,055	234.8	66,579	8,470	233	146	22.09	13.84
$50M–$100M	798	57.0	17,095	2,588	318	125	39.85	15.66
Less than $50M	4,694	65.6	21,076	6,162	3,091	1,018	65.85	21.69
Total	6,960	1,034.9	231,833	31,681	3,696	1,366	53.10	19.63

Source: 2012 NCUA data with names of credit union CEOs and board presidents coded for gender. Roughly 240 unisex names were assigned based on the statistical likelihood that they were male or female.

Credit Union Context

The credit union movement first began in order to provide loans and savings to those not served or underserved by traditional banks. Its focus was on serving members as member-directed cooperatives and improving the human condition as part of social reform. The banking and credit union industries diverge on more than just their focus on profit; the difference has to do with philosophy and purpose.[5] For example, since banks are driven by profit, they are accountable to managers, board members, and shareholders. In contrast, while credit unions must generate sustainable profits, they strive to provide low-cost services to owner-members in a not-for-profit environment. In fact, the vast majority of credit union board members are volunteers who receive no compensation, and most credit union CEOs continue to work without a contract.[6] As a result, it's reasonable to expect that today's credit unions would create supportive and inclusive work atmospheres.

Nevertheless, despite female representation being slightly above 70% of the credit union workforce in the United States, women constituted only 41% of credit union senior staff in 2012.[7] As shown in Figure 1, 2012 National Credit Union Administration (NCUA) data indicate that 53% of credit unions have female CEOs. But a deeper look is interesting:

- 66% of credit unions with a total asset size under $50M have female CEOs. In 2012, credit unions of this size made up 67% of all credit unions but employed only 9% of the total full-time equivalents (FTEs) in federally insured credit unions.
- At credit unions larger than $50M in assets, there is a precipitous drop in the percentage of female CEOs.
- Women comprise 13% of CEOs in the $500M–$1B asset size category, which constitutes 3.1% of credit unions but employs 16% of all credit union FTEs.
- Among the 2.77% of credit unions with between $1B and $10B in assets, which employ 32.2% of credit union FTEs, 14% have female CEOs.
- There are no female CEOs at any of the four credit unions with assets of more than $10B. These credit unions constitute 0.1% of all federally insured credit unions but employ 6.6% of FTEs.

Women comprised only 41% of credit union senior staff in 2012 despite making up 70% of the credit union workforce in the United States.

Outside North America, male CEOs predominate, even in smaller credit unions.[8]

To begin to understand the processes that might drive the differential percentages of female CEOs across different-sized credit unions, we must step back to understand the barriers and accelerators in women's leadership roles in a broader sense. The preponderance of female employees in credit unions creates the expectation of a culture that diverges from that of other financial institutions. Shouldn't that preponderance foster the advancement of all employees and allow women to maneuver to the top management positions within the credit union system? The data suggest that this has not universally been the case. Female employees emerge with fewer opportunities at the top managerial level of many credit unions despite their seemingly egalitarian origins. We begin by examining these dynamics more broadly in the finance sector.

CHAPTER 3

Work Culture at Financial Institutions

According to *The Economist*, finance is a profession still dominated by men.[9] In 2012, women comprised 47% of the labor force in the United States and held 60% of financial services positions.[10] Globally, the percentage of women drops precipitously in the upper echelons of financial services: Women constitute 25% of middle managers, 19% of senior-level leaders, 14% of board members, and 2% of CEOs.[11]

Within the Fortune 500 companies in the finance and insurance industries, women make up only 18.6% of upper management, 19% of board membership, and 11.3% of CFOs.[12] Though currently there are women at the helm of the International Monetary Fund (Managing Director Christine Lagarde) and the Federal Reserve (Chair Janet Yellen), this generation has seen women head only five of the Federal Reserve Banks (Boston, Cleveland, Dallas, Kansas City, and San Francisco) and few female appointments to other critical financial posts: Secretary of the Treasury, the Federal Reserve Board, the New York Federal Reserve Bank, and the Office of the Comptroller of Currency.

