

# Tackling the Gender Gap across the Accounting Industry

by Donna Torres

In this article, Donna Torres considers the gender gap in senior corporate roles and looks at what companies can do to help narrow this gap.

Across the board, women continue to be under-represented in senior corporate roles. According to research carried out by Ireland's Department of Justice and Equality, the percentage of female non-executive directors on corporate boards still remains low at 16 per cent. These low levels are also reflected in the financial sector – the Central Bank indicated that women occupied only a fifth of senior management positions in financial services between 2012 and 2016.

As for the accountancy industry, in 2018 there were 5,000 more men in Ireland working in accountancy than women, representing a 14 per cent gender gap. However, some progress is being made. CPA Ireland stands out as becoming the first Irish accountancy body to achieve gender parity among its members (of the new CPA accountants, 58 per cent are female). While this is certainly an achievement, it sadly hasn't yet been replicated across the industry.

More needs to be done by companies of all sizes to help narrow the gender gap. At Xero we're proud that 50 per cent of our C-suite leadership team are women. Achieving gender parity requires commitment and effort. Here's what firms, large and small, can do to help champion and nurture their female talent.

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### Creating a supportive work environment

The National Strategy for Women and Girls 2017-2020 is a step in the right direction. It sets out the framework to advance the rights of women and girls and to enable their full participation in Irish society. A strategic approach is needed to identify the barriers that prevent women from achieving their full potential and from enjoying opportunities that are on a par with their male counterparts.

Gender diversity isn't simply a women's issue. It's a human issue. With the majority of our business leaders today, in particular in technology, being men, the only way we can make significant headway is to have the men standing with us to create a business environment where women can thrive.

In the workplace, women need to feel supported - they need allies - both men and women - to help them feel confident enough that they can share their beliefs, their values and their views. Our business leaders need to reengineer working environments to make them a safe, supportive place.

Businesses of all sizes need to be aware of our unconscious biases and flag behaviour in the workplace that isn't inclusive. It's the little things like calling grown women 'girls'. They're small but reinforcing behaviours and added up they have an impact. Creating an inclusive and respectful work environment for diversity to thrive shouldn't be about box-ticking but about turning those intentions into actionable plans.

### Nurturing future talent

The overall percentage of women studying accounting worldwide was approximately 49 per cent in 2016, up from 48 per cent in 2012. And according to IAASA, just over 51 per cent of students living in Ireland were female. The ACCA, CIPFA and CPA all had a majority of female students in Ireland. This is promising and suggests that the tide is beginning to turn.

But again, this doesn't mean that we can afford to take our eye off the ball. We must continue to support female talent through their career journeys and ensure that they don't involuntarily end up dropping off or stalling in a lower level position.

Companies need to create an environment where all employees feel like an asset to the company, and this tone needs to be set from the top.

Formal and informal mentor programmes are important, particularly for those looking to progress. In general, mentees are promoted five times more often than those not in a mentoring programme. Mentorships can help women overcome their own self-limiting beliefs and mindsets. In a Harvard Business Review survey of 57 women CEOs last year, the authors noted: "The recognition by a boss or mentor was key to sparking long-term ambition in many of the women." More mentoring schemes need to be available across all accounting firms, and both senior men and women should be looking to mentor recent graduates.

Companies can also take a leaf out of CPA's books with programmes that support students, like the CPA FastTrack which allows students who are participating in work placements or summer internships to count this experience towards their three years training requirement.

### Hiring women in senior positions

Ireland was recently ranked 17th out of 34 countries in a study analysing progress for women leaders. While up from its 23rd place ranking in 2006 when the report first started, a survey by the recruitment company, Korn Ferry, in 2018, found women comprise just 13 per cent of the boards of listed Irish companies, and that the percentage of women drops off with each move up the corporate ladder.

Clearly, this needs to be addressed, particularly as there's substantial evidence that gender diversity at the management level enhances a company's performance. The Peterson Institute for International Economics completed a survey of 21,980 firms from 91 countries and

found that having women at the C-Suite level significantly increased net margins.

It should go without saying that a wide-ranging set of influences at the decision-making level contributes to a successful business. Considering that accountants are vital to business decisions, it's important that they put forward a robust set of ideas.

Companies need to actively consider women when hiring for a senior position. Quotas aren't always necessary and are often disliked, but they can help provide a framework that addresses the problem. Companies should also consider a wider skill set when hiring, rather than just using senior management experience as a requirement, in order to even the playing field for women.

And of course, companies shouldn't have to look outside to get more women into senior roles. They can and should nurture the female talent that they already have through mentorship schemes, active referrals and sponsorship opportunities.

### Flexible working

Changing a company's working environment can create a more balanced work environment that encourages both men and women to strive for senior positions. Research by PWC showed that almost 46 per cent of workers prioritise flexible working hours and a good work-life balance the most when choosing a job. As a result, PWC launched The Flexible Talent Network which allows people to list their skills and preferred work pattern when they apply.

A YouGov report of 1,000 Irish employees revealed that just 5 per cent of the labour force currently work traditional 9 to 5 hours. Bearing all of this in mind, accounting firms of all sizes need to adopt a flexible approach which can save costs, reduce staff turnover and create a more affordable, professional and skilled workforce.

Family obligations, often placed more strongly on women, make strict 9 to 5 working hours difficult and push many women out of the workforce. A flexible work environment enables both men and women to balance work and family commitments more evenly. With cloud accounting software, accountants are able to work remotely and flexibly as all data is accessible in real time via any device.

### Balancing work and family commitments

As raised by Sheryl Sandberg in her much-lauded book, *Lean In: Women, Work and the Will to Lead*, women often hold themselves back early on in their careers because they want to have a family. They take a series of small decisions along the way, making accommodations they feel are necessary to have a family.

*Lean In* was published back in 2013, yet the issue around balancing work and family life remains prevalent. It's time we readdress this in the workplace by making it easier for men and women to balance their career and family life.

By getting men involved in the conversation and discussing these issues in an open forum, businesses can create positive opportunities for discussion that encourages men and women to attend and work together.

At Xero, we're big believers in child friendly workspaces equipped with breastfeeding rooms. Our 'Keeping in Touch Days' offer support for managers to keep in contact with employees on parental leave while our child friendly office events such as the family coding day aim to promote a balanced work and family life among all employees.

Ireland's accounting profession is making positive progress in improving its gender balance, in no small part due to the CPA's effort in achieving gender parity. But other accounting bodies need to make a similar commitment to help female

accountants reach their full potential. Businesses reap the rewards when women are in executive roles, so there's no reason to avoid the issue.

We must ensure that we continue to make progress and maintain new standards to achieve full gender parity across the industry.

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