A Structured Literature Review on Equity in the Financial Services Profession: Unpacking Gender Barriers and Advancing Women's Participation Globally

Tanya Staples,[1] Ashlyn Rollins-Koons,[2] and Megan McCoy[3]

Abstract

Women's involvement and influence in the financial landscape have risen markedly, with a growing share of global wealth now under their control. If current projections prove accurate, women are expected to manage about 55% of the world's wealth by 2030, fundamentally transforming the financial services and advisory industries. Alongside this shift, a more holistic, solution-focused, advice-oriented approach is emerging—departing from the historically product-centric, male-dominated financial sales industry of the past. Despite this progress, gender equity within financial services remains elusive. Women currently comprise only about 17% of financial advising professionals in Canada and the United States. Research consistently underscores the importance of gender diversity, noting that many female clients prefer advisors who understand their distinct needs. Yet systemic, cultural, and societal barriers continue to limit women's full participation in the profession. This structured literature review examines these barriers, particularly within the realms of financial advising and planning. It also explores the implications for policymakers, practitioners, and researchers, offering strategies for employers and the broader profession to enhance organizational structures. Emphasis is placed on transparency and the development of policies and procedures that actively integrate a gendered perspective.

Recommended Citation

Staples, T., Rollins-Koons, A., & McCoy, M. (2025). A structured literature review on equity in the financial services profession: Unpacking gender barriers and advancing women's participation globally. *Financial Services Review, 33*(2), 165-188.

Introduction

In recent years, women have emerged as significant players in the financial landscape, controlling a substantial portion of wealth globally. By 2020, women held approximately 32% of all wealth (Gandhi, 2020). It is anticipated that by 2030, women will control approximately 55% of the world's wealth. This increase in wealth is anticipated to influence and reshape the

[1] Corresponding author (tmshall24@ksu.edu). Kansas State University, Manhattan, KS, USA.
[2] Kansas State University, Manhattan, Kansas, USA.
[3] Kansas State University, Manhattan, Kansas, USA.

financial management and advice industries (Bloomberg, 2024; UBS, 2021).

Despite this progress, gender equity within the financial services profession remains elusive. While women — especially younger women — increasingly make household financial and wealth-related decisions, the profession's composition does not reflect this shift. Historically, financial planning was predominately about men selling financial products to men (Clempner et al., 2020; Steed, 2019). The industry focused on sales and technical ability to develop and present product-based financial solutions (Mandell, 2008; Richards, 2021). Although the profession is thoughtfully shifting toward holistic, solution-oriented financial advice—an approach women are especially well suited for (Richards, 2021)—the traditional, product-focused sales model remains entrenched. Legacy thinking around the profession and larger industry persists worldwide (Pasztor et al., 2019). The persistently small number of women Certified Financial Planner® (CFP®) in Canada (see Table 1) and the United States (U.S.) does not bode well for the profession's future.

Table 1. Gender of CFPs® Professionals and Percentage Change of Women CFPs® (2008 – 2023)

Date*	Men	Women	Unknown	Sum	% Change
2008	11663	5467	52	17182	
2009	11737	5466	55	17258	-0.02%
2010	11774	5487	59	17320	0.38%
2011	12325	5738	66	18129	4.57%
2012	12058	5578	65	17701	-2.79%
2013	11942	5559	68	17569	-0.34%
2014	11767	5461	72	17300	-1.76%
2015	11663	5348	74	17085	-2.07%
2016	11581	5253	83	16917	-1.78%
2017	11568	5205	84	16857	-0.91%
2018	11506	5182	90	16778	-0.44%
2019	11485	5135	94	16714	-0.91%
2020	11632	5220	99	16951	-1.66%
2021	11648	5214	102	16964	-0.11%
2022	11772	5375	103	17250	3.09%
2023	11862	5467	104	17533	1.71%

*Year end (M. Geramas, personal communication, February 3, 2023)

Only 17% of all financial advising professionals (FAPs) are women (Moreau, 2022), and the representation of women among CFP® professionals remains stagnant (31.2% in Canada and 23.7% in the United States) (CFP Board, 2023; FP Canada, 2023). Eleanor Blayney, CFP Board Consumer Advocate, outlines the dangers of the "feminine famine" in the profession (Keller, 2014, n.p.), which leaves many women clients underserved by the profession. Companies with the highest representation of women in senior management have demonstrated higher profits and higher returns on invested capital (MSCI, 2016). Diverse, equitable, and supportive workplaces make good business sense.

Research underscores the importance of gender diversity in the financial planning profession. Many women clients prefer working with women financial advisors or someone who understands their needs and can engage in a relatable manner (Sjogren & Allan, 2020; Strategic Insights, 2017). Moreover, widows, often facing significant life transitions, seek a holistic trust-based planning approach. If those needs are unmet, 80% of widows move their assets to another advisor within a year (Baghai et al., 2020; Kurlowicz, 2014; Reiter et al., 2021). Women CFP® professionals, more than their male counterparts, tend to focus on comprehensive approaches to planning and helping clients throughout the planning lifecycle (Sheedy, 2021). Conversely, male planners often emphasize investments and wealth accumulation. However, barriers persist. Systemic, cultural, and societal impediments hinder women's full participation and advancement in financial services. A profession that is not open to everyone cannot serve its diverse needs (Reiter et al., 2021)

In 2013, the CFP Board commissioned a study to explore the causes of the under-representation of women in the financial planning workforce (Blayney, 2016). Blayney identified five broad categories of barriers: structural, societal, prejudice-related, absence of women-focused leadership development, and misinformation. These barriers perpetuate inequity in mentorship, sponsorship, networking, compensation models, and gender prejudice, limiting the success of women in the profession. This paper reviews the literature on these global financial services industry barriers. The goal was to focus specifically on financial planning, but the need for more research on women's advancement in financial planning necessitated a wider lens. The research question shaping this review is: What are women's barriers to entry and advancement in the financial services industry? After examining existing literature, this paper discusses implications for policymakers, practitioners, and researchers and makes recommendations for future research.

Methodology

The motivation for the research was to investigate why there has been no increase in women CFP® professionals during the research timeframe. This structured literature review of gender inequity and the financial services profession was limited from 2008 until March 2023 to align with our research period of financial planning in Canada for 15 years. The scope of the review was academic journal articles. The following search terms were used in Google Scholar following keywords: "gender diversity" AND "women" AND "financial planning" to begin identifying studies that addressed the barriers of interest in this study which yielded 852 results. When these phrases were paired with "Canada" in a revised search, the results dropped significantly to 268, highlighting a notable gap in the literature concerning Canadian Women CFP® professionals and gender equity, the original study topic. The research team also examined the following three databases: Business Source Premier, ProQuest, and Web of Science to ensure saturation using the same search terms.

Table 2. Structured Literature Review: Search Results Description and Findings

Revised Search Two	Words and phrases were once again combined, but financial planning was expanded to financial services and searches extended beyond Canada. At this point enough articles resulted from the search	89 relevant sources
Revised Search Three	We reviewed the abstract for each to ensure that the purpose of the study and the question posed by the study were aligned with our goal of examining the barriers to entry and advancement in the financial services industry for women to determine if any additional articles were missed in the keyword search	37 relevant sources

The team reviewed the articles based on a predefined set of parameters that included the following: was the research question(s) clearly defined, was there use of empirical evidence, was existing literature cited, was the paper supported by a theoretical framework, were the key constructs defined, and did the publication contribute the existing literature. After removing duplicates and ensuring each article met the aforementioned criteria, we identified 89 relevant resources. Of the articles that remained, the research team reviewed the abstract for each to ensure that the purpose of the study and the question posed by the study were aligned with our goal of examining the barriers to entry and advancement in the financial services industry for women to determine if any additional articles were missed in the keyword search. This paper reports findings from 37 scholarly journal articles. Table 3 provides a summary of these articles.

