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Honors Thesis

THE INVESTMENT GAP: AN EXPLORATION OF WHY SO FEW WOMEN
STUDY FINANCE AT BRIGHAM YOUNG UNIVERSITY

By
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Submitted to Brigham Young University in partial fulfillment
of graduation requirements for University Honors

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Brigham Young University
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ABSTRACT

THE INVESTMENT GAP: AN EXPLORATION OF WHY SO FEW WOMEN STUDY FINANCE AT BRIGHAM YOUNG UNIVERSITY

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Bachelor of Science

This thesis explores the root cause of the systemic underrepresentation of women in the finance industry by investigating why so few women choose to study finance in college. It looks in depth at why there is a low percentage of women that graduate in finance from Brigham Young University each year by analyzing the survey responses of women in business majors across the Marriott School. The thesis discusses three areas of solutions for greater mentorship, transparency, and exposure that can be implemented through five actionable steps to help shift the dynamic of representation. While I do not aim to make generalizations about my findings at BYU to colleges nationwide in my thesis, I do believe that my research will be generally indicative of problems that are applicable nationwide.

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I. Introduction

We are facing a real and persistent problem as a society: women continue to be underrepresented in the finance industry (a lucrative space in the US economy). Gender issues such as the pay gap have been well documented and have received considerable academic attention, but the reasons behind the stark underrepresentation of women in finance remain largely unidentified.¹ This is particularly troubling given the following empirical findings. There have been numerous articles published about the success of women in business: women on Wall Street perform better than men², female CFOs have less fraud in financial statements³, and women-owned startups are a better investment.⁴ If these claims are true, why do women receive 60% less venture capital money each year and yet return 81 cents per every invested dollar compared to 31 cents by male-owned companies? During 2021, the Fortune 500 saw record numbers of female CEOs at a mere 8%, or 41 female CEOs.⁵ Additionally, while this number has doubled in the last ten years showing clear progress in diversity and inclusion, it still does not reflect the percentage of women in business. Data shows that women in business, specifically women in the financial services industry, need more support and greater visibility.

¹ Kabbage, "An Overview of Women in Business - Kabbage Resource Center," Kabbage Resource Center (Kabbage, January 13, 2020), <https://www.kabbage.com/resource-center/grow/women-in-business-statistics/>.

² Kimberly Weisul, "New BCG Study: When It Comes to Generating Revenue, Women Entrepreneurs Are Pummeling the Guys," Inc.com (Inc., June 6, 2018), <https://www.inc.com/kimberly-weisul/boston-consulting-group-female-founders-higher-revenues.html>.

³ Rumzz Bajwa, "5 Reasons Why Women Are Better and More Successful Entrepreneurs than Men," Addicted 2 Success, September 14, 2020, <https://addicted2success.com/entrepreneur-profile/5-reasons-why-women-are-better-more-successful-entrepreneurs-than-men/>.

⁴ Katie Abouzahr et al., "Why Women-Owned Startups Are a Better Bet," BCG Global (BCG Global, January 8, 2021), <https://www.bcg.com/publications/2018/why-women-owned-startups-are-better-bet>.

⁵ Emma Hinchliffe, "The Female CEOs on This Year's Fortune 500 Just Broke Three All-Time Records," Fortune (Fortune, June 2, 2021), <https://fortune.com/2021/06/02/female-ceos-fortune-500-2021-women-ceo-list-roz-brewer-walgreens-karen-lynch-cvs-thasunda-brown-duckett-tiaa/>.

The current climate at Brigham Young University is no different. Lack of female representation in finance can be observed on several levels: first, the lack of female students in the finance cohort at BYU. This past year, women made up about 15% of the students enrolled in the Finance program.⁶ Female representation has risen and fallen over the last ten years indicating that there are existing underlying causes as to why it has greatly decreased in the last year. Female representation rose from 9% in 2013 to 24% in 2019, but then dipped precipitously to only 15% by 2021, largely due to the COVID pandemic and the inability of the finance program to hold its regular outreach activities. Even at its peak in 2020, women represented only 24% of the finance program. Second, the lack of female faculty members in the Finance Department at the Marriott School as only 1 of 22 tenured faculty members is female though this faculty member does not currently serve in a teaching capacity.⁷ In comparison, the School of Accountancy where 3 of the 27 tenured faculty members are female and teach several introductory accounting courses providing close contact with students. Third, the lack of scholarship research and publications written on the topic of women in investing both at BYU and nationally.⁸ To change the status quo, much more research and study will need to be done to create understanding, awareness, and information regarding the current business and social issues confronting women who desire careers in the world of finance and investing.

There are many significant costs to BYU at large and the finance program specifically due to the lack of female representation. Lack of women is hurting the

⁶ “Class Profile,” Finance, April 30, 2021, <https://marriott.byu.edu/bsfin/about/what-is-finance/class-profile/>.

