



Human Resources

Lack of women in leadership at DFS providers and policy makers

This barrier refers to how a lack of female leadership at DFS providers and policy-makers may pose a challenge, not only for advancing women's careers and equity, but also for serving female customers. The hypothesis is that improved representation of female leaders will lead to a more inclusive view of customers.

Why is this barrier important?

There is little evidence on the link between women leadership in financial institutions and/or in policy-making and female customers' use of DFS. Evidence is focused on the dearth of women in leadership positions of financial institutions. Having women in leadership could potentially lead to more women friendly products and services, but there is no indication the barrier has impact on access and use. However, there is data to suggest that women-led financial institutions appear more likely to serve female customers. While this data is encouraging, we do not see a direct link to an increase in female customers' usage of financial services.

Connected Barriers



Social norms
All barriers in this category



Product & Service Quality
Reliability and quality of in-person services
Lack of products that meet women's needs
Lack of products and services that create value



Prerequisites
Broader legal constraints

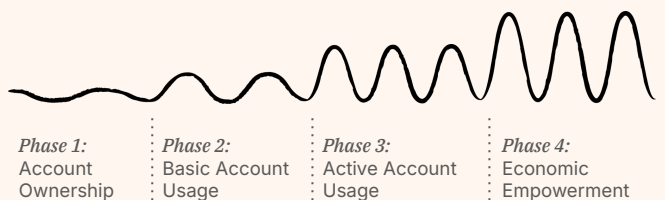


Human Resources
Lack of female agents

Most Relevant Segments

1	2	3	4
Excluded, marginalized	Excluded, high potential	Included, underserved	Included, Not underserved

Customer Journey Relevance





Key evidence relevant to this barrier

- The OMFIF's *Gender Balance Index (2019)*, which covers 173 countries, indicates that 35 central banks (or 20% of the total) have no women on their board and that only 14 central banks are headed by women. Additionally, Asia has the lowest regional central bank Gender Balance Index score at 9%.
- The impact of women's lack of representation in senior roles in finance—where women represented only 2% of bank CEO positions and less than 20% of board seats in the vast majority (80%) of cases—found that banks with boards with a higher percentage of women had a lower share of non-performing loans, higher capital buffers and stability (IMF, 2018).
- A study in India found that women make up only 22% of bank employees and 12% of microfinance institution employees. The resulting male-oriented culture makes it harder for these institutions to attract and serve female customers – many of whom might prefer to interact with female service providers (McKinsey 2018).
- The Fintech Benchmarks' sample of 20 fintechs further shows that female-led fintechs appear more likely to serve female clients. The median female-led fintech had a customer base that was 58% female, compared to 35% female for fintech that did not have women in leadership positions (CFI, 2020).

GRID Impact and SIA's analysis revealed that this barrier along with 11 others require further research and examination as to how they affect the customer experience, other barriers and overall WEE-FI. More in-depth analysis can be found in the larger Barriers & Exemplars Analysis compendium deck.



The following Exemplar represents one evidence-based intervention that has shown success in addressing this particular barrier. There may be other Exemplars for this barrier in the larger [Barriers & Exemplars Analysis compendium deck](#).

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Exemplar

Paving the Way for Women from the Inside Out (TARA Program)

BRAC Bank in Bangladesh saw gaps in financial inclusion as “an opportunity to accelerate Bangladeshi women’s access to financial services, and become the country’s leading bank for women... Leadership at BRAC recognized that increasing female representation within its workforce was a crucial first step to becoming a first mover in the market. When CEO Selim Hussain came on board in

2015, women represented just 13% of total employees and 5% of senior managers. While the share of women mirrored women’s underemployment in Bangladesh at large, it was far from reflecting the general population. Hussain made it a goal to create a more diverse and inclusive workplace.” (Financial Alliance for Women, 2020).