Table 3. Article Summary Highlighting Key Barriers Identified

Results of the Structured Literature Review (n = 37)	**Barrier One**	**Barrier Two**	**Barrier Three**	**Barrier Four**	**Barrier Five**
Abraham, M. (2017). Pay formalization revisited: Considering the effects of manager gender and discretion on closing the gender wage gap. *Academy of Management Journal*, 60(1), 29-54. https://doi-org.er.lib.k-state.edu/10.5465/amj.2013.1060	**X**		**X**	**X**	
Baghai, P., Howard, O., Prakash, L., & Zucker, J. (2020). *Women as the next wave of growth in US wealth management*. McKinsey & Company			**X**		
Bergmann, N., Scheele, A., & Sorger, C. (2019). Variations of the same? A sectoral analysis of the gender pay gap in Germany and Austria. *Gender, Work & Organization*, *26*(5), 668–687. https://doi.org/10.1111/gwao.12299	**X**	**X**		**X**	
Bisco, J., Gradisher, S., & Mulholland, BA. (2019). Women and Diversity—Why the Conversation Must Continue in Financial Services. Journal of Financial Service Professionals, 73(1), 72–84.					**X**
Blayney, E. (2016). What is the future of women in financial planning? *Journal of Financial Planning*, 29(9), 32–33.	**X**		**X**	**X**	
Bloomfield, R. J., Rennekamp, K., Steenhoven, B., & Stewart, S. (2021). Penalties for unexpected behavior: Double standards for women in finance. *The Accounting Review*, 96(2), 107–125. https://doi.org/10.2308/tar-2018-0715	**X**			**X**	
Bordalo, P., Coffman, K., Gennaioli, N., & Shleifer, A. (2019). Beliefs about gender. *American Economic Review*, *109*(3), 739–773. https://doi.org/10.1257/aer.20170007	**X**	**X**			**X**
Carter, N., Elliott, V., Harding, C., Hetterich, A., Howes, J., Jackson, C., Jeffords, P., & Levine, B. (2016). *When Women Thrive. Businesses Thrive*. Mercer LLC.	**X**	**X**	**X**	**X**	**X**

https://www.mercer.ca/content/dam/mercer/attachments/north-america/canada/ca-2016-gender-diversity-wwt-financial-services-perspective-en.pdf					
Clempner, J., Daisley, M., & Jaekel, A. (2020). *Women in financial services 2020.* Oliver Wyman. https://www.oliverwyman.com/content/dam/oliver-wyman/v2/publications/2019/November/Women-In-Financial-Services-2020.pdf	**X**	**X**	**X**	**X**	
Domski, S. (2018). Pipeline or waterslide: Advancing women into executive positions in business and financial planning. *Celebration of Learning*. https://digitalcommons.augustana.edu/celebrationoflearning/2018/presentations/24	**X**	**X**	**X**	**X**	
Egan, M., Matvos, G., & Seru, A. (2022). When Harry fired Sally: The double standard in punishing misconduct. *Journal of Political Economy*, 130(5), 1184-1248.	**X**			**X**	
Financial Planning Association. (2023). Peggy Ruhlin Discusses the State of Women Financial Planners. *Journal of Financial Planning*, *12*, 20–22.	**X**				**X**
Girardone, C., Kokas, S., & Wood, G. (2021). Diversity and women in finance: Challenges and future perspectives. *Journal of Corporate Finance*, *71*, https://doi.org/10.1016/j.jcorpfin.2021.101906	**X**	**X**		**X**	
Hart, S. A., & Ganley, C. M. (2019). The nature of math anxiety in adults: Prevalence and correlates. *Journal of Numerical Cognition*, 5(2), 122–139.	**X**				**X**
Healy, G., & Ahamed, M. M. (2019). 12. Gender pay gap, voluntary interventions, and recession: The case of the British financial services sector. *British Journal of Industrial Relations*, *57*(2), 302–327. https://doi.org/10.1111/bjir.12448	**X**	**X**	**X**	**X**	
House of Commons Treasury Committee. (2018). *Women in Finance*. 1-51.	**X**	**X**	**X**	**X**	
Ibarra, H., Carter, N. M., & Silva, C. (2010). Why men still get more promotions than women. *Harvard Business Review*, 88(9), 80-85.	**X**	**X**	**X**		
Ibarra, H., Ely, R., & Kolb, D. (2013). Women rising: The unseen barriers. *Harvard Business Review*, *91*(9), 60–67.	**X**	**X**	**X**		

Jaekel, A., & St. Onge, E. (2016). Why Women Aren’t Making it to the top of financial services firms. *Harvard Business Review*.	**X**	**X**	**X**		
Klein, G., Shtudiner, Z., & Zwilling, M. (2021). Uncovering gender bias in attitudes towards financial advisors. *Journal of Economic Behavior & Organization, 189*, 257–273. https://doi.org/10.1016/j.jebo.2021.06.040	**X**			**X**	
Kumar, A. (2010). Self-selection and the forecasting abilities of female Equity analysts. *Journal of Accounting Research*, *48*(2), 393–435. http://www.jstor.org/stable/40784954	**X**				
Kurlowicz, A. (2014). Women in Financial Planning. *Journal of Financial Service Professionals*, *68*(3), 56. https://er.lib.k-state.edu/login?url=https://www-proquest-com.er.lib.k-state.edu/scholarly-journals/women-financial-planning/docview/1527455925/se-2				**X**	
Kurtz, A. (2018). Why is the pay gap for women financial advisors so wide? *Financial Planning (Online)*, https://er.lib.k-state.edu/login?url=https://www-proquest-com.er.lib.k-state.edu/trade-journals/why-is-pay-gap-women-financial-advisors-so-wide/docview/2022918109/se-2	**X**	**X**	**X**	**X**	
Limón, A. T. (2020). Addressing the realities facing diverse employees in the financial planning profession. *Journal of Financial Planning*, *36*(11), 23–26.	**X**				
McCarthy, E. (2016). Where are the women? Can we close the advisor gender gap? *Retirement Advisor*, *17*(7), 36-39.	**X**		**X**		**X**
Neck, C. (2015). Disappearing women: Why do women leave senior roles in finance? *Australian Journal of Management*, 40(3), 488-510.	**X**	**X**	**X**		
Noback, I., Broersma, L., & van Dijk, J. (2016). Climbing the ladder: Gender-specific career advancement in financial services and the influence of flexible work-time arrangements. *British Journal of Industrial Relations*, 54(1), 114–135. https://doi.org/10.1111/bjir.12048	**X**	**X**	**X**	**X**	
O’Dwyer, M., & Richards, D. W. (2021). Occupational boundaries: Gender capital and career progression in the financial	**X**	**X**	**X**	**X**	

planning industry. *Financial Planning Review*, *4*(2). https://doi.org/10.1002/cfp2.1123					
Ogden, S. M., McTavish, D., & McKean, L. (2006). Clearing the way for gender balance in the management of the UK financial services industry: Enablers and barriers. *Women in Management Review*, *21*(1), 40–53. https://doi.org/10.1108/09649420610643402		**X**	**X**	**X**	
Reiter, M., & Kiss, D. E. (2021). Efforts in diversity and recruiting in financial planning undergraduate programs. *Family and Consumer Sciences Research Journal*, *49*(3), 238–253. https://doi.org/10.1111/fcsr.12389					**X**
Reiter, M., Seay, M., & Loving, A. (2022). Diversity in financial planning: Race, gender, and the likelihood to trust a financial planner. *Financial Planning Review*, 5(1), e1134. https://doi.org/10.1002/cfp2.1134	**X**				
Reiter, M., Seay, M., MacDonald, M., Lutter, S., & Loving, A. (2022). Are there racial and gender preferences when hiring a financial planner? An experimental design on diversity in financial planning. *Journal of Financial Counseling and Planning*, *33*(3), 344-357.					**X**
Richards, D. W., Roberts, H., & Whiting, R. H. (2020). Female financial advisers: Where art thou? *Australian Journal of Management*, *45*(4), 624–644. https://doi.org/10.1177/0312896219896389	**X**		**X**	**X**	
Seeber, C. M. (2015). For female financial planners, the glass is half full. *Journal of Financial Planning*, *28*(9), 20–22.	**X**			**X**	
Sheedy, R. L. (2021). The Importance of Building a Larger Cadre of Female CFP® Professionals. *Journal of Financial Planning*, *34*(8), 62–65.			**X**		
Sommer, Matthew, Lim, H. N., & MacDonald, M. (2018). Gender bias and practice profiles in the selection of a financial adviser. *Journal of Financial Planning*, 31(10), 38-47. https://er.lib.k-state.edu/login?url=https://www-proquest-com.er.lib.k-state.edu/trade-journals/gender-bias-practice-profiles-	**X**				

selection-financial/docview/2131783502/se-2	
Tharp, D. T., Parks-Stamm, E. J., Lurtz, M., & Kitces, M. (2022). Exploring gender differences in marital and parental income premiums among financial advisors. *Journal of Family and Economic Issues,* 43(1), 15–35. https://doi.org/10.1007/s10834-021-09766-4	**X**

Results

This structured literature review on gender inequity and the financial planning profession found evidence suggesting five barriers to women's entry and advancement in the financial services industry. Specifically:

1. Conscious and Unconscious Gender Bias and Discrimination.
2. Absence of Targeted Leadership Development Programs for Women.
3. Organizational Supports Do Not Reflect Women's Needs and Experiences.
4. Out-of-date Compensation Models and Policies Contribute to a Gender Pay Gap.
5. Lack of information, misunderstanding, and myths about the profession.

Each of these barriers is described, as well as the theories that attempt to explain why these barriers exist.

Barrier One: Conscious and Unconscious Gender Bias and Discrimination

Incidences of Gender Bias & Discrimination

Our review yielded numerous articles on conscious and unconscious gender bias and discrimination against women in financial planning (Blayney, 2016; Klein et al., 2021; Richards et al., 2020). Kurtz (2018) detailed a class action lawsuit led by 17 women alleging widespread gender discrimination and abuse, whereby men were awarded lucrative accounts at a disproportionately higher rate than women, regardless of account origin (Kurtz, 2018). Rachel Arthurs left her firm after more than 20 years, as she had witnessed the allocations of significant cases to her male colleagues. They argued that she could afford to make less as a single, childless woman (Domski, 2018).