Nevertheless, there has been some progress in the advancement of women in the workplace. For example, the US Federal Reserve currently boasts 6 women and 11 men on its monetary policy committee. Historically, there have been six female governors of the Federal Reserve Board. Other countries do not fare as well as the United States in the financial arena. The European Central Bank (ECB) currently has no women on its governing council and no woman has ever voted on Swiss monetary policy—or Italian or Dutch prior to those countries joining the ECB.[13] These findings should not come as a surprise to most, as the finance industry has long been known to perpetuate a masculine gendered climate.[14]

Within the United States, a more positive prognosis for female leadership is provided by credit unions, which tend to have a higher percentage of female CEOs than other financial institutions.[15] This is not surprising for institutions that are based on a cooperative and participative model, in which gender inclusion was espoused early on.[16] Still, the positive skew of 66% female CEOs only applies to US credit unions with less than $50M in assets and reverses at larger credit unions, yielding a national average of 53% female CEOs.[17] These figures are consistent with the dearth of women in the upper echelons in the workplace overall. While the gender makeup of top leadership is positively impacted by the egalitarian roots of credit unions, it is likely that the underrepresentation of female leaders in general provides a countervailing effect. Thus we draw on existing general research on women's leadership in organizations, because little research on this topic has been explicitly conducted within credit unions and even financial institutions. During the course of this study, we aim to collect empirical evidence to show that institutions, financial or otherwise, are limited without broad participation from women.

CHAPTER 4

Where Are the Female Leaders?

Important changes have occurred since the latter part of the twentieth century, with a marked increase in women's labor market participation all around the globe. Increased focus on women's underrepresentation in leadership has been stimulated by findings that suggest that increasing the female composition of corporate boards, in particular, relates to positive firm performance[18] and more conservative strategies.[19] However, women continue to lag significantly in terms of leadership in organizations despite representing 46.9% of the US workforce in 2012. In fact, women's representation in Fortune 500 leadership positions has stagnated in recent years. In the United States women occupy 16.6% of board seats and only constitute 14.3% of executive officers in Fortune 500 companies and 2% of CEO roles.[20] In contrast, female board membership for companies in the European Union is on the rise as a result of numerous EU countries instituting mandatory percentages of female membership on corporate boards. As a result of its governmental mandate in 2003, Norway leads this charge with 35% female representation on boards and 15% on executive committees of public companies.[21] In November 2013, the EU parliament voted to support draft legislation mandating that corporate boards of all publicly traded companies by 2020 and state-commissioned companies by 2018 have 40% women in their non-executive board member ranks or face sanctions, unless they have fewer than 250 employees or global sales of less than 50 million euros. Ironically, despite governmental intervention in corporate governance, few women currently hold or historically have held the very top positions in national governing bodies, in the United States and elsewhere.

Numerous factors contribute to the small proportion of women in leadership roles. In particular, occupational segregation of women into certain industries affects the pipeline of women for leadership positions.[22] A 2010 corporate gender gap report indicated that 60% of financial services and insurance sector employees in companies surveyed globally were female, making it the industry with the highest percentage of women. Nevertheless, only 2% of the CEOs of such companies were women—the lowest figure in the social services industries.[23] The void of female leadership in financial services and insurance cannot simply be attributed to a generalized pipeline issue, as there are significant numbers of women in the industry.

In more complex construals, the pipeline problem has been attributed to both demand-side and supply-side effects. On the supply side, there is evidence that women and men make educational choices of majors in college that lead them to different occupations.[24] In fact, in a recent investigation of MBA students, researchers found that women are less likely to apply for finance and consulting jobs and more likely to apply for general management jobs than their male counterparts.[25] Due in part to educational self-sorting, the tracks that lead to the upper echelons of financial services and insurance companies may in fact have fewer women in the pipeline despite women's prevalence in the broader employee population. Furthermore, other research shows that on average, women respond as being less likely than men to aspire to senior management.[26] Within credit unions, despite the significant presence of female employees, it is possible that women are less likely to aspire to positions of leadership in the first place.

On the demand side, researchers find that employers often sort similarly qualified men and women into different occupational positions.[27] Research indicates that such differential sorting may be attributed to a perceived lack of fit between the stereotypical attributes of women and the supposed requirements of some jobs.[28] Specifically, recent research demonstrates that despite the fact that promoted women have higher performance ratings than promoted men, upper-level women in frontline jobs receive lower performance ratings than upper-level women in staff support-type jobs and upper-level men in either type of position.[29] The implication is that the assessment of the performance of women in frontline positions is biased. The authors argue that the performance ratings of women in frontline positions are depressed due to diminished expectations of women in positions traditionally held by men. Given that lower assessments of performance hinder individuals' ability to progress, it is plausible that such processes may promote the differential sorting of men and women into the highest echelons of organizations. Even within credit unions, such sorting may take place due to diminished perceptions of women's ability to excel in high-level positions or positions that lead to leadership roles.

