

Motivated or merely compensated?

A study of the incentive system's effect on women in finance.

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Abstract

This thesis investigates what challenges and opportunities incentive systems in the male-dominated finance industry imply for women professionals. By using a qualitative method where ten women investment bankers in Stockholm are interviewed, we find that monetary incentives are not the main motivation driver for women, but rather a supportive culture. Drawing on a hybridization of habitus and reflexivity, we further find that while the incentive system motivates women in the short-term, a lack of resources to pursue competing feminine roles along with exclusion at work that suppresses their motivation make many of the women consider leaving the industry. Thus, we find that the current incentive system is not enough to motivate women in finance in the longer term. Furthermore, our findings partly contradict previous research by suggesting that women are aware of the importance of sociality in performance evaluation.

Key words: women, incentive system, motivation, finance, culture

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1. Introduction

It is no secret that women are underrepresented in the finance sector, particularly so among senior roles. For instance, the global average representation of women on executive committees in major financial services firms was 20% in 2019 (Oliver Wyman, 2020). In addition, banking and finance is the industry with the largest executive gender pay gap of 57% (Homroy & Mukherjee, 2021). Despite recent developments in promoting greater organizational diversity, women in finance still face a so-called glass ceiling, that is an unacknowledged barrier to advancement in a profession, and in specific sectors, such as banking, this even doubles (Girardone et al, 2021). Even in Sweden, a welfare state with extensive support for women's labor market representation, that has been ranked 1st in the EU Gender Equality Index (European Institute for Gender Equality, 2022), there is a clear underrepresentation of women in finance (Swedish Securities Markets Association, 2022). One suggested explanation is that the strong masculine culture in the industry constraints women from advancing their careers (Girardone et al, 2021).

It has been argued that because of the masculine history and cultural symbolism of professional service firms, they play a key role in defining images of femininity and masculinity (Haynes, 2017). Researchers have previously examined women's positions in professional service firms with a focus on professional sociality and barriers for career advancement, both within the accounting profession (Anderson-Gough et al, 2005; Lupu, 2012; Jonnergård et al, 2010) and the finance profession (Fenech et al, 2022). This is arguably not only an issue for the women subject to these barriers, but also to corporations, as research has suggested that diverse workforces perform better and have higher rates of innovation and productivity (e.g. Girardone et al, 2021). Indeed, actors in the sector have acknowledged the issue and need for improvements. For example, in a recent statement, the Swedish Securities Markets Association¹ problematized the lack of women in the sector and called for further investigation into how women professionals experience their situation as a means of identifying areas for improvement (Swedish Securities Markets Association, 2022).

Previous research has indicated that the process of evaluating and incentivizing performance is one reason for the pay gap and underrepresentation of women in the industry. For example,

¹ The Swedish Securities Markets Association is an organization with 24 member banks that together dominate the Swedish securities market.

recent studies have found that sociality plays a big role in performance evaluations, which produces inequality and gendered hierarchies in the finance profession (Fenech et al, 2022; Bloomfield et al, 2021). Furthermore, previous research has suggested that women are less sensitive than men to monetary incentives (Migheli, 2015), which is interesting since incentive systems in financial service firms are highly focused on bonus pay (Nash, 2003). In line with this, women financial analysts have been shown to be much more likely than men to choose a linear reduction in pay and hours (Adams et al, 2016). Moreover, it has been suggested that the disproportionate compensation to people who work long and inflexible hours in the finance profession constitutes a possible barrier for women (Adams et al, 2016). This arguably calls for further research on the intersection of gender and incentive systems, and a better understanding of how women's work motivation is affected by the incentive system in the finance industry.