In a recent U.S. survey, 66% of men did not believe that the financial services playing field is uneven, while 50% of women did (IN Research, 2017). Men (43%) did not feel diversity is as crucial to company success as women (62%). Nor did men (45%), as opposed to women (68%), feel that diversity is a key factor to overall industry success (Women in Advice, 2017). The CFP Board's Women's Initiative (WIN) Study (2014) found that 91% of the financial advisor community in the United States felt that men had an edge over women in the profession when it comes to the skills and characteristics necessary to be a great financial planner (Blayney, 2014). This perception perpetuates gender inequity within the profession.

Another study examined whether women advisors in the United States were punished for violations relating to customer disputes, regulatory infractions, and criminal offenses at higher rates and more severely than their male counterparts (Egan et al., 2021). The study found that women were judged more harshly than their male counterparts for the same infractions or mistakes, and this disparity was particularly apparent when managers and executives were predominately male, even when the violations committed by men were more costly to the firm. These biased judgments had lasting effects; women were less likely to be promoted or find other positions. As a result, they were reducing the likelihood of advancement (Egan et al., 2021).

Perceptions and Socialization

Conflicting views exist on gender diversity's importance in the financial planning profession. Within the CFP® community, 69% of planners felt that men had a tremendous advantage over women in the financial planning profession (Blayney, 2014; Fondulas et al., 2014; Pasztor et al., 2019). However, a CFP Board survey showed that 51% believed skills were gender-neutral, while 49% believed that men possess those skills more than women (Blayney, 2016).

Socialization experiences and biases have been found to reinforce stereotypes, perpetuating unconscious bias against women planners (Carter et al., 2016; Oldford & Fiset, 2021; Richards et al., 2020; Sommer et al., 2018). Western society has viewed women to be less skilled in investment management than men, especially if the amount of money invested exceeds $100,000 (Klein et al., 2021). However, women portfolio managers and analysts have outperformed their male counterparts during certain market conditions because they tend to adopt a buy-and-hold strategy rather than frequent trading, which men prefer (Kumar, 2010; Ritholtz, 2016). However, entrenched beliefs have favored men while hindering women's recognition and advancement (Filion & Paradi, 2016; Klein et al., 2021; Richards et al., 2019).

Client Biases

Biases have impacted clients, too. A 2008 study asked 500 Israeli respondents about characteristics that alter investment planner choice (Klein et al., 2021). The study concluded that gender bias is not apparent at investment houses, regardless of the investment amount. However, when clients chose to invest through banks rather than investment houses, there was a noticeable gender bias against women (Klein et al., 2021). Respondents with more significant sums of money invested in banks perceived women advisors more negatively.

Corporate culture and recruitment practices often perpetuate unconscious bias. Usually, corporations use a homogeneous recruitment process, hiring employees similar to the current ones and stifling diversity (Bloomfield et al., 2020; House of Commons Treasury Committee, 2018). Fewer women in the financial planning hiring pipeline compound this bias and recruiting them takes longer. Companies do not want to overspend, so they have hired the first available candidate (House of Commons Treasury Committee, 2018). The underrepresentation of women in the industry has perpetuated the biases or stereotypes that women do 'not fit in' and are less knowledgeable than men, so they do not join or stay in the profession (Richards et al., 2020; Women in Finance, 2017;). Studies have shown that men often apply for partially qualified positions, aggressively promoting their qualifications and past accomplishments. At the same time, women tend to refrain from such practices (Mohr, 2014), leading to the development of a masculine and competitive culture in some organizations (Richards et al., 2020). Women working in the Australian financial industry reported that eliminating this environment would increase women's retention as financial advisors (Richards et al., 2020).

Self-advocacy, Confidence, and Advancement

Self-advocacy is another barrier to gender equity. Women in financial services have rarely engaged in self-advocacy, impacting their visibility and success (Benjamin, 2018). Social learning theory suggests that differences in such experiences have caused women to question their professional abilities and job-related skills, which could negatively impact the self-confidence needed to advance (Bandura, 1977, 1978, 1982; Betz & Hackett, 1986; Manolova et al., 2007). The CFP Board noted that the lack of self-advocacy makes women less visible, less successful, and less likely to motivate other women to join the profession, resulting in one of the top reasons women have been underrepresented in financial planning (Benjamin, 2018). Communicating career aspirations is crucial for career advancement for women (Richards, 2021).

Confidence and the belief in abilities are essential in sales-driven environments (Richards, 2021). Confidence and masculine gender capital have been associated with financial service success (O'Dwyer & Richards, 2020). Both masculine and feminine gender capital describe a skill set defined by the associated gender but not reliant on biological determination. Feminine gender capital has been associated with providing care, detail-oriented work, and organizational proficiency. As a result, self-advocacy and promotion tended to be associated with men, requiring women to work even harder to demonstrate having these much-needed professional qualities (Richards, 2021). However, assertive self-promotion by women often leaves a negative impression (Cooper, 2013; Erfani et al., 2023; O'Dwyer & Richards, 2020). The lack of self-advocacy and confidence has contributed to the unconscious barriers and stereotypes in the financial services industry. These perceived barriers keep women from advancing at the rate and to the level of their male counterparts (Benjamin, 2018; CFP Board, 2015).

Barrier Two: Absence of Targeted Leadership Development Programs for Women

Lack of Targeted Leadership Programs and Examples

A literature review on leadership development programs indicated that a lack of targeted leadership development programs for women within the profession was a huge impediment to the advancement of women to more senior and executive positions within the financial services industry (Khoury et al., 2023). Canadian banks have led the way relative to their counterparts in the United States and Europe concerning women's representation at the executive level. In 2021, women's leadership in Canadian credit unions and banks lay at 44% and 33%, respectively, surpassing the 26% observed in Europe and the United States (Catalyst, 2020). By 2022, bank board representation in Canada reached 44%, although the CEO position remained principally occupied by men. Only 18% of Canadian bank boards had women CEOs (Khoury et al., 2023).

Some Canadian banks, like the Bank of Montreal (BMO) and Royal Bank of Canada (RBC), have created formal leadership development programs. BMO's Enterprise Sponsorship Program focuses not exclusively on women but also diverse individuals, including women. These protégés partnered with senior leaders benefit from advocacy, exposure, and introductions to develop meaningful connections that may result in career development opportunities made by the sponsor (Canadian Bankers Association, 2023). The program at RBC, Women in Leadership, focused explicitly on women, providing a 10-month development and networking program designed to support women advancing within the organization. The lack of targeted leadership development programs, the lack of women role models, and the inadequate management pipeline of women have negatively impacted gender equity at higher levels of the organizational chart of financial services firms (Domski, 2018). Even when innovative programs and structures were put in place to advance women, not addressing the unconscious bias against women, the presence of sexism, and the underlying paternalistic social constructs, career advancement efforts for women were likely to be futile. There had to be a genuine desire to advance women to make efforts effective (Jaekel & St. Onge, 2016).

Cultural Barriers and Limitations

According to Jayne-Anne Gadhia, CEO of Virgin Money, another bias was the gender imbalance and what it perpetuated (House of Commons Treasury Committee, 2018). Women did not want to be involved in senior-level financial services because of the culture; it was white, male, and old (House of Commons Treasury Committee, 2018). PricewaterhouseCoopers (PwC) stated that "gender imbalances are in themselves a workplace culture that acts as a reinforcing barrier to women" (House of Commons Treasury Committee, 2018, p.10). This reputation discouraged women, as they did not feel it offered the career advancement they desired (Klein et al., 2021).

In 2016, the Brandon Hall Group found that over 75% of participating organizations had no mentoring program for women to advance to leadership positions (Domski, 2018). In research conducted by management consulting firm Oliver Wyman, respondents repeatedly confirmed, "All our senior leaders are older, white males. They are the ones who set the culture we experience every day" (Jaekel & St. Onge, 2016, para 5). The financial planning/advising role centered on communication, relationship management, and assisting clients with their financial needs (Brimble & Murphy, 2012), all

which women reputedly did better than men (Kurlowicz, 2014; Richards et al., 2020). There needs to be a redefinition of talent if ready and available continues to define talent. According to Jon Terry of PWC, if he saw only men, like him in senior positions, then that is what he was likely to select for the available position (House of Commons Treasury Committee, 2018).