Neither the supply nor the demand perspective, however, independently explains the differential ascension of men and women to the CEO role within credit unions. Given the large percentage of women in the credit union workforce, it's clear that women are finding their way to these financial institutions and are being hired. Without fine-grained educational and experiential data, it is hard to know if men and women arrive as credit union employees with different educational experiences that they can exploit during their tenure. Additionally, it is unclear whether men and women are being sorted into different entry roles or even leadership roles, leading to different experiences and leadership opportunities necessary for promotion.

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It is a fact that we find far fewer female CEOs in credit unions larger than $50M. This suggests that somehow the perceived and real demands on leaders in larger, more complex institutions creates an impediment to hiring or promoting women to top leadership positions. Without further investigation, it is unclear whether women in these institutions are opting out of leadership roles or are not being selected because they are not perceived to possess the requisite skills or experiential base. These phenomena will be explored in the second phase of our study.

Women's failure to ascend the corporate ladder has often been blamed on their not displaying leadership and other core capabilities necessary for promotion.[30] For example, research has shown that women are less likely to negotiate.[31] This tendency to negotiate at lower rates than men might influence the degree to which women advocate for their own advancement and experiences that put them on track to the upper echelons of credit unions. This diminished negotiation behavior, however, is mitigated when women advocate on behalf of others[32] and when they perceive themselves as "asking" rather than "negotiating."[33]

Despite such differences in propensity to negotiate, in a recent survey of over 7,000 leaders who undertook 360-degree evaluations by subordinates, peers, and supervisors, women were consistently evaluated as more effective leaders relative to their male peers at the same level.[34] In particular, women outstripped men on 12 of 16 competencies top leaders exemplify most, including taking initiative and driving for results. Across the sample, the only competency on which men surpassed women was strategic perspective. However, strategic perspective was correlated with management level, and the disproportionately male representation of high-level leaders in the sample artificially skewed in favor of men.

These findings suggest that the competencies in which superior credit union managers excel—learning, energy, decisiveness, and verbal skill—fall well within the competencies that female leaders demonstrate equally or more than male leaders.[35] Further support for women's leadership in credit unions is provided by an investigation of the bases of self-efficacy, or confidence, of women who achieve executive leadership roles in credit unions. The results show that the women studied derive a strong sense of self-efficacy from their verbal persuasion and vicarious learning skills.[36] It appears that within credit unions, the different proportions of female and male CEOs is unlikely to be attributable to leadership skill.

The different proportions of female and male CEOs within credit unions is probably not attributable to leadership skill.

More recently, the filtering of women at high levels of organizations has been attributed to their decisions to "opt out" to care for children and elders. Significant evidence suggests that women voluntarily exit organizations in greater numbers than their male counterparts to care for family. But mounting evidence also suggests that explicit and implicit discrimination, and not family concerns alone, may be impacting women's decisions to exit. In fact, recent evidence suggests that even in the face of a woman's unequivocal success in male gender-typed work, she faces career-hindering problems in work settings—such as being disliked and personally derogated.[37] Such treatment may make it easy for women to choose an alternative work environment or depart from the workplace altogether. It is quite possible that credit unions are the beneficiaries of such departures from other financial institutions. Later we explore this possibility in greater detail.

CHAPTER 5

Do People Resist Women's Leadership?

Stereotypes about women and leaders create resistance to women's leadership by placing competing demands on women. On one hand, female leaders are expected to fulfill the female gender role by being warm and selfless, and on the other hand, they are also expected to fulfill the leadership role by displaying assertiveness and competence.[38] Leading in the face of these conflicting demands is no easy task. Women who are too assertive, competitive, or even competent can at times be perceived as a threat by others who then resist female influence and leadership. Similarly, research shows that negativity directed at successful female managers—in ratings of likability, interpersonal hostility, and boss desirability—is mitigated when the managers demonstrate warmth. This resistance to female leadership can lower evaluations of women's personalities and skills, undermine their performance, and even lead to sexual harassment.[39] Additionally, one research study found that "women who fail to be nice and interested in children, or, worse yet, show signs of being arrogant and controlling are subject to social censure." In addition, "women have to perform better than men do to be perceived as competent in the first place." The researchers go on to state that "women who are strong and sensible, competent and effective should receive very favorable reactions, so long as they remain caring, modest and well-groomed."[40]

Other research confirms these findings. Schein found that successful middle managers are perceived to possess characteristics, attitudes, and temperaments more commonly ascribed to men in general than to women in general.[41] Thomas-Hunt and Phillips uncovered a peculiar phenomenon in their research: Women with undisclosed expert knowledge working on a task usually associated with men are less influential in teams and are perceived as having less expertise than both men who are similarly expert and non-expert women. What's more, their teams perform less well than those with male experts.[42] These findings support the idea that penalties for women's success in male domains result, in part, from the perceived violation of gender expectations and prescriptions.[43]

Additional research demonstrates that when men and women work collaboratively on tasks, those evaluating the output give less credit for positive outcomes to women than to their male teammates. These women are perceived to have been less competent, less influential, and less likely to have taken a leadership role within the team.[44] However, preliminary evidence suggests that when a woman's expertise is solicited by a respected member of the group, the group is more influenced by her contributions.[45] It is unclear whether women within credit unions are as influential as their male counterparts.