Key activities

Beginning in 2016, BRAC took several steps to foster a more diverse workforce including holding a forum to allow female employees to give feedback. “The bank’s leadership found that women did not feel supported in their career growth, nor did they feel safe, valued or heard. This forum was then formalized as an internal support group called TARA. In response, BRAC introduced new and updated policies. These included a zero-tolerance policy for workplace harassment and a new platform for safely submitting complaints, as well as mandatory training on diversity, gender and sexual harassment. BRAC also launched a pickup and drop-off service to ensure that women could travel safely to and from work. BRAC then sought to increase female representation and advancement opportunities by actively recruiting women.” The bank implemented training and mentoring programs “to help women move up the ladder and charting more defined career paths for high-potential employees.” The bank also “adopted a suite of retention efforts-based on feedback from women at the firm – including renovating its daycare center to better support working mothers, offering flexible work schedules, and installing more female restrooms. Once BRAC had instituted its internal diversity and inclusion efforts, it began building an external woman-centered strategy”. BRAC conducted interviews and focus group discussions with women customers to

understand their needs and preferences, which resulted in BRAC designing financial products and services that could meet their needs and be valuable to them. Some of the products and services included motorbike loans for women facing mobility issues, risk-assessment practices to provide women without credit history access to credit, training and business development for entrepreneurs, and a special TARA microsite that advertises the women-centric products and services.

Outcome/results

“The impact of BRAC’s internal and external efforts are evident. Today, BRAC employs almost 1,000 women – more than any other institution in the Bangladeshi financial services industry and an increase of almost 20% between 2016 and 2019. In addition, the number of women in senior management positions has almost doubled in this period.”

“Customer data also reflects the success of the bank’s TARA program. Between 2016 and 2019, its total number of female customers rose by an average of 8% annually, while women SME customers increased by an average of 3% annually.”

“When it comes to lending, bank’s retail loans to women have increased at an annual rate of 16% between 2016 and 2019, while loans to women-owned micro, small and medium enterprises have increased at an annual rate of 22%. The bank has also succeeded in extending its reach to previously unbanked women. The bank reports that they now represent around one-third of TARA Retail customers and half of TARA SME customers.”



Key enabling environment factors for the intervention

The success of BRAC's internal and external efforts were a result of the bank's leadership team's willingness and determination to listen to employees and customers. The leadership team proceeded to make institutional changes based on the feedback received.

Key design elements and principles that led to successful outcomes

- BRAC addressed internal diversity and representation issues first before attempting to address external issues.
- The bank puts both women employees and customers at the forefront of its decision-making. For example, the TARA program was specifically designed to support women employees, and continues to do so by offering a grievance redressal mechanism. The program is also designed to specifically inform women customers of the products and services designed for them through its website.
- "BRAC set up an incentive system for its sales force to encourage them to work with more female customers. These include earning additional rewards toward business targets if they sell to women."
- The bank uses feedback from customers in designing products for them – such as trainings, credit access, and mobility loans.

Potential for scale/replicability

TARA leveraged both agents and digital platforms to reach as many women as possible and scale up the program. "BRAC set up TARA desks inside its 13 busiest branches to give customers direct access to agents who are specially trained in its women-centered products and inclusive customer service approach. And at other branches or from home, customers can dial a dedicated help line to reach a TARA specialist... BRAC also gathered a team of 300 agents to target customers who live outside of its branch network. For its digital delivery, BRAC developed a specialized TARA microsite within its corporate website that promotes all of its women-centered financial and non-financial solutions.

And it created the TARA Mobile Banking app to give customers more personalized information about banking services, promotions with partners and relevant community events." Organizations seeking to replicate BRAC's program can leverage some of these distribution channels.

Challenges encountered during the program

BRAC Bank has continuously adapted its policies, strategies, and products to address challenges that they encountered. For example, BRAC discovered that many of the branches outside of the main city weren't serving any TARA customers. To rectify this, the bank recruited a team of 300 agents to specifically serve customers outside of the branch network. The bank also realized that many women customers distrusted the banking system. This led BRAC to design a variety of non-financial solutions to complement its extensive financial offerings, such as business trainings and mentorship programs. Even though challenges emerged during the program, BRAC was able to internalize the feedback and adjust their plans accordingly to better serve both their employees and customers.

Recommendations from the research

BRAC Bank has three key recommendations for organizations seeking to make their workplace and customer base more gender-balanced:

1. "Embrace the opportunity to become a first mover in the market.
2. Lower barriers to access by becoming a long-term partner for women.
3. Strengthen internal diversity and inclusion efforts before reaching outward."

Additional Exemplars

Women's Business Ownership Act

Hiring women into senior leadership positions

Female leadership, performance, and governance in microfinance institutions