⁷ Marriot School Department Directory, <https://marriott.byu.edu/directory/departmental/#dept-22>

⁸ Stacey Chin, “Closing the gap: Leadership perspectives on promoting women in financial services,” McKinsey & Company, September 6, 2018, <https://www.mckinsey.com/industries/financial-services/our-insights/closing-the-gap-leadership-perspectives-on-promoting-women-in-financial-services>

finance program and career recruitment by missing out on qualified and capable female talent. Ultimately, this issue is hurting the brand and image of the program both within the Marriott School and by external parties. The lack of student and faculty female representation is perpetuating a perceived male-centered culture that is not reflective of the intended culture within the Marriott School and does not prepare students for entry into a diverse professional workforce. The financial services industry is making a push to increase gender diversity, and there are areas of improvement if implemented and sustained that would allow the finance program to effectively prepare students for the industry.

While there are many issues that may contribute to the lack of female representation in companies from analyst to executive positions, this thesis aims to address one issue: lack of women entering the financial service field. This thesis explores the reasons why women, at BYU specifically, choose not to study finance and ways that the finance program can be adapted to foster a larger and stronger community of women. My research will focus on analyzing and interpreting data from BYU students to avoid selection bias and other data integrity issues that would occur by including data from other universities. While I do not aim to make generalizations about my findings at BYU to colleges nationwide in my thesis, I do believe that my research will be generally indicative of problems that are applicable nationwide.

II. Review of Historical Context

On average, women have made up about 15% of the finance program over the last eight years. Average year over year growth for women in the finance program is about

12%. While no program in the Marriott School maintains an equal 50/50 ratio of men to women, the finance program has had a long history of struggling to have equal representation of men and women. In comparison to the School of Accountancy, a program of similar rigor and application standards at BYU, the program has on average 29% female participation in the program. In any given year, the School of Accountancy enrolls nearly twice as many female students as the finance program.

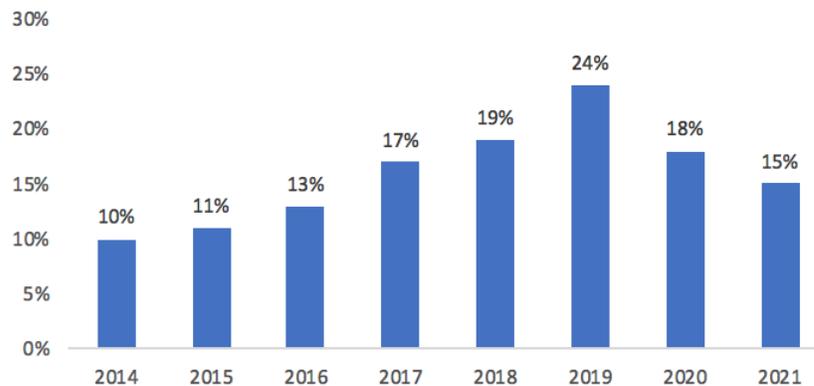


Figure 1: Historical percentage of women in the finance program at BYU

The finance program laments that it is a program perceived by many as to be male-centered. In preparation for the main research of this thesis, 30 female pre-business students across campus were informally surveyed.⁹ Nearly 2/3 of these students commented that they felt intimidated or not interested in learning more about the finance program because of the perceived male-centered culture. Other women commented on feeling apprehensive to attend classes as it was likely that there would be very few women. Through informal interviews talking to graduated students and faculty members,

⁹ These students were found during a series of on-campus pre-business recruitment events

improvements in gender diversity and culture have been made; however, there are still areas where the finance program needs to improve so the program can capture the benefits of increased success and innovation by having increased gender diversity.

Personal experiences in the finance program while at BYU, have significantly influenced my decision to pursue this research topic. Too often, I have been told that being female would prevent me from making any significant contribution to the finance industry, because finance is for men or that I was simply taking up another man's spot in the program for the sake of diversity and that I was personally unqualified to be in the program. Unfortunately, I know that I have not been alone in facing these comments and situations as a female in BYU's finance program. Too many graduates are leaving the finance program at BYU not knowing how to effectively work and interact with women in the workplace. As a result, this research will highlight why we need to empower more women to study finance and what changes can be made to the finance program to better promote this.

III. Discussion of Research Methodology

The research process for this thesis took place in two phases. The first phase was gathering informal results. I spoke with students, male and female, about their personal experience with the finance program at Brigham Young University. I attended a variety of Marriott School events and had conversations with students across BYU's campus while participating in finance and women in finance booths in the Wilkinson Center. General information from these conversations was recorded and used to generate a list of reasons why someone would or would not study finance that I used to build a formal

survey. From these informal results I also formed three target groups from which to obtain research results – current finance students, students accepted into the program and decided to decline acceptance, and students with a general interest in business.

The second phase of the research process was gathering results through the formal survey. The survey was designed to gather all the possible reasons why a woman would choose or not choose to study finance at BYU. I built the survey using the Qualtrics platform, and survey logic was created based off the responses obtained during the informal research.¹⁰ The survey first filtered out women who had an interest in business, and then asked a series of profiling questions about their status as a current or former student, their major, the professors they had for both the accounting and finance introductory courses, and whether they applied to the finance program. The logic of the survey was then designed to articulate all the possible reasons why a female does or does not want to study finance and asked them to rank the top three of the reasons that are most important to them.

