

Weekly Report

Too Few Women in Top Posts in the Big Banks and Insurance Companies

The share of women on the supervisory boards (Aufsichts- und Verwaltungsräte) of the big banks, savings banks and insurance companies in Germany is low. In the banking sector it is 15% and in insurance 11%. That women are to be found on most supervisory or administrative boards is mainly because they are worker's representation delegates. Posts on management boards (Vorstände) in the big insurance companies and banks, on the other hand, are, like those in the other big companies, firmly in male hands. Only 2.5% are occupied by women. So there is a huge gap between the high share of women employed in the financial sector as a whole (54%) and their presence on the top decision-making bodies.

Following our study of women in management positions (on supervisory/administrative and management boards) of the biggest 200 companies by turnover outside the financial sector¹ DIW Berlin now presents a similar study on the big banks and savings banks (100 enterprises) and insurance companies (63) in Germany.²

Banks and savings banks

At first sight the big banks and savings banks present a relatively positive picture. In nine out of ten of the enterprises examined there is at least one woman on the supervisory board or the administrative board (table 1). However, the share of women in the total number of such posts is only 15%. But women are still more strongly represented on the controlling organs of big banks and savings banks than in other big companies. NRW Bank has a woman as chair of its supervisory board (Christa Thoben), as do SEB AG (Annika Falkengren) and the Mainfranken Savings Bank Würzburg (Tamara Bischof). Only in ten of the banks and savings banks studied is the supervisory board entirely a male domain.

¹ Cf. Holst, E. and Stahn, A.-K.: 'Top Posts in Big Companies Firmly in Male Hands'. Weekly Report no. *. Cf. also Holst, E. and Stahn, A.-K.: Spitzenpositionen in großen Unternehmen fest in der Hand von Männern, Wochenbericht des DIW Berlin, No. 7/2007.

² This report is based on Holst, E. and Stahn, A.-K. Wochenbericht des DIW Berlin, Nr. 26/2007.

The 100 big banks and savings banks were selected from Karsch, W.: Top 100 der deutschen Kreditwirtschaft: die Aufsteiger, Infografik Top 100 Banken, in: die bank, No. 8/2006, www.die.bank.de/index.asp?issue=0820068channel=15108art=486. The big insurance companies were selected from the data in Die grossen 500. Deutschlands Top-Unternehmer, Wolters Kluwer Deutschland GmbH, January 2007. The research for this study and so on the persons in management positions was carried out between February and April 2007.

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The situation for women is much less favourable on management boards, where almost all the posts in the big banks and savings banks are held by men. The share of women is only 2.5%. Altogether there are just eleven women among 442 management board members. Even so, the banks and savings banks have more women on management boards than the average for large private sector companies (Top 100: 0.2%, Top 200: 1.2%). Nevertheless, even approximate equality of women and men is not in sight here, either.

SEB AG stands out in regard to the share of women in management posts. It has two women on the management board, and a woman chairs the supervisory board. KfW Bankengruppe and Citibank Privatkunden AG both have a chairwoman of their management boards (Ingrid Matthäus-Maier and Susan S. Harnett respectively, see Overview).

Insurance

Just under three quarters of all the big insurance companies surveyed have women on their supervisory boards or administrative boards. At 11% the share of women in all supervisory board posts is below that of the banks and savings banks, but above that of the other big companies (table 1). The share of women on management boards is as low in insurance companies, at 2.5%, as in banks. So 384 of the total of 394 management board posts in the 63 insurance companies studied are held by men.³ None of the women is chair of a management board (overview).

More than half the employees in the finance sector are women...

The low share of women in top positions by no means reflects the gender structure of employment in banking and insurance. 54% of the employees in this sector are women (table 2). The discrepancy between the share of female employees and their presence in the decision-making bodies in a sector dominated by women is dramatic.

... but women are rarely appointed to supervisory boards or administrative boards by the employers

The high share of women employed in the finance sector clearly means that women are delegated to the supervisory or administrative board by the worker's

³ If multiple posts are taken into account the ten posts are held by only six women.

Table 1

Women on Supervisory Boards or Management Boards/ Management of Big Banks, Savings Banks and Insurance Companies in Germany¹

	Banks and savings banks	Insurance companies	Memo item: 100 biggest companies (without finance)
Supervisory boards/ Administrative boards			
All companies	100	63	100
With data on composition	100	63	87
No women on supervisory board	11	17	22
Share in %	11	27	25,3
Total no. of members	1 633	812	1 389
Men	1 387	720	1 270
Women	246	92	119
Share of women in %	15,1	11,3	8,6
Companies with information on worker's representation			
Total no. of members	253	116	565
Men	168	84	487
Women	103	35	115
Women on worker's representation	85	32	84
Share of women in %	82,5	91,4	73,0
Management board/management²			
Total no. of members	442	394	531
Men	431	384	530
Women	11	10	1
Share of women in %	2,5	2,5	0,2

¹ Big companies in the EU definition (at least EUR 50 million annual turnover or at least 250 employees).

