

# WORKING WORLD

Two key studies look at working life in the Canadian investment industry

## AIMR SURVEY REVEALS INVESTMENT MANAGERS IN CANADA EARN LESS THAN INTERNATIONAL COUNTERPARTS

Investment managers in Canada earn considerably less than their counterparts in the United Kingdom, United States, Hong Kong and Singapore, according to a recent survey conducted jointly by the Association for Investment Management Research (AIMR) and Russell Reynolds Associates. In fact, Canadian investment professionals are paid 39 percent less than aggregate international median earnings.

While overall, Canadian investment managers are earning less, results also show that the Canadian investment managers' mean total compensation has grown eight percent since 1999, from US\$100,000 to US\$108,000, in spite of the decline in the Canadian dollar versus the US dollar over the two-year period. The 2001 compensation figure includes a median base salary of US\$65,000, an anticipated cash bonus of US\$30,000 and non-cash compensation, usually in the form of stock options (US\$2,000). The median total compensation increases to US\$153,000 among investment managers with 10 or more years of experience.

The study also finds that, in Canada, investment managers employed by securities dealers are the most highly compensated, earning 39 percent more than the overall Canadian median. Compensation is lowest at banks and insurance companies, with professionals at mutual fund companies and plan sponsors, endowments and foundations falling in the middle of the pack.

## WOMEN IN CAPITAL MARKETS: FIRST EVER RESEARCH STUDY EXPLORES THE ENVIRONMENT FOR WOMEN IN THE CANADIAN INVESTMENT INDUSTRY

Women in Capital Markets (WCM), a Canadian nonprofit association established for the advancement of women in the investment industry, has released the first ever benchmarking study of women working at investment dealers in Canada. The study's title, *Women in Canadian Investment Dealers: Growing the Pipeline*, points to one of its key findings—that the pipeline of women to senior management positions is still small, accounting for 19 percent of non-administrative positions at the participating investment dealers. The study was conducted by Catalyst, a nonprofit research and advisory organization that works to advance women in business, and was sponsored by Canada's seven largest investment dealers. Its purpose was to examine the work environment for women at large firms in Canada. It included responses from 1500 men and women across Canada.

The study finds that women represent only 11 percent of managing directors and only 5 percent of managing directors in investment banking. The growth in numbers of women at the top is likely to be slow since women represent only 16 percent of vice presidents and 20 percent of professionals overall. Both women and men surveyed agreed on what attracts them to the industry and are satisfied with their employer and their posi-

tions. Men and women also agree on the key factors for advancing their careers—perceived commitment to work, exceeding performance expectations, having recognized expertise, and developing new business. However, the survey shows that women are less satisfied than men with opportunities to network with influential clients and colleagues. They are also less satisfied with the availability of mentors and female role models, all

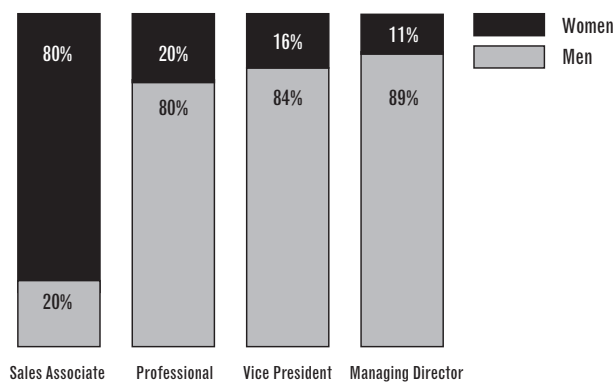
of which are important contributors to career advancement.

Overall, about 90 percent of women at all levels feel that the opportunities for advancement are better than they were five years ago. But women are less satisfied than men with their compensation: 52 percent of women feel they have to perform better than men for the same rewards, while only 8 percent of men think this is true.

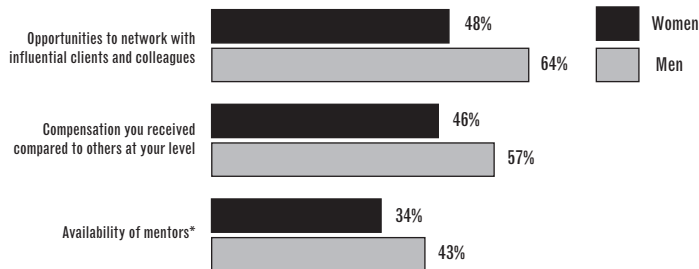
Men and women agree that commitment to personal and family responsibilities is an important challenge for everyone and is the number one barrier to women's advancement. However, women feel more strongly than do men that this impedes their career advancement. Sixty-eight percent of women versus 45 percent of men cite this as a barrier to women's advancement. Men and women disagree on whether it is a barrier for women: 68 percent of women cited this barrier while only 45 percent of men felt this impeded women's advancement—a large perception gap. This is consistent with the key finding that men are much less likely to recognize stereotypes and the barriers women face that inhibit advancement. Other barriers cited included lack of mentoring and role models, stereotyping and exclusion from networks.

Line experience is also critical for career advancement according to Catalyst research. At 78 percent, women are over-represented in staff positions in this study, compared to only 17 percent in line positions. Copies of the study are available on the Women in Capital Markets web site [www.wcm.ca](http://www.wcm.ca) or by calling (416) 971-8805, and inquiries or comments can be sent to [pipeline@wcm.ca](mailto:pipeline@wcm.ca). ♦

**Gender Representation, by Level**



**Job Satisfaction, by Gender (percent agree/strongly agree)**



**Top Barriers to Women's Advancement (percent agree/strongly agree)**