Despite the dearth of research on women and leadership within the credit union context, we know that because credit unions were founded to be more egalitarian in nature, there may be an even greater expectation of supportive behaviors from individuals. If women must demonstrate more instrumental behaviors in order to be perceived as leaders, those displays may actually undermine their leadership. For example, in order to be perceived as competent, women must display more assertive or instrumental behaviors, but such behaviors may be inconsistent with cultural expectations within a credit union. The very behaviors needed to signal that women are competent may not be appreciated in credit unions—a catch-22.

The very behaviors needed to signal that women are competent may not actually be appreciated in credit unions—a catch-22.

Consequently, external female candidates may be judged with greater scrutiny than their male counterparts and deemed a poor fit for the credit union. Additionally, the egalitarian context of credit unions fosters considerable teamwork. If women are less likely to get credit for the positive work of their teams, they may not be perceived as accumulating those characteristics necessary for promotion to higher levels. Our investigations under way examine the characteristics valued in leaders within credit unions and their congruence or incongruence with the attributes women and men within credit unions are generally perceived to possess.

CHAPTER 6

Do Family Concerns Hold Women Back?

In 2004, researchers studied occupational pressures in the British banking industry by examining the experiences of female and male managers in a bank that had highly visible equal opportunity policies.[46] This study is unique, as field experiments within the banking industry are uncommon. The female managers in this study found work–life balance to be challenging. They felt significantly more pressured than their male counterparts by the conflicting responsibilities of home and work, the decision to have children or a career, and the competition of work demands with their time with their children. Even when these women were successful, they worried about earning more money than their partners. Moreover, those women who did not marry felt their single status excluded them from social and business events. While the women in this study were the first person of their sex to hold their job title, they felt the path they pioneered came at a price. Compared to their male counterparts, these women were significantly less likely to be married, less likely to have children, and, if they had children, less likely to have three or more children. Moreover, they were significantly less likely to have children early in their careers.

Additionally, a set of case studies conducted within the British banking industry explored the factors that facilitate and inhibit women's movement into middle and senior levels of management within the financial services sector.[47] Researchers found that despite progress in the case study organizations, both men and women concur that women encounter more barriers than men to career progression in the industry. These barriers relate primarily to a long-hours culture and networking beyond traditional work hours. The findings suggest that this leads some women to exclude themselves from working in certain parts of the industry, such as corporate banking. Further, this aspect of the industry culture tends to permeate even those areas of the industry where such activities are actually less important for fostering client relationships.

Taking a step back may allow us to understand the processes by which family concerns may differentially impact male and female employees. In a recent study, researchers looked at the career paths of women who graduated from a top-ranked MBA program.[48] They found that female MBAs with children take more time off, work fewer hours, and opt into less demanding jobs than their childless counterparts. Excelling in many aspects of the finance industry requires working very long hours. Interestingly, the female MBAs studied were more likely to work fewer hours and earn less if they had a high-earning spouse. Having a child has a much smaller impact on earnings for women with low-earning partners, presumably because these women do not reduce their work hours after having a child. This suggests that some of the pay and promotion disparity may be attributable to the earning flexibility that comes with having a high-earning spouse.[49] Even so, in more financially constrained households, external care of children comes at a cost. Often the compensation of a second earner is barely sufficient to cover childcare costs, making working outside and inside the home financially equivalent.

Female MBAs with children take more time off, work fewer hours, and opt into less demanding jobs than their childless counterparts.

Furthermore, it is unarguably true that in most households, women's domestic work far exceeds that of men. Women spend more time doing housework and caring for children than men do. In 2012, 82% of women and 65% of men "spent some time doing household activities such as housework, cooking, lawn care or financial and other household management." In 2003 the numbers were 84% and 63%.[50] There is some progress, but in nine years only 2% more men spent time doing household chores. The rate of change is very slow, especially when you look at women's increased presence in the workforce today.