Representation in Leadership Roles

The lack of equitable advancement for women was not the result of poor corporate culture alone. Women themselves might have been unknowingly discouraging the likelihood of advancement. Social learning theory suggests that the education system contributed to the likelihood that young women and girls would select courses and programs that did not lead them to senior positions within the financial services or the financial services industry (Bandura, 1977). Post-secondary programs might have been better for promotion to the C-suite level. Many women received degrees in human resources, health services, and the arts instead of finance, technology, or the sciences (Cappelli & Hamori, 2005). The choice of degree impacted the advancement to CEO, as CEOs typically have finance and accounting backgrounds (Laff, 2007, as cited in Domski, 2018). Women have had higher representation in leadership roles that did not typically lead to the promotion of CEO, such as heads of talent and marketing/business development (Cappelli & Hamori, 2005). Experience in operations or operations management is another predictor of successful candidates for a CEO position. At least 25% of current CEOs held the position of Chief Operations Officer (COO) prior to succeeding in the CEO position. However, only 11% of women have held positions in operations leadership (Catalyst, 2020), keeping them out of the CEO pipeline.

While gender equity progress has been made in the workplace, significant barriers to women’s advancement into leadership roles persists. Thirty percent of organizations surveyed by the Brandon Hall Group noted a "lack of expressed desire/assertion among women to ascend to a top executive level" (Brandon Hall Group, 2016, p. 17). It is critical to professional advancement to make professional goals known, which men tend to do better than women. Not only were women less likely to engage in self-advocacy, but they were also less likely to embellish accomplishments and experience. Women also tended to apply for positions they were entirely qualified for and avoided positions they were not (Brandon Hall Group, 2016; Domski, 2018).

Barrier Three: Organizational Supports Do Not Reflect Women's Needs and Experiences

Traditional Gender Roles and Disparity

The structured literature review supports the findings that gender was a traditional social construct that defined men as providers and breadwinners whose space was in the public domain and women as caregivers, providing supportive roles and operating in the private space of the home (Blair-Loy, 2003). For the women who did work in financial services, stereotypes persisted, as did gender discrimination (Richards et al., 2020). Those who made the decisions define what it took to rise to the top and stay there (Richards et al., 2020).

On the surface, there has appeared to be relative gender equity at the entry-level of the financial services industry. At the junior advisor level in the United States, relative equity existed between men and women. In addition, within major Canadian banks, there appeared to be a firm commitment to diversity and inclusion for women at Canada's 'big six' banks (Canadian Bankers Association, 2023). While the literature indicated gender equity at the entry-level, the reality was that many women financial planners worked outside Canada's 'big six' banks in credit unions, insurance companies, and private brokerage firms. As a result, these women were not included in the banks' stated commitment to equity and were absent from the data (Canadian Bankers Association, 2023; DBRS Morningstar, 2023).

Gender inequity continues up the organizational chart of many financial services firms, including banks (Girardone et al., 2021; WIN Research, 2017). A persistent structural barrier to advancement for women in financial advising was the need for formal networks, mentors, and sponsorship opportunities. This barrier was constrained by dated gender role expectations and an organizational culture that did not support the dual role of professional and caregiver, often played by women (Richards et al., 2020). In the United States, the top barrier to the advancement of women was the desire to balance career and family (Women in Advice, 2017). Of the women surveyed for the Women in Advice Report (2017), 20% agreed that this was a significant barrier. Work-life balance has historically been perceived as an issue solely for women, but that was not the case (Lewis et al., 2007). Men also identified work-life balance as a career barrier, so dated gender role expectations need to be updated. The desire for a career and family had to be achievable for both women and men (Women in Advice, 2017).

Work-Life Balance and Women's Careers

Some organizations in Canada provide support for parental leaves in addition to those provided by the government. Research indicated that the impact of a leave had adverse effects on advancement when women return. Women absent from the workforce missed critical opportunities to advance through networking, mentoring, or sponsorship (Women in Advice, 2017). A crucial time for advancement to a more senior advisor role happens at the five-to-nine-year employment mark. This time often coincided with when women tended to have their first child (age 28 - 30), effectively removing women from the promotion to financial advisor pipeline (Women in Advice, 2017). This experience plagued the financial services industry in North America. In 2017, while men and women applied for promotions at comparable rates, men were promoted more often than women. The absence of women due to parental leave contributed to promotion disparity in favor of men. Literature indicated a 24% gap in the rates of first promotions favoring men over women in North America, although asking for promotions was at comparable rates (Catalyst, 2020). Return-to-work support could cause further counterproductive results as it had tended to provide gradual transitions with modified workloads rather than the structure and process that helped women reintegrate into the advancement pipeline (Women in Finance, 2017).

In Australia, non-traditional flexitime, part-time work arrangements, and working from home are often seen as concessions for women, resulting in questioning women's commitment and contribution to the business. Women might not receive bonuses, and their professional advancement might be stalled (Brown, 2010). Challenging career moves that require long hours, travel, and relocation for promotion might not be feasible for women in the role of caregiver. Missing these opportunities for advancement could limit the experience and qualifications needed for future career progression (Adams, 2014, as cited in Domski, 2018).

Mentoring, Sponsorship, and Networking Challenges

Organizations that did not make promotions based strictly on merit did not provide equitable access to advancement opportunities. According to Khoury et al. (2023), Canadian banks still needed to develop formal pipelines to ensure a sufficient supply of qualified women to fill senior positions. Men and women might have received formal mentoring, but the quality of the mentoring differs. Women mentors tended to have less power and influence, resulting in more promotions to male mentees (Ibarra et al., 2010). In a study by Domski (2018), more than 75% of participating financial services organizations had no mentoring program designed to advance women's leadership exclusively. IN Research, on behalf of State Street Global Advisors (2017), reported that U.S. women FAPs believe that finding or having a good mentor is significant for their career success.

Additionally, the literature indicates that men are far more likely to have a sponsor, whereas women receive a mentor. Mentoring is less formal and only sometimes creates a pipeline for advancement. Unlike a sponsor, a mentor did not 'have skin in the game' in the form of influence, reputation, or corporate power (Ibarra et al., 2010). Alternatively, a sponsor was a person tasked with making introductions to influential persons crucial to advancement and supporting protégés in their career progression (Richards et al., 2020). Advocacy, advice, and identifying opportunities for protégés were invaluable for promotion and advancement (Catalyst, 2020). It was also important to note that if the sponsor or mentor was not the direct supervisor of the protégé, the role was ineffective, as they were not directly engaged in the relationship, impairing or limiting effective communication (Ibarra et al., 2010). The limited access to support, such as mentors and, more importantly, sponsors for women, created a feeling that women were not welcome at certain events (Limón, 2020).

The lack of effective networking for women financial advisors/planners looking to advance their practices could be a real obstacle. According to those interviewed by Ogden et al. (2006), networking was more accessible for men for three reasons:

1. Care-giving responsibilities encumbered men less and caused less disruption to their workday.
2. Many networking events focus on sports and drinking, activities that circle stereotypical male interests and could actively exclude women.
3. Traditional networking often takes place outside of regular working hours, which impinges on women's personal responsibilities as caregivers.

Networking has been an integral part of the financial planning/advising profession for a long time, and the barriers women face have limited career advancement (Richards et al., 2020). SRT helps think about this as traditional gender roles of women did not include a focus on drinking and sports.

Barrier Four: Out-of-date Compensation Models and Policies Perpetuate Gender Pay Gap.

Financial Services Profession Gender Pay Gap

Our review resulted in multiple articles that addressed the persistent gender-based discrimination and inequities that existed, resulting in significant gender pay gaps (Abraham, 2017; Catalyst, 2020; Kurtz, 2018; Tharp et al., 2019). Data from the U.S. Department of Labor showed that women financial advisors had the widest wage gap of all occupations, earning only 59 cents for every dollar male financial advisors earned and approximately $35,000 less than men in total compensation (Kurtz, 2018). Differences in pay also existed in Canada, with women earning $7.50 an hour less than their male counterparts in the finance, insurance, real estate, rental, and leasing industries (Statistics Canada, 2022). In these sectors, women had an average hourly wage of $35.40 compared to their male counterparts at $42.93 per hour, which equates to women making 81.6% of their male counterparts (Catalyst, 2020).

One reason for gender pay inequity might have been the small number of women in higher-paying management roles in financial services and the historical overrepresentation of men in those positions (Abraham, 2017). In 2019, only 20% of women in financial services were in leadership positions worldwide (Catalyst, 2020). This study added to the existing body of knowledge by suggesting that gender at the management level, including those making the decisions in the pay equity process, needed consideration (Abraham, 2017). In 2020, even though women made up 55% of entry-level employees in the sector, only 39.5% of senior management positions were held by women (Canadian Bankers Association, 2023). Women's attrition as they climb the corporate ladder has had a compounding negative effect, with fewer women across the sector, fewer women making decisions, fewer women to promote, and fewer women mentors/sponsors from which to learn (IN Research, 2019).