In particular it is interesting how women perceive the incentive systems. To date, attention has been directed to the structural aspects of women's career disadvantages in professional service firms (e.g. Anderson-Gough et al, 2005; Bloomfield et al, 2021; Lupu 2012; Jonnergård et al, 2010). Fewer studies have foregrounded the lived experiences of women in finance and accounting professions, and this thesis therefore aims to contribute to this literature by drawing on interviews with women in finance at different hierarchical levels. This method allows for deeper insights as compared to previous survey-based, quantitative research (e.g. Cohen et al, 2020). The chosen study design also complements previous research that has focused on managers only (Kornberger et al, 2011). Furthermore, given Sweden's progressiveness with regards to gender equality, previous findings made in non-Scandinavian countries may not be fully applicable in the Swedish context and therefore this thesis aims to explore the experience of women in the Swedish financial services sector. This is also in line with the research gaps identified in Haynes' (2017) review of 25 years of accounting research on gender, where she argued that there is a need for more research on the subjective experience of individuals with regards to gender. Moreover, she claimed that there is a need for further research on gender construction in professional service firms "through career structures and policies, gendered histories, identities, embodiments and behaviors, in a variety of global contexts" (Haynes, 2017, p.121). Accordingly, this study aims to contribute to previous research by increasing the understanding of how women in finance experience formal attempts to strengthen motivation and incentivize performance, as well as informal components relating to cultural norms and professional socialization, in a Swedish context.

The purpose of this study is to examine the women who are a minority in the finance profession and shed light on the challenges and opportunities the incentive system implies for their work and lives. This is done through a qualitative investigation of the experiences of women active in the industry, more specifically the investment banking sector, and what potential role the incentive system can play in the uneven gender distribution. The purpose will be achieved by answering the following research question: *How do incentive systems affect women's work motivation in finance?*

2. Theory & Previous Research

In this section, an overview of previous research on gendered hierarchies in male-dominated professions and women's experiences of pursuing a career in them will first be presented. Thereafter, research on the interaction between gender and incentives, as well as gender bias in performance evaluation, will be covered. Finally, the theoretical concepts used to comprehend the empirics will be accounted for.

2.1 Accounting and finance as gendered professions

2.1.1 Gendered career trajectories

There is a longstanding concern with the interaction between gender and accounting, where gender refers to the characteristics of men and women that are socially constructed, as opposed to the concept of sex relating to the biological difference between male and female (Haynes, 2017). Haynes (2017) has provided a recent review of this critical research suggesting that the accounting profession is gendered in the way it reflects the norms of society, but also gendering in the way it shapes those norms. In the review, the author claimed that research has shown that barriers to entry have begun to wear away, which has also been reflected in the increasing number of women in the profession. However, she also emphasized that extensive literature has addressed contemporary gender challenges in the accounting context, including gendered hierarchies, issues related to motherhood and work-life tensions.

Several studies on the gendering of audit firms have led researchers to conclude that the basis for career advancement puts women at disadvantage (Anderson-Gough et al, 2005; Jonnergård et al, 2010; Lupu, 2012). In Anderson-Gough et al's (2005) study of professional socialization in the UK offices of two multinational audit firms, it was argued that strong internal social networks were a basis for career advancement. It was further argued that the perceived sociability, which reflected men's view of correct socializing, enabled male gender domination through formal processes (Anderson-Gough et al, 2005). The authors also found that being promoted required employees to stand out and socialize at firm events outside of their working hours, which undermined the boundaries between firm and private life and in turn systematically disadvantaged women with family commitments. For men, on the contrary, it was found that family acted as a social support system. Furthermore, it was found that in performance appraisal and recruitment, the formal emphasis on leadership and team activity was in practice linked with socializing around team sports which supported the culture of male 'homosociality'². The authors suggested that this was an example of how formal and informal organizational processes interacted in a way that maintained the existing gender ordering in audit firms (Anderson-Gough et al, 2005). Lupu (2012) extended this insight into the socialization of new employees entering the accounting profession through a study of women's career trajectories. Through an interview-based study of women's careers within the Big 4 accounting firms in France, she found that career paths were gendered since the 'approved route' was established in a way that was more suitable for men than women. In line with Anderson-Gough et al (2005), Lupu (2012) emphasized the importance of socializing at work, and that because women had a 'double responsibility' (stemming from the societal expectations of the mothering role) they were more likely to do multiple activities in a limited time, which gave networking activities secondary priority. The interviews also indicated that women tended to think that working well would be enough for a promotion, while in practice it was not, which implied a disadvantage for women. The author further suggested that in contrast to the approved linear career progression, women's careers were many times discontinuous, as bearing and raising children implied disruptions in women's careers, and hence they were at a disadvantage in the "race against the clock" (p.360). Men did not experience the same disruptions when they had children, since motherhood was perceived as a part of a woman's identity, while men professionals were disconnected from

² 'Homo-sociality' here denotes same sex work relations that reproduce gender domination.

fatherhood. This further implied a social pressure on women to lower their work commitment and instead take on the mothering role (Lupu, 2012).