Before the survey was released broadly to students in the Marriott School, two sets of focus groups were established to beta test the survey logic and provide response choices. The first focus group was conducted with the presidency of the Women in Finance Club made up of seven participating members from various years in school. The second focus group was conducted with eight students from various majors across the Marriott School (two from accounting, two from supply chain, two from information systems, one from entrepreneurship, and one from marketing). The students in each focus group took the survey individually on a mix of technological devices, and then

¹⁰ See appendix for a flowchart depicting the survey logic.

participated in a thirty-minute meeting where each question of the survey was discussed and analyzed.¹¹ The survey was then adjusted after these two focus group meetings to include all possible response choices, and to incorporate a section for participants to add their own comments and to solicit their suggestions at the end of the survey.

The next step in the research process was to compile a list of channels through which the survey could be advertised and dispersed to reach each of the three target groups. Firstly, I obtained a list from the Finance Department of women who got into the program and decided to decline their acceptance.¹² A personal email explaining the survey with a survey link was sent to each woman on this list. Second, the survey was sent out to all women currently registered in the finance program through the finance department email list. Lastly, the survey was sent out to each of the five female business clubs: WSOA, Women of the School of Accountancy; MIBS, Marriott Inclusion in Business Society; WIF, Women in Finance; WE, Women in Entrepreneurship; and WISC, Women in Supply Chain.

From these three target channels, I was able to obtain 130 survey responses from women across different majors at BYU.¹³

IV. Analysis of Survey Data

Using the survey platform Qualtrics, I analyzed the data and results from the survey. The survey was sent out twice through all the previously described channels,

¹¹ None of the 15 focus group members encountered any technical problems while completing the survey.

¹² Between 2019-2021, 52 women got into the finance program and declined their admission to the program for an average of 17.3 women each year.

¹³ There were a total of 140 responses to the survey, but these extra ten responses were filtered out as they were completed by individuals that either marked male as their gender, or indicated that they had no interest in business.

announced at many Marriott events, and by word of mouth in the Tanner Building. Responses were gathered and anonymously recorded over a three-week span. The result demographics will first be discussed followed by key findings from each of these three target groups.

Result Demographics

From the responses to the survey, 93% were from current BYU students with 5% of responses coming from graduated BYU students.¹⁴

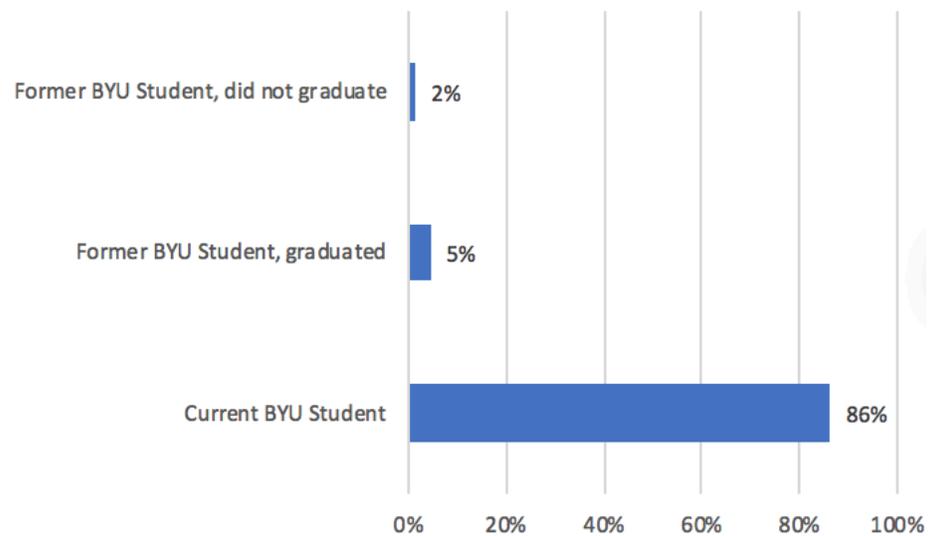


Figure 2: Chart of the current status for survey participants.

Survey participation was largely equally spread between women in the finance program versus other Marriott School majors.¹⁵ The survey results also indicated that

¹⁴ These students likely came from the list from the finance department who applied and declined their acceptance to the finance program in 2019.

¹⁵ All students in the other category entered that they are currently pre-business waiting to apply to business programs.

55% of participants were finance majors with accounting selected as the second most frequent major at 22% and supply chain the third at 9%.¹⁶ The business management and experience design majors were the only two majors with no participation for the survey. Though female students from these majors were contacted to participate, there are no club organizations for women specifically within these majors and I was unsuccessful in getting participation from current or past students in these majors.