Although a pay gap still existed in the financial planning profession, it was less dramatic than that in the financial sector. Tharp et al. (2019) identified a 19% pay gap between male and female financial planners when they surveyed 710 financial planners. Tharp et al. (2019) claimed that 91% of this 19% pay gap could be explained by the job role, experience, hours worked, professional designation status, and other factors, leaving a much smaller percentage that might be attributable to gender. While this study looked at other factors that affect pay, it did not examine them through a gender lens. Regardless, the literature confirmed an actual pay gap in the financial planning profession and the larger financial services industry, despite conflicting positions as to why the gap persists and the size of the gap.

Traditional Compensation Models

The traditional compensation model in the financial services industry was performance-based, comprising commissions and bonuses. Advisors have been rewarded heavily for bringing in new business and less so for maintaining existing clients. While this model was undergoing significant change with the elimination of deferred sales charge fees and removal of other 'loads' in favor of fee for service and compensation based on assets under management (AUM), less than 35% of financial services organizations in the United States, reviewed performance ratings by gender and only 26% adjusted their annual compensation review process based on pay equity (Benjamin, 2018). The lack of effective pay equity processes and professionally trained teams permitted the variable compensation (sales-based) environment that tended to privilege men while inhibiting women (Richards et al., 2020).

While most financial firms claimed to be a meritocracy, their internal data showed a gender pay gap due to non-transparent compensation structures (Kurtz, 2018). The sale-based compensation structure that dominated the industry might be a barrier for women entering the financial industry as women preferred more salary-based compensation, which provides for less personal risks and greater income stability (Blayney, 2014; Richards et al., 2020). Many financial companies did not offer a base salary but had production-based formulas or performance-based forms of compensation. A financial planner's compensation is comprised of commissions and AUM. Research indicated that in Australia and New Zealand, the precarious nature of commission and bonus compensation made women step back from the profession, and there was no reason to believe that the situation differed in the North American context. This system worked well for men, who managed significant books of business, but not for women, as women still managed only single-digit percentages of client assets (Deloitte, 2019). These forms of compensation prevented women financial planners from entering this profession as they feared insufficient income when they had yet to have the opportunity to create a sufficient client base (Blayney, 2014).

These dated compensation models discouraged women and made them feel unwelcome. However, the models might have been an antecedent to the gender pay gap problem and were barriers to advancement for women in the global financial services industry (Benjamin, 2018). In Australia, commission-based structures linked to competitive sales cultures discouraged some women FAPs from pursuing advancement (Richards et al., 2020). Women FAPs often felt inhibited by the sales-oriented pressure and the system that based its rewards on key performance indicators linked to sales, variable remuneration, and competition. These factors did not create an environment of cooperation and collaboration that would be preferable to women. Men and women's horizontal and vertical segregation in the financial services sector impacted all workplace practices (Richards et al., 2020).

Stereotypical Gender Biases

The persistent unconscious bias relating to stereotypical assumptions about gender roles has compounded the problem. In Australia, women in the industry often occupied roles as paraplanners. A paraplanner assists the financial planner in their administrative duties, giving the financial planner more time to prospect and advise clients. The paraplanner role might be a financial planning associate, licensed assistant, or junior investment advisor in the United States and Canada. While these positions provided flexible work arrangements such as part-time and hybrid work, they have had limited conversion opportunities to move into the Financial Advising Professional role (Richards et al., 2020). A pathway for career progression was needed in the United States financial services industry.

In places like the United Kingdom, the United States, and Canada, regulatory and policy changes have formalized economic equity support for women. However, these are relatively new, and in many cases, policy initiatives have yet to trickle down to the employee level (Canadian Immigrant, 2021). In the United Kingdom, union-represented financial services professionals advocate for employment equity and transparency legislation for compensation. Nevertheless, pay and bonus gaps still existed at banks in the United Kingdom. The pay gap was 35%, while the bonus was 52% (Healy & Ahamed, 2019). In Canada, the Ministry for Women and Gender Equity (WAGE) has created a development plan with targeted initiatives to address systemic barriers to women's economic advancement and progress (Women and Gender Equity Canada, 2023). However, the financial services industry seemed particularly resistant to voluntary change (Healy & Ahamed, 2019).

Diversity Recognition

At the federal level, the Bank of Canada is in an enviable position to lead and drive change in diversity and inclusion for banking throughout Canada. In 2020, the Bank of Canada committed to a policy. It developed various strategies to achieve inclusivity and diversity and reduce racism within its employee complement and among its stakeholders in Canada and abroad (Bank of Canada, 2021). The Bank sought to achieve these goals through education, employee development, outreach, scholarship, and recruitment programs. As the Bank of Canada continued to build upon and expand its diversity, inclusion, and anti-racism efforts, it continued to foster grassroots employee resource groups. The goal was to foster dialogue, provide leaders with the necessary tools and training to effectively champion inclusion at all levels, and identify and address biases and barriers that impeded equal opportunities and outcomes at the Bank (Bank of Canada, 2020)

Although the average Canadian resident might bank at various financial institutions across the country, the Bank of Canada set the stage for policy and strategies for other banks and financial institutions to follow. Although policies and programs designed to foster diversity and inclusion exist, programs offering one-time diversity and inclusion training need to be improved, as actual change requires time and the ability to practice (Shin, 2021). Removing barriers is a multipart process that includes understanding the current framework, heightening awareness of potential biases, and applying principles of fairness across all levels of organizations. Hiring people who reflected the population's diversity was needed to achieve statistical equity (Coulson-Thomas, 2023; Limón, 2020). Instead, there needed to be a genuine intent to improve inclusivity and diversity through education, engagement, and professional development.

Bonus Culture and Presenteeism

Two additional related issues are the persistent bonus culture and presenteeism. In this context, presenteeism referred to simply being in the office, noticeable, and therefore more easily able to advocate for oneself and be seen by superiors and those who awarded promotions, bonuses, and allocated client cases. Women avoided senior-level financial services positions because the culture required employees to be present to be rewarded or promoted (Women in Finance, 2017). Similarly, there might have been an interplay between presenteeism and bonus culture, as women were in the office less than men due to family and caregiver commitments and their preference for remote work (Richards et al., 2020).

The bonus culture requiring advisors to self-promote to justify their bonuses has exacerbated the issue, as men argued more forcefully and successfully with management for bonuses than women (House of Commons Treasury Committee, 2018). When success relied on only sales performance, and there was no inclusive measure for compensation, the system rewarded men. Performance matters, but it could be the only measure, nor could the system of bonuses be a negotiation (Women in Finance, 2017). These blatant, gendered structures and processes operate as barriers to entry, retention, and promotion should organizations wish to attract and retain women in the financial services industry.

Barrier Five: Lack of Information, Misunderstanding, and Myths about the Profession

Misinformation and Misunderstanding

The structured literature review revealed that misinformation and misunderstanding negatively impacted the entrance of women (particularly younger) into the financial planning profession

(Bordalo et al., 2018; Reiter & Kiss, 2021; Seeber, 2015). Although more women were enrolling in financial planning programs at post-secondary institutions in the United States (35% of students complement), and awareness of the profession among women continued to grow, women were still enrolling in these programs at lower rates than their male counterparts (Seeber, 2015). According to Luke Dean, Program Director at Utah Valley University, industry firms have been looking to hire the best and brightest women students. Still, even if the demand was there, the women students were not (Seeber, 2015).

A survey of U.S. institutions offering financial planning degrees identified a general lack of understanding, misconceptions, inability to recruit, and overall lack of awareness relating to career opportunities within the financial planning profession that were not sales-related (Reiter & Kiss, 2021). One of the most significant challenges was the limited supply of candidates (women and ethnically diverse individuals) that employers could recruit into the financial advisor pipeline. There are many avenues that candidates can take to enter the profession, but it is becoming increasingly common to take financial planning as a major at the college level. While 53% of undergraduate financial planning programs have actively recruited women students, the results are mixed (Reiter & Kiss, 2021). A common theme emerged, indicating acceptable levels of diversity and inclusion, although women's representation in these programs is 28% of the total student population (Reiter & Kiss, 2021). Respondents to the Reiter and Kiss (2021) survey indicated that financial planning has better representation of women than other finance programs, which was considered a win by the study's authors. Formal recruiting existed, but most students learned about financial planning through academic advisors, personal finance, business 101 courses, or word of mouth (Reiter & Kiss, 2021).

Career Awareness is Lacking

The CFP Board of Standards also identified these challenges in 2014. While 90% of women CFP® professionals in the United States understood that the profession required effective communication and a comprehensive approach to planning, that percentage dropped dramatically to 60% for women advisors without the designation. Further, only 33% of women who believed the profession required strong sales skills wanted to become financial planners.

In comparison, 45% of women surveyed in the 2013 WIN Research Project considered the profession one of relationship building (Blayney, 2014). There was a lack of awareness of the financial planning profession and the CFP® certification process by women in the United States (Blayney, 2014). This lack of awareness and understanding diminished the profession's value as a viable career opportunity (Blayney, 2014).