² Management boards of joint stock companies and equivalent organs like management or partners in enterprises of other legal form.

Sources: die bank, Aug. 2006; Die Grossen 500, 1/2007; DIW Berlin calculations

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representations relatively frequently. In the banks and savings banks that have a supervisory board, and make known which members are worker's representation delegates, more than four fifths of the women were representatives of the workforce. The share is even higher in insurance companies. In this sector women are very rarely appointed to the supervisory or administrative board by the employers. So these enterprises still face major challenges to meet the

Table 2

Women in Banking and Insurance

	2002	2003	2004	2005
Total no. employed (in 1000s)	1 214	1 211	1 153	1 153
Share of women in %	55,3	54,5	54,5	53,9
Insurance				
Total no. employed (in 1000s)	248 100	244 300	244 800	233 300
Share of women in %	44,1	44,2	44,7	44,7
Employed internally (in 1000s)	179 700	178 100	176 600	171 500
Share of women in %	53,6	53,1	53,0	53,5

Sources: Federal Statistical Office; Arbeitgeberverband der Versicherungsunternehmen in Deutschland e.V. (Insurance Employers Federation); DIW Berlin calculations

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target they have set themselves, namely equality of opportunity for men and women.⁴

Outlook

The share of women in the top organs of major enterprises in the finance sector is low and it is in sharp disproportion to the above-average share of female employees in the banking and insurance industry. And even if the situation in the finance sector is slightly better than in other big companies, equality of the sexes in top positions is not foreseeable here either.

Empirical studies have shown that those who make personnel decisions tend to prefer their own sex.⁵ And as women are greatly under-represented in management positions below the top level as well, there is a danger that the present mis-match between men and women in decision-making positions will be self-perpetuating.⁶ However, there have recently been indications that the situation might be improving, as it appears that in new appointments, promotions and new intakes of management staff the share of women is above the present average.⁷

Overview

Women on the Management Boards of Big Banks, Savings Banks and Insurance Companies in Germany¹

Company/Group	Member of Management Board
Banks	
IBB Investitionsbank Berlin	Dr. Birgit Roos
Investitionsbank Brandenburg	Jacqueline Tag
SEB AG	Renate Bloß-Barkowski Liselotte Hjorth
Stadtsparkasse München	Marlies Mirbeth
HSBC Trinkhaus & Burkhardt	Carola Gräfin von Schmettow
Sparda Bank Südwest	Karin Ipfling
Sachsen LB Girozentrale	Dr. Yvette Bellavite-Hövermann
KfW Bankengruppe	Ingrid Matthäus-Maier (Vorsitz)
Baden-Württembergische Bank	Claudia Diem
Citibank Privatkunden AG	Susan S. Harnett (Vorsitz)
Insurance companies	
DBV Winterthur Lebensversicherung	Annette Rosenzweig
Dt. Herold Lebensversicherung	Dr. Marita Kraemer
E+S Rückversicherung	Dr. Elke König
Zürich Versicherung AG	Dr. Andrea van Aubel
Hannover Rückversicherung	Dr. Elke König
AXA Konzern AG	Annette Rosenzweig
AXA Versicherung AG	Annette Rosenzweig
Württembergische Versicherung AG	Ruth Martin
Württembergische Lebensversicherung AG	Ruth Martin
Alte Leipziger Lebensversicherung	Wiltrud Pekarek

¹ Or equivalent organs.

Source: Compiled by DIW Berlin.

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⁴ Cf. the agreement between the Federal Government and the German business federations to promote equality of opportunity between men and women in the private sector of 02.07.2000 (Vereinbarung zwischen der Bundesregierung und den Spitzenverbänden der deutschen Wirtschaft zur Förderung der Chancengleichheit von Frauen und Männern in der Privatwirtschaft): www.bmftj.de/Politikbereiche/gleichstellung.did=6408.html.

⁵ Cf. e.g. Kay, R.: Auf dem Weg in die Chefetage, Betriebliche Entscheidungsprozesse bei der Besetzung von Führungspositionen, Institut für Mittelstandsforschung Bonn, March 2007; www.ifm-bonn.org/index.htm7/ergebnis/170.htm. 600 companies throughout Germany employing at least 50 people were studied. Cf. also Bell, L.A.: Women-led Firms and the Gender Gap in Top Executive Jobs, IZA Discussion Paper No. 1689, 2005.

⁶ The share of women in management altogether is 15.4%, according to a study by Hoppenstedt (2007). Hoppenstedt: Frauen im Management, Darmstadt, 2007, www.hoppenstedt.de/0503/nav_set.htm; see also Holst, E., Schrooten, M.: Führungspositionen: Frauen geringer entlohnt und nach wie vor seltener vertreten. Wochenbericht des DIW Berlin, No. 25/2006, and for international comparison Holst, E. and Stahn. A.-K., loc. cit.

⁷ Kay, R., loc. cit.

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