Anderson-Gough et al (2005) and Lupu's (2012) view of the homosocial structure of the appraisal and recruitment processes was further supported in Jonnergård et al's (2010) study based on an open-ended question survey, where the authors analyzed the performance evaluations of Swedish auditors. They found that when women described how their work was evaluated, they discussed a larger number of criteria compared to men, whose descriptions also corresponded more with those in higher hierarchical positions. This suggested that women perceived performance evaluations as more complex than men. They further suggested that women's misrecognition was a consequence of their weaker relationships with management and more limited access to critical information that was shared in informal networks. Moreover, the women in the study stated more frequently than men that they wished to leave the auditing industry (Jonnergård et al, 2010).

Many studies have focused on the structural aspects of women's career disadvantages in the accounting profession (e.g. Anderson-Gough et al, 2005; Lupu, 2012; Jonnergård et al, 2010), however, some studies have also examined the lived experiences of women (Cohen et al, 2020; Kornberger et al, 2011). Cohen et al (2020) examined the individual perceptions and experiences of women within the accounting profession by conducting a large sample survey. The researchers found support for their hypotheses that women accounting professionals believe that performance evaluations are gender biased, that opportunities for career progression are unequal as women for example lack mentoring and network opportunities, and that women do not receive the same social support from men senior leaders (Cohen et al, 2020). Kornberger et al (2011) conducted an ethnographic study exploring the identity of managers in a Big 4 firm, but the study also revealed the lived experiences of women in the firm. A relatively large number of women left the firm shortly after becoming manager, so it seemed like this particular step of the career ladder made women quit. Being a manager implied a big responsibility to juggle multiple roles, which women described as overwhelming, and one interviewee even referred to it as 'a nightmare'. One woman in the study described how she felt dehumanized from working until 1 am, including weekends, with no ability to live a normal life or see friends and family, since the work required her full commitment (Kornberger et al, 2011). In addition, the authors found that women were aware of the importance of understanding the internal politics and 'rules of the game' in order to get

promoted in the firm. This included using the “right” clients to position yourself, as well as networking with the “right” people internally. Women managers explained that working hard and doing a good job was not rewarded, but rather you had to ‘play the game’, which included focusing on activities that looked good, networking and being visible for partners (Kornberger et al, 2011).

While gender research within the accounting field has mainly focused on women in large audit firms (e.g. Anderson-Gough et al, 2005; Kornberger et al, 2011; Lupu, 2012), accounting research has also studied women in investment banking (Sheerin & Garavan, 2022). In Sheerin and Garavan’s (2022) study, quotes from media were compiled, which demonstrated how many women struggled to find their place in the industry that was primarily seen as a ‘boy’s club’. For example, the quotes signaled that women who took maternity leave and tried to balance work with a family life were punished by senior men. A woman manager stated that her superior withdrew her bonus after finding out about her pregnancy, and demoted her after her eight months long maternity leave. Another quote that exemplified this was from a man who stated that he was perceived as a hero when leaving early to pick up his son from childcare, while women who did the same thing were met by “an audible groan at the office” (Sheerin & Garavan, 2022, p.8). This double standard supports the notion that accounting and finance are gendered professions where women are subject to disadvantages.

As previous research has shown, women and men face different career opportunities within accounting and finance professions. These gendered expectations are also transferred to the formal evaluation processes.