Math Myth and Confidence

A serious misgiving about financial planning as a career that might discourage women from the profession is that financial planning is all about math. Financial planning requires various skills, and math proficiency is a single skill needed to succeed. Regardless, several studies have indicated that women experienced higher math anxiety than men (Bernstein & Others, 1992; Hart & Ganley, 2019; Van Mier et al., 2019). Men also tended to be more confident about their mathematical skills, even if that confidence is misplaced (Bordalo et al., 2018). The sources of such overconfidence were only partially understood, but women needed to be more self-confident in male-dominated professions like financial planning (Bordalo et al., 2018).

The combination of the math overconfidence of men and women's apprehension about math bolstered the idea that a math anxiety gap existed between men and women. This anxiety made women less likely to pursue the financial planning profession or required educational programs as a result. Beliefs held by women about themselves influence important decisions, include college applications, career path selection, and willingness to contribute ideas in the workplace or compete for a promotion (Bordalo et al., 2018). If women believed they would not be successful in a career like financial planning, it was unlikely that they would follow that career path.

Theoretical Framework(s) Uncovered

During the literature review, several promising theories and frameworks were identified that attempt to explain or provide context for the predominance and persistence of men in the financial planning industry. These theories do not predominate in the financial planning discipline. However, exploring the theories below provides further understanding of the effects of role models, social learning theory, preference theory, and social role theory on gender and the financial planning profession.

Role model theory (Gibson, 2004) suggests that "[envisioning] oneself in a higher position requires someone with whom you identify having attained that position" (Women in Advice, 2017, p. 10). Role model theory has focused on how role models influence and persuade people to achieve their goals (Morgenroth & Ryan, 2015; Rahman & Day, 2012). According to Morgenroth et al. (2015), role models serve three roles: 1) to influence and motivate, 2) to act as behavioral models that represent what is achievable, and 3) to inspire. The theoretical framework is concerned with when and how role models can influence and motivate the actions of others (Morgenroth et al., 2015). As there are so few women in the financial planning profession, especially in managerial and executive roles, women need to see role models to which they can aspire (Ogden et al., 2006). Firms can partner junior women with senior female mentors as seeing women successfully lead and excel in the organization can boost self-efficacy and encourage imitation of productive, leadership-oriented behaviors. In addition, whenever possible, showcase the successes and expertise of female professionals—through newsletters, webinars, and conferences—so that positive examples are more visible.

Social learning theory (Bandura, 1977) considers the environment within which a person exists and cognitive dynamics as influences on human behavior and learning. This learning happens through observation and imitation of the behaviors observed. The observed behaviors and actions can be reinforced internally and externally and can be positive and negative (Bandura, 1977). As it relates to women in financial services, having their abilities doubted, coupled with a lack of representation of women at the management and c-suite levels, may cause women to develop low opinions of their abilities about job-related behaviors, causing them not to fulfill their potential (Bandura, 1977, 1978, 1982; Betz & Hackett, 1986; Manolova et al., 2007; Pasztor et al., 2019). Women who experience gender bias tend to internalize this bias, and the longer the experience, the more deeply embedded it becomes. Based on social learning theory, it would benefit firms to offer targeted professional development and training by providing leadership, negotiation, and public-speaking workshops that directly address common barriers women face, such as being talked over in meetings or having their expertise questioned. Incorporate confidence-building sessions that tackle imposter syndrome, counter bias, and reinforce personal strengths, ensuring women have the necessary tools to thrive. Additionally, encourage a continuous learning culture by inviting women to share newly acquired skills and strategies in team forums or “lunch and learn” sessions, thereby reinforcing good practices across the organization.

According to Catherine Hakim's (2006) preference theory, the socio-economic environment within which women exist, and conditions women's choices related to paid work and responsibilities to home life and family. Preference theory posits that the five preconditions: access to contraceptives, full access to all occupations, the ability to access white-collar jobs, the ability to work remotely and in a part-time capacity, and a general attitude that encourages and supports a woman's right to choose their lifestyle must be present for women to entirely choose how they reconcile paid employment and family caregiving (Hakim, 2006). Generally, women fall into three categories:

1. Those who choose a career (a work-centric life)
2. Women who prioritize family (a home-centric life)
3. And women who choose both paid employment and family

Most women fall into this last category (Marshall, 2009). According to Hakim, very few societies within Europe, apart from the Netherlands and the United Kingdom, provide genuine choices for women, resulting in having achieved these five preconditions (Hakim, 2006). If women do not exist within an environment that provides for these five criteria, they may not have genuine choices as it relates to careers and families. To help women exercise genuine choice in reconciling work and family, firms can adopt policies and practices that address these five preconditions. First, they can provide robust healthcare benefits that include comprehensive coverage for contraceptives, thereby supporting women's autonomy over their family-planning decisions. Second, organizations should create paths to all occupations—especially roles traditionally dominated by men—through transparent hiring, promotion processes, and targeted recruitment efforts. Third, expanding access to white-collar and professional roles can be achieved by offering skill-building programs, mentorship initiatives, and clear career progression frameworks. Fourth, firms can institute flexible work options—such as part-time positions, remote work, or job-sharing—that make it easier for women to balance family obligations while continuing to develop their careers. Finally, cultivating an inclusive, supportive culture is essential: leaders should visibly endorse women's rights to structure their own balance of work and home life, ensuring that career breaks, caregiving responsibilities, or alternative schedules do not hinder long-term advancement.

Social role theory (SRT; Eagly, 1984) concerns similarities and differences in social behavior based on gender. SRT posits that the allocation of men and women into social roles within society results from their gender. Gender-determined roles strengthen and reinforce the division of labor for men and women (Eagly et al., 2000). Socialization, a significant process identified by social role theory, points to the need or expectancies of men and women to adapt (Archer, 1996). This adaptation resulted in societal characteristics and behavior endemic to the sex-defined roles. While SRT may not help explain all societies worldwide, in industrialized countries, women are more likely to default to primary caregiver, a nurturing position identified as communal by Archer (1996). Men are the financial providers participating in the paid economy and are characteristic of agentic expectancies, such as assertive and instrumental (Archer, 1996; Eagly & Wood, 2016). These socially specified roles define a person's responsibilities (Bosak, 2018). Financial planning firms can harness and highlight traditionally "feminine" or communal strengths—such as empathy, relationship-building, and holistic care—to more effectively serve clients. By training all advisors, not just women, to listen actively and understand clients' emotional as well as financial well-being, firms can elevate the overall client experience. Through highlighting the importance of compassion, patience, and attentive communication in firm-wide policies and marketing materials can showcase a firm's commitment to caring for clients' entire financial journey, ultimately differentiating the business in a competitive marketplace and making it a place at which, women are more likely to want to work.

Discussion

This structured literature review described the five types of barriers to entry and advancement in the profession, including 1) dated gender roles, 2) antiquated compensation models, 3) gender bias and discrimination, 4) absence of targeted leadership, and 5) persistent myths and misunderstanding about the profession. The challenge extends beyond merely encouraging women to enter the financial planning sector; it involves devising strategies to reduce the ongoing underrepresentation of women in positions of power and influence. Across all facets of the financial services sector—except at the entry-level—women remain in the minority. Alarmingly, women exit the profession at higher rates than men, exacerbating the scarcity of available women in the already narrow pipeline for promotion (Carter et al., 2016; Domski, 2018).

The persistent scarcity of women in authority and influence to empower needed change in the direction of diversity, equity, and inclusion (DEI) needs attention. This scarcity perpetuates an insufficient pipeline of women progressing beyond entry-level roles and into the financial planning profession. The predominance of older white men in leadership roles perpetuates a mirror image of gender inequity (Domski et al., 2018; Sheedy, 2021). Women cannot envision their success if they cannot see it, and therefore, gender equity remains elusive (Diehl et al., 2020; Rogish et al., 2022).

Research in corporate finance and management literature consistently demonstrates that diversity drives competition, improves collaboration, and enhances productivity (Kogel et al., 2023; Woolley et al., 2010). Elevating women's participation in the financial planning and services profession is more than equity; it aligns with the goals of the entire finance industry. The financial services profession must recognize the immense opportunity to engage, promote, and serve the financial needs of women. As women gain more control over personal financial assets and increase their involvement in decision-making their demand for more holistic planning and their influence will only continue to grow.

To attract more women to the profession, organizations can take strategic steps:

1. **Barrier One: Conscious and Unconscious Gender Bias and Discrimination.** Social role theory posits that gender differences stem from societal expectations and gender role assignment. To ensure a more equitable workplace, financial institutions can challenge entrenched traditional gender roles by ensuring advancement opportunities are based on skills and talent. Through open employee dialogue and employee engagement groups, perceptions, beliefs, and stereotypes can be reduced. Providing a safe and secure environment for reporting harassment, abuse, or aggression without fear of reprisal can create a more equitable and inclusive workplace.