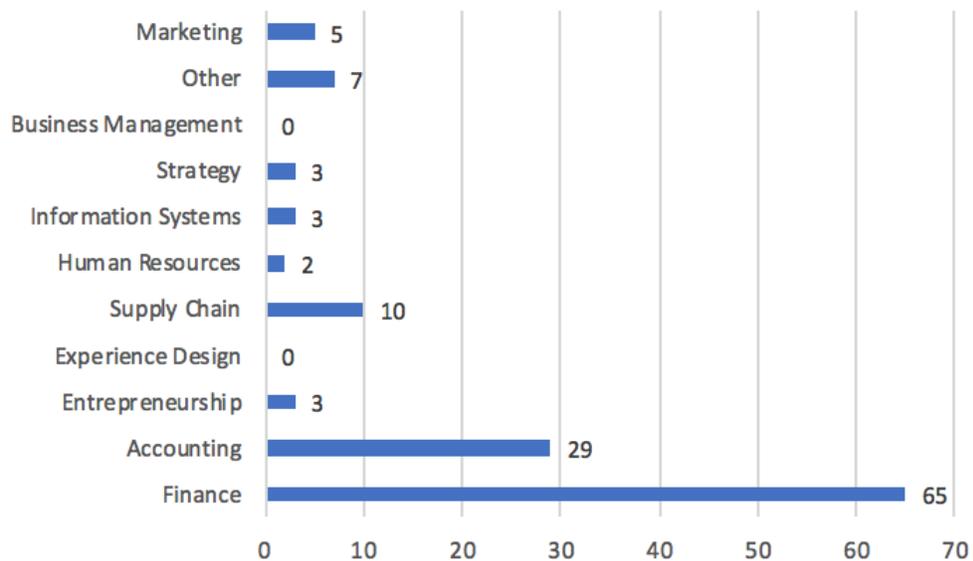


Figure 3: Chart of all survey participants by major

The survey results also indicated that 51% of students who majored in finance had Jim Brau as their FIN 201 professor, and 58% of students that reported accounting as their major had Melissa Larson as their ACC 200 professor. This data is insightful for the finance program as Jim Brau and Andy Holmes each only teach FIN 201 for one semester, and yet, the data shows Professor Brau is twice as successful at recruiting

¹⁶ There seems to be a direct relationship between an increased number of responses if there is club for women that was used as a target channel in dispersing the survey. If completing the research again, I would make a more focused effort to reach these majors that were not represented in the survey responses.

women to the finance program compared to Professor Holmes at 21% of finance students. Professor Larson teaches more than one semester of ACC 200 so her recruitment numbers can not accurately be compared to the numbers of FIN 200 professors. Although more research would need to be conducted to fully analyze this data, professors in pre-program classes that make a focused effort to support and recruit women have an impact on declared major recruitment numbers.

Key findings from Target Group 1- Finance students

The first key finding is that women at BYU in the finance program are highly concerned about this issue. From the finance students that I spoke with during informal research 38 of the 40 students explained that the lack of representation of women was an issue they thought frequently about and was something that concerned them.¹⁷ Likely due to the high level of concern female students have for this issue, current finance students constituted the largest group of respondents of the three target groups. There were 65 female finance students that participated in the survey, or about 78% of the female students in the finance program.

The qualitative section of the survey also supports this finding, that disproportionate representation is a subject that concerns many women in the finance program. There were many comments from women about the need for more female professors and faculty members at BYU. While this is a complex issue, the lack of female representation in faculty is nonetheless noticed and questioned by women in and out of the program. Furthermore, there were numerous comments about the need for greater

¹⁷ The two students that explained lack of representation of women in the finance program did not affect them because it was not something they were concerned about.

unity from the finance department on the issue of women in finance such as, “The main point I am trying to make has less to do with “empowered women empower women”, [rather] it has more to do with inviting relevant finance instructors to empower women. I would like to see a more unified finance department on this issue, not just the ‘women’.” Many students requested more female speakers come and present at department wide events, not just selectively at the Women in Finance Club events so that all finance students can benefit from hearing from successful women in financial services.

The second key finding is that women likely chose finance because of the career paths available to them, past mentorship, or positive experiences with finance prerequisites and courses. After the demographic questions, all women that chose finance as their major were asked to select all the applicable reasons for why they chose to study finance and rank their top three reasons. When asked to select the reasons that represented their interest in finance, just over 75% of female finance students were interested in finance for the variety of career path options and ranked this reason in their top three. The second most common choice, “interest as a result of encouragement from friends, parents, or other mentors,” was selected by 50% of finance students. Another commonly selected response was as a result of taking FIN 201 or exposure to finance program courses. Each of these responses were selected by about 45% of the participants.