2.1.2 The role of gender in the application and understanding of performance evaluation

Studies have further examined gender differences regarding responses to incentives. Migheli (2015) analyzed the relationship between gender and monetary incentives in an experimental setting and found that women were less sensitive to monetary incentives than men. Women seemed to accomplish their task with their best effort regardless of the incentives, which led the researcher to suggest that women are not as sensitive to monetary incentives, but rather they always work hard, compared to men who are more sensitive to monetary incentives

(Migheli, 2015). Cassar & Rigdon's (2021) study built on the hypothesis that incentives that include components that matter to women make them as competitive as men. Their experiment showed that when an option to share the rewards with others was included in a 'winner-take-all' incentive system, the gender gap in performance was reduced, suggesting that rewards that are more socially oriented may help in closing the labor market gender gap (Cassar & Rigdon, 2021). Cassar & Zhang (2022) too found that incentives that mattered to women intensified their competitiveness. Once incentives changed from cash to goods such as school supplies for children, a decrease in the gender gap in competitiveness was observed (Cassar & Zhang, 2022).

Subjective measures, that is, measures that assess non-quantifiable aspects of an employee's job, have been argued to be important for assigning incentives such as bonuses, but also for less explicit incentives such as promotions and job assignments (Gibbs et al, 2004). It has also been suggested that, since subjectivity involves discretions, it is only effective if the judgments are unbiased and fair (Gibbs et al, 2004). However, previous research has found that women are disadvantaged in performance evaluations due to gendered criteria as well as biased evaluations, where individuals with traditional stereotypes evaluate women's performance lower than their true performance (Bauer & Baltes, 2002). Recent contributions to the literature on gender bias in performance evaluation have confirmed the significance of subjective performance measures (Fenech et al, 2022; Bloomfield et al, 2021). Researchers have found that in order to cope with the complexity of incorporating subjective measures, evaluators used mental categorization shortcuts, which provided a channel for biases to enter the evaluation process (Bloomfield et al, 2021). In a recent experiment study, Bloomfield et al (2021) showed that women were evaluated as 'less promotable' if they failed to exhibit persistence, a stereotypically male behavior. Men, on the contrary, were not sanctioned for a similar absence of persistence. The experiment was complemented with an analysis of participants' free responses and semi-structured interviews with experienced asset managers, which showed that when women exhibited unexpected behavior (lack of persistence) it was seen as evidence that they were not fit for the role, while unexpected behavior by men was disregarded. The authors argued that this was indicative of a double standard for women in finance. Furthermore, they suggested that women who adhered to the existing expectations were more likely to proceed in the industry than those who did not (Bloomfield et al, 2021).

The notion that women are systematically disfavored in subjective evaluations of behavior has also been supported by Fenech et al (2022). In their case-study on a financial sector organization in Malta, the authors showed that the process of performance appraisal produced gender inequality due to its social-relational context as well as the emphasis on behavior, which involved discretion. They observed that in the evaluation system, women obtained lower scores due to a number of informal criteria which they argued was an example of how women's subordination was sustained through rational justifications. The basis for the performance appraisal could be divided into two main sections: "technical task performance" (objective) and "behavioral performance" (subjective), which officially carried equal weights. In practice however, weights were subjectively determined and the behavioral section was found to drive the overall score. Moreover, despite a number of formal criteria, 'socializing' emerged as the most important criterion for determining the behavioral score and accordingly also the overall score. Because women did not recognize the importance of sociality, they focused more on their task performance, which left them frustrated as they did not comprehend their low scores. Nevertheless, the authors argued that even if the women did recognise 'the rules of the game', they would still not be able to perform on the socializing criterion, as acceptable socializing was found to be defined by male views and behaviors (Fenech et al, 2022). As previously discussed, other researchers have shown that women in accounting firms are disadvantaged by the informal emphasis on (male) sociality in performance evaluation (e.g. Anderson-Gough et al, 2005), which they do not recognize (Lupu, 2012), but Fenech et al's study (2022) showed that this is also the case in the finance industry. This links back to Jonnergård et al (2010), who argued that women did not recognize the basis of performance evaluation due to their limited access to information shared in informal networks. Kornberger et al (2011) however found that many women managers were aware of the importance of socializing and networking in order to get promoted, yet still many women mentioned that probably not everyone realized how important it was. Thus, the literature to date is rather contradictory regarding women's understanding of performance evaluations and hence this thesis aims to contribute to this research gap by examining the situation in Sweden. To conceptualize our findings, we will use a hybridization of Bourdieu's notion of habitus and reflexivity in order to comprehend women's experiences of performance evaluation and incentive systems in the Swedish finance industry.