2. **Barrier Two: Absence of Targeted Leadership Development Programs for Women**. Role model theory suggests that having women in corporate leadership positions, who can guide and encourage women in junior positions can motivate more women to pursue advancement within an organization. Financial institutions can create targeted leadership development programs specifically tailored for women that highlight the achievement of women role models to help fill the pipeline through to second promotion to ensure women are capable leaders. Women's leadership style differs significantly from men's, and having visible women role models and programs tailored to meet that demand can encourage more women to pursue advancement.

3. **Barrier Three: Organizational Supports Do Not Reflect Women's Needs and Experiences.** Hakim's preference theory suggests that organizations need to acknowledge and address the diverse preferences of women in the workplace. By hiring (or training) qualified professionals versed in gender sensitivity can implement formalized performance reviews based on meritocracy, while recognizing that women have differing work-life preferences, can ensure equitable advancement. A gender lens can help ensure that these diverse preferences are considered. Organizations must provide open and transparent pathways for career progression and recognition to empower women to navigate the profession confidently and successfully.

4. **Barrier Four: Out-of-date Compensation Models and Policies Contribute to a Gender Pay Gap.** According to social role theory, compensation inequity results from societal expectations based on gender. Financial institutions can challenge traditional thinking and structures around compensation to reduce this inequity and create or promote policies to provide more income stability. Organizations may need to re-evaluated existing compensation models or offer a salary-based compensation structure or a hybrid model whereby the salary declines as the

commissions or AUM compensations increase to mitigate gender disparities in earnings and help incentivize women to pursue financial planning careers. Employers may also need to challenge traditional forms of compensation by examining the work traditionally performed by women and men to ensure all types of work is valued equitably.

5. **Barrier Five: Lack of information, misunderstanding, and myths about the profession.** Social learning theory stresses the importance of learning through observation and modeling. Employers can use this theory to guide their programs and policies to provide young women and prospective students with opportunities to engage and interact with successful women in the profession. Educating persons of influence, parents, educators, and mentors about the profession through workshops, cooperative opportunities, and engagement events whereby prospective students can ask questions to correct misunderstandings are valuable. Showcasing the profession through various forms of media to dispel myths and misconceptions about the profession may provide a more accurate and appealing picture of the profession.

By dismantling barriers and fostering an inclusive environment, the financial planning profession can genuinely reflect the needs and aspirations of current and future clients.

Limitations

The initial goal of this paper was to examine the Canadian landscape. However, the absence of Canadian data expanded the focus to the United States, Australia, and the United Kingdom, where the financial services industry and financial planning profession are well developed. Even with the expanded geographic region, research was so limited that it required the inclusion of the financial services industry. While all attempts to mitigate bias have been employed, articles were excluded that examined the experiences of women in other professions and industry to ensure relevance to the financial planning profession. Additionally, while multiple databases were searched, some relevant research studies and articles may have been overlooked because of the search terms and the database coverage. Finally, our search was limited to a fifteen-year period between 2008 – 2023. Research conducted before that date, or very recently has not been included.

Conclusion

This research sought to understand the state of women in the financial planning profession in Canada over the last 15 years. The findings contribute to the existing research in four critical ways. First, it provides a compilation of existing literature on the nature of gender inequity in financial services, drawing on experiences in Australia, the United Kingdom, the United States, and, to a lesser extent, Canada. Second, it identifies common barriers across different regions that provide unique insights for consideration in the Canadian context. Next, it reveals possible theoretical frameworks such as role model theory (Gibson, 2004), social learning theory (Bandura & Walters 1977), preference theory (Hakim, 2006), and social role theory (Eagly, 1984) that can help provide context to understand gender inequity and why it is so persistent in the financial planning profession. Finally, it uncovers an essential future primary research agenda, namely gender inequity and Canada's financial planning data gap, to make evidence-based decisions and policy recommendations. These insights can guide policy development designed to remove barriers for women and improve gender equity throughout the profession worldwide.

References

Abraham, M. (2017). Pay formalization revisited: Considering the effects of manager gender and discretion on closing the gender wage gap. *Academy of Management Journal*, 60(1), 29-54. https://doi-org.er.lib.k-state.edu/10.5465/amj.2013.1060

Baghai, P., Howard, O., Prakash, L., & Zucker, J. (2020). *Women as the next wave of growth in US wealth management*. McKinsey & Company

Bandura, A. (1978). Reflections on self-efficacy. *Advances in Behaviour Research and Therapy*, *1*(4), 237-269.

Bandura, A. (1982). Self-efficacy mechanism in human agency. *American Psychologist*, *37*(2), 122.

Bandura, A., & Walters, R. H. (1977). *Social learning theory*. Prentice Hall.

Bergmann, N., Scheele, A., & Sorger, C. (2019). Variations of the same? A sectoral analysis of the gender pay gap in Germany and Austria. *Gender, Work & Organization*, *26*(5), 668–687. https://doi.org/10.1111/gwao.12299

Bernstein, J. D., & Others, A. (1992). Barriers to women entering the workforce: Math anxiety. *New Jersey Equity Research Bulletin*, 3, 3-6. https://eric.ed.gov/?id=ED359381

Betz, N. E., & Hackett, G. (1986). Applications of self-efficacy theory to understanding career choice behavior. *Journal of Social and Clinical Psychology*, *4*(3), 279-289.

Bisco, J., Gradisher, S., & Mulholland, B. (2019). Women and diversity--Why the conversation must continue in financial services. *Journal of Financial Service Professionals*, *73*(1), 72–84.

Blayney, E. (2014). *Making more room for women in the financial planning profession*. CFP Board. https://www.cfp.net/knowledge/reports-and-statistics/diversity-and-womens-research/making-more-room-for-women-in-the-financial-planning-profession

Blayney, E. (2016). What is the future of women in financial planning? *Journal of Financial Planning*, 29(9), 32–33.

Balentine, C. (2024, December 9). Women will control $30 trillion by 2030 in massive shift for wealth management. *Bloomberg.* https://www.bloomberg.com/news/articles/2024-12-09/women-will-control-30-trillion-by-2030-in-massive-shift-for-wealth-management?leadSource=uverify%20wall

Bloomfield, R. J., Rennekamp, K., Steenhoven, B., & Stewart, S. (2021). Penalties for unexpected behavior: Double standards for women in finance. *The Accounting Review*, 96(2), 107–125. https://doi.org/10.2308/tar-2018-0715

Bordalo, P., Coffman, K., Gennaioli, N., & Shleifer, A. (2019). Beliefs about gender. *American Economic Review*, *109*(3), 739–773. https://doi.org/10.1257/aer.20170007

Canadian Bankers Association. (2023) *Focus: Representation of women at banks in Canada.* https://cba.ca/representation-of-women-at-banks-in-canada

Carter, N., Elliott, V., Harding, C., Hetterich, A., Howes, J., Jackson, C., Jeffords, P., & Levine, B. (2016). When women thrive. *Mercer LLC.* https://www.mercer.ca/content/dam/mercer/attachments/north-america/canada/ca-2016-gender-diversity-wwt-financial-services-perspective-en.pdf

Clempner, J., Daisley, M., & Jaekel, A. (2020). Women in financial services 2020. *Oliver Wyman.* https://www.oliverwyman.com/content/dam/oliver-wyman/v2/publications/2019/November/Women-In-Financial-Services-2020.pdf

Coulson-Thomas, C. (2023). Building future boards: Women and diversity in leadership roles. *Effective Executive*, *26*(4), 25–45.

Domski, S. (2018). Pipeline or waterslide: Advancing women into executive positions in business and financial planning. *Celebration of Learning*. https://digitalcommons.augustana.edu/celebrationoflearning/2018/presentations/24

Eagly, A. H., Wood, W., & Diekman, A. B. (2000). Social role theory of sex differences and similarities: A current appraisal. *The Developmental Social Psychology of Gender*, 12(174), 5-12.

Eastman, M. T., Rallis, D., Mazzucchelli, G. (2016). The tipping point: women on boards and financial performance. *MSCI*. https://www.msci.com/documents/10199/fd1f8228-cc07-4789-acee-3f9ed97ee8bb

Egan, M., Matvos, G., & Seru, A. (2022). When Harry fired Sally: The double standard in punishing misconduct. *Journal of Political Economy*, 130(5), 1184-1248.

Financial Planning Association. (2023). Peggy Ruhlin discusses the state of women financial planners. *Journal of Financial Planning*, 36(12), 20–22.

Gandhi, J. (2020). How much wealth do women control? Forbes Middle East. Retrieved January 29, 2025, from https://www.forbesmiddleeast.com/leadership/women-leaders/how-much-wealth-do-women-control

Gibson, D. E. (2004). Role models in career development: New directions for theory and research. *Journal of Vocational Behavior*, 65(1), 134-156. https://doi.org/https://doi.org/10.1016/S0001-8791(03)00051-4

Gibson, S. K. (2004). Social learning (cognitive) theory and implications for human resource development. *Advances in Developing Human Resources*, 6(2), 193–210. https://doi.org/10.1177/1523422304263429

Girardone, C., Kokas, S., & Wood, G. (2021). Diversity and women in finance: Challenges and future perspectives. *Journal of Corporate Finance*, 71, 101906. https://doi.org/10.1016/j.jcorpfin.2021.101906

Hakim, C. (2006). Women, careers, and work-life preferences. *British Journal of Guidance & Counselling*, *34*(3), 279–294.