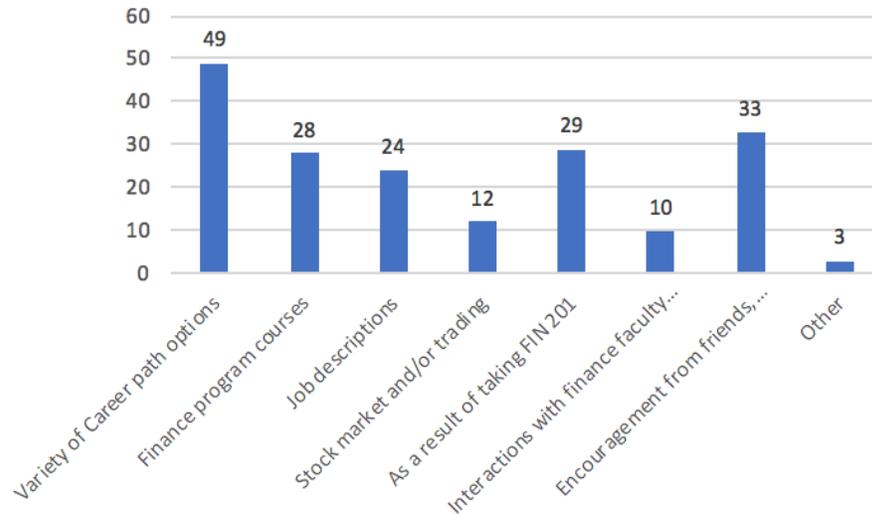


Figure 4: Chart of most commonly chosen responses to why a female student is interested in studying finance.

In summary, female finance students are very concerned about the lack of female representation in finance from students enrolled to faculty composition. Though a multifaceted and complex issue, women generally have questions about the program's status quo and are anxious for new solutions to be found. Additionally, students have really benefited from mentorships and choose finance because of the variety of career path options finance can provide. The data shows a correlation between increased mentorship that is tied to finance in some way (whether it be a formal mentor, friend, or parent) and increased interest in finance due to the variety of career path options. It is plausible to conclude that for more women to see and understand the career options available to them through finance, more women need access to mentors and information.

Key findings from Target Group 2- Students who declined their acceptance to the program

From the survey 18 women applied to the finance program, were accepted, and decided not to study finance. The number one reason these female students reported that they did not decide to study finance was because they had a greater interest in another business emphasis. Concerns over career demands, concerns over career path options, and confusion over program/ career options were all tied as the second most commonly selected reason with each of these representing about 25% of the students who applied to the program and declined acceptance.

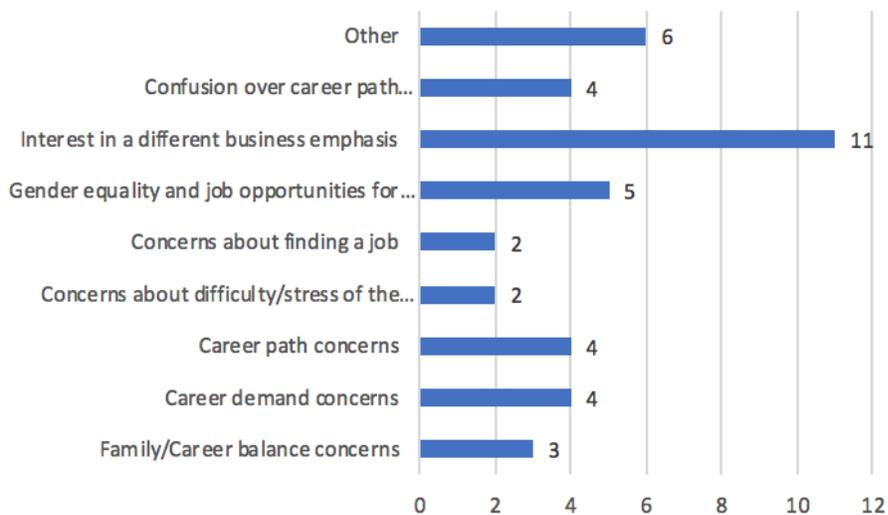


Figure 5: Chart of common responses to why a female student is not interested in finance

The key takeaway from this target group is that while a lot of women are interested in the finance program, more work needs to be done to help clarify what career options are available to women in finance before they are required to decide whether to choose finance as their major.

Many of the qualitative comments from the survey support the idea that more transparency and information is needed for women to be persuaded to study finance. Comments such as, “accounting and other majors open more doors,” or, “Perhaps with more career guidance [I would have changed my mind about studying finance]. I feel like in general the Marriott School is not great about showing different career paths until you are already in a specific major.” My hypothesis is, since confusion and uncertainty over career and program paths was so highly chosen, many of the women who remarked having a greater interest in other business areas would have more seriously considered and been interested in finance had more and clearer information been provided to them. As was observed from the first target group, mentorship both formal and informal is a large contributor to the interest men and women display in the finance program.

Key findings from Target Group 3- All other female business students

From the total number of participants, 26% or 35 students chose not to even apply to the finance program. About 20 of these 35 students commented that they felt another program opened more doors, or they were concerned about the difficulty of the program. While there were some responses that indicated that these students were simply interested in studying something other than finance, when asked if changes to the program could have changed their decision about applying, nearly 30% of the students marked yes. These students commented that increased understanding that women are needed and heard in the finance program is needed. Furthermore, these women remarked that a more inviting program culture could have been beneficial in changing their mind about studying finance.