2.2 Conceptualizing women's understanding of incentive systems: hybridizing habitus and reflexivity

In line with previous qualitative research on professional work, we will use Bourdieu's concepts of habitus and field (Fenech et al, 2022; Gracia, 2009; Spence & Carter, 2014), in combination with reflexivity to analyze our empirics. Gracia (2009) used the work of Bourdieu to understand women's employability experience within the accounting profession, while Spence & Carter (2014) analyzed how partners and senior accountants in Big 4 accounting firms embodied different ideas about good performance and what was necessary to succeed professionally. Fenech et al (2022) used Bourdieu's notions of habitus and how gendered views and behaviors "socialize people into unequal power relations" (Bourdieu 2001, as cited by Fenech et al, 2022, p.430) to understand how masculine ideas became foundational for how seemingly gender-neutral organizational practices in the financial sector were enacted. Using Bourdieu, the authors further argued that because domination is anchored in social structures and one's own worldview (e.g. in hierarchies which conceal the actual requirements of advancement), individual women may not fully perceive that they are dominated. In the following section, we will account for the concepts of habitus and reflexivity, the relationship between the two and how they can be used in hybrid to understand gender identity and career choice in the finance industry.

Habitus and field has frequently been used in sociology to understand identity, lived experience and choice (Adams, 2006). In Bourdieu's own words, the habitus is a "system of lasting, transposable dispositions which, integrating past experiences, functions at every moment as a matrix of perceptions, appreciations and actions" (Bourdieu, 1977, p.83 as cited by Adkins, 2003, p.23). In short, an individual's habitus is formed by past experiences and is an unconscious evolution (Bourdieu, 1977 as cited by Adams, 2006) that both produces and shapes action (Bourdieu, 1977 as cited by Adkins, 2003). Furthermore, the habitus operates within different fields (objective structures), which make up the social world, and each field both informs and sets limits on social practice. Bourdieu's social theory assumes that the habitus will always conform to the field, and not the other way around, due to the objective status of the field. While the habitus is described as a 'feel for the game', the field is referred to as 'the game itself'. This is a structural and deterministic understanding of identity (Adkins, 2003).

A more voluntaristic understanding of contemporary identity revolves around the idea that social structures are not as significant anymore and this has provided “the conditions for increased reflexivity, that is, for critical reflection on prevailing social arrangements, norms and expectations” (Adkins, 2003, p.22). When it comes to gender, it has been argued that gender differences in contemporary society are about individual choice, rather than structural constraints (Beck and Beck-Gernsheim, 1996 as cited by Adkins, 2003). McNay (1999) has however criticized such understandings and argued that they overestimate individuals’ ability to reshape their own identity. She argued that while certain conventional images of masculinity and femininity, such as the division of labor, have been up for renegotiation, others have become more entrenched and cannot easily be reshaped. For example, she claimed that women’s entry into the labor force has not liberated women from emotional responsibilities. Rather than passively identifying with conventional gender norms, she argued that women in today’s society actively attempt to negotiate increasingly conflictual feminine roles. She therefore pointed to a potential in hybridizing habitus and reflexivity, in order to account for the entrenched aspects of identity, as well as the increased – but uneven – possibility for reshaping conventional gender norms (McNay, 1999).

McNay (1999) was one of the first to propose this potential of hybridizing habitus and reflexivity. Adkins (2003) has thereafter built on this idea. She agreed with McNay that contemporary life is complicated and requires reflexivity. However, in contrast to McNay, she argued that gender reflexivity today is not a transforming practice, but rather a habitual one that is “part of the very norms, rules and expectations that govern gender” (2003, p.35). According to Adkins, a number of studies have recorded this. For instance McDowell (1997 as cited by Adkins, 2003), in her ethnographic study of financial service workers in London, found that workers were highly reflexive towards their performances of gender at work and that this reflexivity was even used as a form of ‘workplace capital’. However, women’s enactments of femininity, which for example included adapting their feminine way of dressing for different customers, was not seen as a matter of reflexive skills that deserve rewards, but rather as ‘natural advantages’ (McDowell, 1997 as cited by Adkins, 2003). Thus, Adkins argued that reflexivity is an everyday habit that reflects and maintains gender inequalities, rather than detraditionalizes gender. She also built on McNay’s criticism of Bourdieu’s disregardment of the ambiguities emerging when men and women occupy different positions. Adkins suggested that Bourdieu’s lack of consideration was rooted in his assumption that the habitus always adapts to the field and consequently subjects incorporate