Raising children and having a career are hard work. Increasing the number of women who can successfully have children and maintain their employment depends on men becoming more equally involved in the domestic sphere. In 2008–2012, "on an average day, among adults living in households with children under age 6, women spent 1.1 hours providing physical care (such as bathing or feeding a child) to household children; by contrast, men spent 26 minutes providing physical care."[51] Women continue to be the ones who interrupt their career, take more days off, and work part-time in order to manage family pressures. These actions result in women having fewer years of job experience and fewer hours of employment per year, interruptions that slow their career progress and reduce their earnings.

Recent research that looks at why these differences persist has found that a majority of Americans appear to disapprove of moms working: 74% of adults say that the increasing number of mothers working for pay has made it harder to raise children, and 51% agree that children are better off if their mother is home and doesn't hold a job, while just 8% say the same about a father.[52] The question remains as to why people feel this way.

Research suggests that there is a positive relationship between perceptions of managers' work–life balance and perceptions of their career advancement potential.[53] Such findings raise the intriguing possibility that perceived work–life balance may actually be related to positive career outcomes for managers. Another interesting finding is that "work–life balance was perceived as a personal issue to be dealt with using individual strategies and not as a structural problem caused by a lack of flexibility in the workplace and a lack of affordable childcare and elder-care."[54] If this is indeed the case, "balance may be an unachievable goal because it is built on an individualistic, achievement-oriented model that assumes that people have choice and control over their lives."[55]

Some women leave because they prefer to focus on working inside their home. Many women, however, may feel pushed away from their profession and therefore choose an environment in which they feel more valued and accepted.

With changes in the way organizations think about work arrangements and childcare accommodations, we will see positive changes for women in the workplace. But the effects of these changes will be negligible without cultural changes within organizations and in wider society.[56] Credit unions have an opportunity to adopt policies and create programs that ease all employees' balance between work and home. Certainly, some women exit because they prefer to focus on working inside their home rather than outside. Consider, however, that many women feel pushed away from their profession and therefore choose an environment in which they feel more valued and accepted. Additionally, for women with children, the financial benefit of working may be obscured by compensation that barely covers childcare costs. Women may opt out altogether if their spouse earns enough to support the family. Those who are single earners or need every source of income may be too distracted to engage in ways that signal their interest in moving higher within the credit union.

For women with children, the financial benefit of working may be obscured by compensation that barely covers childcare costs. Women may opt out altogether if their spouse earns enough to support the family.

Critics of flexible work policies and family-friendly programs suggest that only a portion of the workforce benefits from such efforts. However, consider the viewpoint of Christine Lagarde, head of the International Monetary Fund. In a recent interview with the BBC, Lagarde stated that women's contribution to economic growth can indeed be quantitatively measured. An increase in women's participation in the labor market will be accompanied by an increase in growth in the economy.[57] In order for these "wider cultural changes within organizations and in wider society to take place,"[58] Lagarde states that "we should advocate those contributions by identifying how they've benefited the entire community, not just the women themselves, and I think we should do it in a non-threatening way, because there is no need to threaten anyone. It's not as if women want to remove people who are currently in position. They just want to expand by joining them."[59]

The daunting task of juggling work and family may push credit union employees with family responsibilities to abandon their aspirations for promotion to the executive level.

It is unclear how credit unions impede or facilitate the work–life balance of employees, particularly those who care for family members. Even with fewer hours expected at work than in other financial institutions, those at the top typically work considerably more than other employees. The daunting task of juggling work and family may push credit union employees with family responsibilities to abandon their aspirations for promotion to the executive level. Alternatively, those planning for executive succession may make assumptions about women's willingness to put forth the time required of a credit union executive. A later version of this research will examine the degree to which family responsibilities inhibit career aspiration and promotion.

Concluding Questions

This report highlights the challenges that women continue to face in the workforce. Even the more egalitarian orientation of credit unions may promulgate some of the factors that deter women's advancement. Those credit unions that are most serious about fully leveraging their entire pool of existing talent and attracting the best and brightest future leaders will seek to understand what is standing in their way. With empirical data that are currently being collected, we hope to provide insight into the following questions, which remain unanswered in credit unions around the world:

- Do male and female employees enter credit unions with different levels of leadership potential?
- Within credit unions, do male and female employees diverge in their exposure to the critical experiences necessary for promotion?
- Do male and female employees in credit unions employ different leadership styles?
- What are the work–life balance needs of credit union employees? Do they differ by gender or parental status?
- Are different leadership expectations held for male and female employees within credit unions?
- Is the credit union climate equally supportive of the leadership of men and women?
- When we look at outside talent, do we use the same criteria for male and female candidates?

Endnotes

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