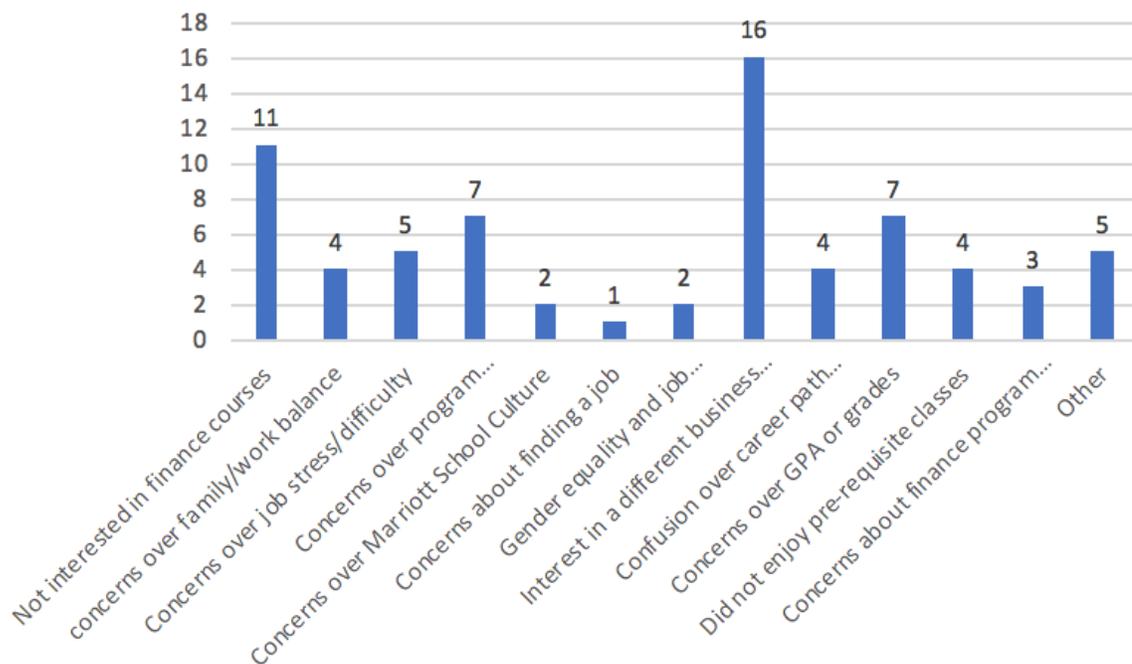


Figure 6: Chart of common reasons why a female student did not apply to the finance program

While the finance program certainly is not set out to change the interests of students, this target group's results show that there is room to improve. The lack of women applying to the finance program is not necessarily due to lack of interest in finance, but lack of information and understanding about the program culture, program expectations, and potential career paths.

V. Three Part Solution Proposal

The results from the survey show that the lack of female representation in the finance program can be improved through work in several program areas. From the informal and formal survey results, there were three common themes from the responses of women both in and outside of the finance program. These themes are mentorship,

transparency and unity, and finally increased exposure. The next section will outline and propose each of these three steps that address the most commonly observed problems and issues found from the survey results.

a. Mentorship

The first part of the solution in getting more women studying finance at BYU is creating a mentorship program between both students in the program and with students who are interested in finance. The finance program discusses the importance and value of networking and seeking out industry mentors, while there are great career mentors available there is no formal peer mentorship program for women in finance specifically.¹⁸ From the survey results, 60% of participants commented on either the lack of mentorship from the finance program compared to other business programs or the need for more finance mentorship.¹⁹ A mentorship program for students in finance specifically will increase the information shared between students and help create a more inviting atmosphere particularly for students who are less outgoing or have less exposure to finance. This mentorship would increase the positive interactions between students and overtime hopefully decrease the number of students with negative interactions with the finance program. As the data from target group number one showed, the second most common reason women choose to study finance is due to the encouragement of a friend, family member, or mentor. Other programs, such as the School of Accountancy, have created course sections where students are placed in a group for all their core program

¹⁸ This program could be equally as beneficial for men in the finance program.

¹⁹ A version of a mentorship program existed until 2020 as a part of the Women In Business Club. With the combination of the Women in Business Club and the Marriott Inclusion and Diversity clubs, formal mentorship programs have been discontinued.

classes. These sections act as small mentorship groups and foster close connections with students. Mentorship in some form greatly increases the confidence and information students have when making career and program decisions. Implementing a mentorship program will make the tools already established by the Marriott and finance programs, such as the Business Career Center, more accessible and create more support for current and prospective finance students.

A study completed by Cornell University found that mentorship programs improved minority representation by 9% and female retention and representation by 15%.²⁰ Creating a student-led mentorship program at BYU will create a stronger network of both incoming and current finance students.

A student-led, faculty-directed mentorship program will act as another channel to promote the finance program but also will help ensure that women have access to both the support and information needed to make choices about their career. About 95% of the students that took the survey and did not study finance commented in some form that they, “felt intimidated by the pressure of the program,” or they, “felt confusion about potential career paths.” A mentorship program would be a formalized channel where information about program prerequisites and requirements could be clarified and explained. As students both pre-business and finance major students interact, understanding surrounding program expectations and culture can also be clarified.