Hannon, J. M., & Milkovich, G. T. (1996). The effect of human resource reputation signals on share prices: An event study. *Human Resource Management*, *35*(3), 405–424. https://doi.org/10.1002/(SICI)1099-050X(199623)35:3<405::AID-HRM7>3.0.CO;2-0

Hart, S. A., & Ganley, C. M. (2019). The nature of math anxiety in adults: Prevalence and correlates. *Journal of Numerical Cognition*, 5(2), 122–139. https://doi.org/10.5964/jnc.v5i2.195

Healy, G., & Ahamed, M. M. (2019). Gender pay gap, voluntary interventions, and recession: The case of the British financial services sector. *British Journal of Industrial Relations*, *57*(2), 302–327. https://doi.org/10.1111/bjir.12448

House of Commons Treasury Committee (2018). Women in finance. 1-51.

Ibarra, H., Carter, N. M., & Silva, C. (2010). Why men still get more promotions than women? *Harvard Business Review*, 88(9), 80-85.

Ibarra, H., Ely, R., & Kolb, D. (2013). Women rising: The unseen barriers. *Harvard Business Review, 91*(9), 60–67.

Kögel, C. Criscuolo, C. Gal, P. & Schwellnus, C. (2023), "Gender diversity in senior management and firm productivity: Evidence from nine OECD countries", *OECD Productivity Working Papers*, No. 34, https://doi.org/10.1787/58ad664a-en.

Khoury, M.-G., Al-shaibani, A., & Driscoll, M. (2023). Women at Canadian banks: Thick glass ceiling. *DBRS Morningstar.* https://dbrs.morningstar.com/research/410635/women-at-canadian-banks-thick-glass-ceiling

Klein, G., Shtudiner, Z., & Zwilling, M. (2021). Uncovering gender bias in attitudes towards financial advisors. *Journal of Economic Behavior & Organization*, *189*, 257–273. https://doi.org/10.1016/j.jebo.2021.06.040

Kumar, A. (2010). Self-selection and the forecasting abilities of female equity analysts. *Journal of Accounting Research*, *48*(2), 393–435. http://www.jstor.org/stable/40784954

Kurlowicz, A. (2014). Women in financial planning. *Journal of Financial Service Professionals*, *68*(3), 56. https://er.lib.k-state.edu/login?url=https://www-proquest-com.er.lib.k-state.edu/scholarly-journals/women-financial-planning/docview/1527455925/se-2

Kurtz, A. (2018). Why is the pay gap for women financial advisors so wide? *Financial Planning (Online)*, https://er.lib.k-state.edu/login?url=https://www-proquest-com.er.lib.k-state.edu/trade-journals/why-is-pay-gap-women-financial-advisors-so-wide/docview/2022918109/se-2

Limón, A. T. (2020). Addressing the realities facing diverse employees in the financial planning profession. *Journal of Financial Planning*, *36*(11), 23–26.

Manolova, T. S., Brush, C., & Edelman, L. F. (2007). What do women (and men) want? Entrepreneurial expectancies of women and men nascent entrepreneurs. *Frontiers of Entrepreneurship Research*, 2008-01. http://dx.doi.org/10.2139/ssrn.1060241

Manolova, T., Brush, C., Edelman, L., & Shaver, K. (2012). One size does not fit all: Entrepreneurial expectancies and growth intentions of US women and men nascent entrepreneurs. *Entrepreneurship & Regional Development*, *24*(1/2), 7–27. https://doi-org.er.lib.k-state.edu/10.1080/08985626.2012.637344

Marshall, S. M. (2009). Women higher education administrators with children: Negotiating personal and professional lives. *NASPA Journal about Women in Higher Education*, *2*(1), 190-223.

McCarthy, E. (2016). Where are the women? Can we close the advisor gender gap? *Retirement Advisor*, *17*(7), 36-39.

Moreau, Kait. (2022). The under-representation of women as independent financial advisors – A 20-year trend. *Environics Research.* https://environics.ca/article/the-under-representation-of-women-as-independent-financial-advisors/

Morgenroth, T., Ryan, M. K., & Peters, K. (2015). The motivational theory of role modeling: How role models influence role aspirants' goals. *Review of General Psychology*, *19*(4), 465–483. https://doi.org/10.1037/gpr0000059

Neck, C. (2015). Disappearing women: Why do women leave senior roles in finance? *Australian Journal of Management*, 40(3), 488-510.

Noback, I., Broersma, L., & van Dijk, J. (2016). Climbing the ladder: Gender-specific career advancement in financial services and the influence of flexible work-time arrangements. *British Journal of Industrial Relations*, 54(1), 114–135. https://doi.org/10.1111/bjir.12048

O'Dwyer, M., & Richards, D. W. (2021). Occupational boundaries: Gender capital and career progression in the financial planning industry. *Financial Planning Review*, *4*(2). https://doi.org/10.1002/cfp2.1123

Ogden, S. M., McTavish, D., & McKean, L. (2006). Clearing the way for gender balance in the management of the UK financial services industry: Enablers and barriers. *Women in Management Review*, *21*(1), 40–53. https://doi.org/10.1108/09649420610643402

Pasztor, J., Sunder, A., & Henderson, R. (2019). Success and satisfaction of women in financial planning. *Financial Planning Review*, 2(2), 1-22.

Rahman, H., & Day, J. (2012). Who is your role model? The relationship between role models and student entrepreneurial motivation. *International Council for Small Business (ICSB)*. 2(1), 0-35. https://er.lib.k-state.edu/login?url=https://www.proquest.com/conference-papers-proceedings/who-is-your-role-model-relationship-between/docview/1848669213/se-2

Reiter, M., & Kiss, D. E. (2021). Efforts in diversity and recruiting in financial planning undergraduate programs. *Family and Consumer Sciences Research Journal*, *49*(3), 238–253. https://doi.org/10.1111/fcsr.12389

Reiter, M., Seay, M., MacDonald, M., Lutter, S., & Loving, A. (2022). Are there racial and gender preferences when hiring a financial planner? An experimental design on diversity in financial planning. *Journal of Financial Counseling and Planning, 33*(3), 344-357.

Reiter, M., Seay, M., & Loving, A. (2022). Diversity in financial planning: Race, gender, and the likelihood to trust a financial planner. *Financial Planning Review,* 5(1), e1134. https://doi.org/10.1002/cfp2.1134

Richards, D. W., Roberts, H., & Whiting, R. H. (2020). Female financial advisers: Where art thou? *Australian Journal of Management*, *45*(4), 624–644. https://doi.org/10.1177/0312896219896389

Rogish, A., Shemluck, N., Sandler, S., Danielecki, P., & Ramsay, T. (2019). *Within reach?* Deloitte Insights. https://www2.deloitte.com/us/en/insights/industry/financial-services/women-in-financial-services-leadership-roles.html

Seeber, C. M. (2015). For female financial planners, the glass is half full. *Journal of Financial Planning, 28*(9), 20–22.

Sheedy, R. L. (2021). The importance of building a larger cadre of female CFP® professionals. *Journal of Financial Planning*, *34*(8), 62–65.

Smith, J. B. (1998). Buyer–seller relationships: Similarity, relationship management, and quality. *Psychology & Marketing*, 15(1), 3–21

Sommer, Matthew, Lim, H. N., & MacDonald, M. (2018). Gender bias and practice profiles in the selection of a financial adviser. *Journal of Financial Planning*, 31(10), 38-47. https://er.lib.k-state.edu/login?url=https://www-proquest-com.er.lib.k-state.edu/trade-journals/gender-bias-practice-profiles-selection-financial/docview/2131783502/se-2

Tharp, D., Lurtz, M., Mielitz, K., & Kitces, M. (2019). Examining the gender pay gap among financial planning professionals: A Blinder-Oaxaca decomposition. *Financial Planning Review,* 2(3-4), e1061.

Tharp, D. T., Parks-Stamm, E. J., Lurtz, M., & Kitces, M. (2022). Exploring gender differences in marital and parental income premiums among financial advisors*. Journal of Family and Economic Issues,* 43(1), 15–35. https://doi.org/10.1007/s10834-021-09766-4

Women in Financial Services. *(2023)*. *Catalyst*. https://www.catalyst.org/research/women-in-financial-services/

Woolley, A. M. Chabris, C. Pentland, A., Hashmi, N. & Malone, T. W. (2010). Evidence for a collective intelligence factor in the performance of human groups. *Science* 330, 686-688. DOI:10.1126/science.1193147

World Economic Forum. (2022). *Global Gender Gap Report*. https://www.weforum.org/reports/global-gender-gap-report-2022/in-full/1-benchmarking-gender-gaps-2022/