Though the most common response to why a participant chose not to study was that they “had a greater interest in a different business field” the most common qualitative

²⁰ Naz Beheshti, “Improve Workplace Culture with a Strong Mentoring Program.” <https://www.forbes.com/sites/nazbeheshti/2019/01/23/improve-workplace-culture-with-a-strong-mentoring-program/?sh=759fdc2c76b5>

responses remarked that they were unsure over the application process and requirements. By simply assigning a female mentor from the finance program to each female interested in the program the interactions between women in the program will be strengthened. The finance program will be able to retain more women, increasing the percentage and number of women that apply and choose to accept their position in the finance program. Though in time these mentors could be assigned regardless of gender, as the percentage of female representation grows it will be important to provide additional avenues for strengthening female representation.

With the changes in the prerequisites for majors in the Marriott school²¹, we need to increase the channels for women to interact with women in the finance program through a formal mentorship program.

b. Transparency and Unity

The second part to the solution of increasing female representation in the finance program at BYU is to increase transparency and unity within the finance department. The experience and success of women in finance needs to be broadcast widely across men and women instead of being targeted at women only. This can be done through increasing female faculty members (whether they be tenured or adjunct), increasing the number of women that speak to male and female students in finance, and being intentional about discussing the experiences of men and women within the industry. It will take an

²¹ New prerequisite changes for other majors in the Marriott school will not require women to take Finance 200 which will greatly limit the number of women that will be exposed to the finance program before making their decision on what major to pursue.

especially focused and concerted effort from all finance program leadership and mentors to reflect change in the perceptions and experiences of male and female students.

Some of the most common responses from students in the finance program surrounded women needing more support from finance faculty. Many women commented on the lack of female faculty in the finance program and how that has been a deterrent to joining the program, or an incentive to join a different business program. Though the School of Accountancy has twice as many female faculty members as the finance program, these female accounting professors, like Melissa Larson, also teach courses that heavily interact with pre-accounting and newly admitted accounting students. As mentioned in the data analysis section, many finance students are concerned about the lack of female faculty members. Many efforts have been made to recruit female finance faculty members. While there are certainly many factors to play in this situation, there needs to be more transparency over this issue. It is important that students know that this issue is something that the finance department has been working on and something the finance department is committed to working on.

Another aspect of transparency that can be increased is female leadership in the finance program by seeking out more female adjunct professors and female speakers. This was a very common response from target group one students to the question of how the finance program could be better and more inclusive. Through these solutions both men and women alike would have more exposure to female mentors. Though anecdotally the number of women that have negative experiences working with and being accepted by male peers in the program is decreasing, more female professors whether they be tenured or adjunct and more female speakers across the program would help to continue

to reduce this negative element of finance program culture. These are both ways to make women who are successful in finance more accessible to all students in the finance program and improve the perceived culture of the program. Though BYU – and specifically the finance program – struggles to hire female faculty members, even placing limited faculty members in positions of direct interaction with pre-finance and pre-business students would dramatically boost the perceived value of women in the program. This would increase the interaction that men and women have with successful women in finance.

There are many small changes to the finance program that could also boost perceived department unity as well as perceived concern and dedication to increasing female representation in the program. As one survey participant remarked,

“Imposter syndrome is extremely real... and can be very isolating. Efforts made by my professors and guest speakers to use gender inclusive language, share the experience of men and women both, and seeking to be receptive to the needs of female students (getting called on, not getting called on promoting the Women in Finance club like any other finance club) all go a long way to bridging the gap.”

Small changes to be more intentional in the way that professors and guest speakers speak about the experiences of women in finance are very meaningful and overtime create dramatic improvement.

To revisit a comment shared in the data analysis section, “The main point I am trying to make has less to do with ‘empowered women empower women’, [rather] it has more to do with inviting relevant finance instructors to empower women. I would like to see a more unified finance department on this issue, not just the ‘women’.” An increase

in female faculty leadership, more female speakers, and consciously sharing the experiences of men and women within the industry will increase the perceived unity in bridging the gap in the number of women. Even small changes in this area have the potential to make the current efforts of professors more transparent and effective.

c. Exposure

The third part of the solution to increase the representation of women in finance is to increase the exposure that students have career path options both before entering the finance program and while they are in the finance program. A large benefit to the finance program is the wide array of career opportunities; however, this benefit too frequently becomes a detractor for students as the industry barriers to entry for a student with limited information and exposure seem too high. Information is not streamlined for students as there are differing recruiting processes and career path options for each subdiscipline in finance. Getting the information for and understanding all of the options provided through a career in finance can seem overwhelming for students that lack previous experience or exposure to finance in comparison to other majors with less subdisciplines.

As previously mentioned in the survey data analysis section, 95% of the students that took the survey and did not study finance commented that they, “felt intimidated by the pressure of the program,” or they, “felt confusion about potential career paths.” The information that students receive about the different sub-disciplines and career path options available in finance needs to increase. This information needs to be given to students before making a decision to apply to the finance program through organized

events that briefly explain and introduce each of the subdiscipline options. The finance program needs to more intentionally connect students with club sub-disciplines and resources especially for students that do not already have mentorship in finance. From the survey results, 50% of women choose to study finance as a result of some level of encouragement from friends, family, or mentors. Increased exposure to program and career options is vital for recruiting and supporting students.

The finance department asks all students to report their desired sub-discipline or emphasis within finance. Currently, the program relies heavily on the student to learn about each career track. Efforts need to be taken to expand the current training and information given to students on career option. While students can change their interests and career track overtime, providing them with more information and training upfront will help them more confidently make their decision and seek out mentorship. As the prerequisites changed in 2021 for the finance program, it is now more important for students to get informal and formal exposure to the finance program. Fewer pre-business students will be taking FIN 201 as it will no longer be a required class to apply for other business majors. This change may decrease the number of pre-business students that are exposed to finance. Earlier exposure to the career path options able through finance will help lower the perceived barriers of confusion, or uncertainty to the program.

Students once in the finance program can also benefit from increased exposure to career path options and sub-disciplines. There are several ways this can be accomplished. Firstly, when admitted to the program there could be better disclosure of all the clubs and tools available for them to use as soon as they are accepted into the program. Second, a presentation and discussion of various career path options could be given at the finance

orientation meeting. This could be a platform for students to interact and meet club presidencies as well as gather additional information on career path options. Similarly, summit recruiting events with representatives from various career tracks could be a beneficial platform.

The COVID-19 pandemic has acted as a mini-case study showing the impact of wide exposure across campus to the finance program. Due to COVID-19 restrictions and health and safety protocols, no in-person events were conducted across the female focused organizations and clubs in the Marriott school. Finance, as well as other business majors like Information Systems and Accounting that typically have higher percentages of female representation, experienced a large drop in female representation from 2020 to 2021. Finance and the Accounting program both experienced a 25% decrease in 2020²² and the finance program further decreased to only 15% in 2021.²³ The years of restrictions for in-person events greatly limited the exposure of all business programs. In the future, with proposed program prerequisite changes, the exposure that women have in discovering career path options in finance and making strong connections despite a perceived male-dominated culture will again be limited. It is especially important to double efforts to increase program exposure going forward so that this does not happen.

Women belong in finance and make valuable contributions. Industry data shows that in the last 10 years the number of female CEOs and successful women-founded companies is doubling. The financial services industry is increasingly adapting to become more gender diverse. These facts and changes may not be apparent to prospective

²² From 2019 to 2020 female enrollment in the School of Accountancy decreased from 32% to 24%. During the same span of time, the female enrollment in the finance program decreased from 24% to 18%.

²³ Finance department data.

students, therefore increased exposure is needed. Increasing the exposure that women get to the finance program will help them realize that not only do they belong in finance, but that women thrive because women can be and are highly successful in the financial service industry. Representation of women in finance is a virtuous cycle. More women in finance will equate to more successful graduates from BYU and students placed more easily in careers due to improved cultural perception. These changes have the power to benefit BYU, both male and female students.

VI. Proposed Next Steps

There are five steps that the finance department can take to implement the previously discussed areas for improvement in mentorship, transparency and unity, and increasing exposure. First, a finance mentorship program can be organized now and rolled out to students starting Fall 2022. Second, the finance program can increase their current efforts to recruit more female faculty members by adding additional female adjunct professors to teach finance classes. Third, the finance department can plan several upcoming events over the course of the next academic year that incorporate more female speakers. Fourth, the finance program can expand current and planned pre-business events to give more training on sub-discipline and career track options. Fifth, the finance department can redesign the orientation event for Fall 2022 to be a platform for students to interact and meet club presidencies as well as gather additional information on career path options.

Each of these five steps target a specific area of improvement that was discovered during the research process and will work towards increasing the number of women in

the finance program and continually decreasing the negative brand image of the program. Tracking and measuring the perception of the program and its culture needs to be an ongoing project. The proposed solutions build upon the years of efforts and resources that have been invested in solving this issue. Solving the representation problem will continue to take time, focus, and effort. While this thesis creates a new platform for ongoing research and analysis, the finance program will need to continue to invest attention and make ongoing adjustments.

VII. Conclusion

The lack of female representation in finance is hurting the image of the finance program. These implications are costly on continual recruitment of women into the program and the finance program is missing out on the proven benefits of increased gender diversity. Research shows that this is an issue that concerns a lot of women both in the finance program specifically and the Marriott school collectively. Data shows that women are successful in the financial service industry and greater gender diversity is beneficial. Therefore, increasing representation among women in the finance program is a virtuous cycle that benefits all individuals in the program. Improvements in female representation can be made by increasing female mentorship, through greater transparency and unity in efforts to include women in finance, and increased exposure of career path options for women in finance. While this thesis identifies initial next steps in pursuit of these solutions, long-term success requires long-term focus and effort by the Marriott School and the finance program.

Researching the gender gap in the financial industry matters. I expect the results of my thesis to be helpful to BYU's Finance Department in constructing initiatives and messaging that will better appeal to women and hope that my findings will be helpful in guiding finance programs at other universities as well. I know that I am not alone in facing obstacles breaking into the finance industry as a female. Through the implementation of this research, the finance department will be more able and prepared to help empower men and women to chart their successful careers in the financial industry.

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APPENDIX

Appendix Figure 1: Flowchart for the Women in finance survey.