norms. She argued that this assumption is inadequate because actions of adaptation are temporary and thus entail ambivalence and resistance making subjects never fully identify with norms. Moreover, she asserted that a conceptualization of the relationship between habitus and field that understands norms as never fully occupied would allow for a move away from the excessive determinism and voluntarism found in certain accounts for habitus and reflexivity respectively (Adkins, 2003).

Adams (2006) further built on Adkins and McNay's ideas of how habitus and reflexivity can be used in combination and added a discussion about the role of resources. He argued that while reflexivity may be facilitated by social change, "reflexive awareness does not simply equate with the ability to transform one's situation in every context" (Adams, 2006, p.522). Rather, one's habitus restricts the choices available and acting on your 'reflexions' through life choices requires resources. Without such resources, reflexivity only brings awareness of the lack of choice (Adams, 2006).

In summary, by understanding norms as not fully incorporable, reflexivity as unevenly realized and resources as a prerequisite for choice, a hybridization of habitus and reflexivity has been suggested to have a complex potential to understand gender identity and choice in contemporary society (Adams, 2006; Adkins, 2003; McNay, 1999). Following Adams (2006), Adkins (2003) and McNay (1999), we will use habitus and reflexivity in combination to understand how incentive systems affect women in finance. More specifically, we will use these hybridized accounts to understand what guides their life and career choices, how they are critical of their situation and how they perceive the rules of the game.

3. Methodology

This section begins with a description of the method used in the study as well as the choice of interviewees and implied limitations. Thereafter, an overview of the data and the process of data collection will be presented. Finally, the process of analyzing the data will be described.

3.1 Choice of method and interviewees

As this study is concerned with increasing the understanding for how incentive systems affect women's motivation in the context of the Swedish finance industry, an interpretative approach has been used (Ryan et al, 2002). Qualitative data was collected through semi-structured interviews. This method has been argued to enable flexibility and open-ended questions that allow the interviewees to further elaborate on their thoughts and provide more in-depth answers, while still ensuring that the conversation is kept on topic (Alvesson & Deetz, 2000). This was supported by Qu and Dumay (2011), who emphasized the method's capability to unfold "important and often hidden facets of human and organizational behavior" (2011, p.246). Qu and Dumay (2011) further argued that semi-structured interviews offer an effective way to develop an understanding of how the interviewees experience the social context that is studied, which fitted well with the purpose of this study.

In-depth interviews were conducted with 10 women who worked within investment banking in Stockholm, at three of Sweden's large banks. The main argument for focusing on investment banking was its clear focus on high salaries and bonuses as the main incentive (Nash, 2003). It has also been portrayed as an extremely masculine work context that is both elitist and patriarchal as well as "a tough place for women", which makes it hard for women to succeed (Sheerin & Garavan, 2022). We therefore argued that the investment banking sector would be a suitable focus for the study since it is characterized by both a distinct incentive system and gender distribution. However, it should be noted that investment banking in this study was used as an extreme case, but the phenomenon studied has been shown to be present in other parts of the professional field as well, for example in audit firms (e.g. Anderson-Gough et al, 2005; Lupu; 2012). The argument for only interviewing women who currently worked as investment bankers was that we believed that it would be easier for them to reflect upon and give thorough explanations of the situation they faced at the

moment, compared to women who experienced it years ago. Furthermore, since the purpose of this study was to get a deeper understanding of how *women's* work motivation is affected by incentive systems, we chose to only interview women, as opposed to a comparative study of how men and women are affected respectively. A drawback of this choice is that it provides a more one-sided point of view on the matter. However, we argued that women would be able to reveal more about what role incentive systems may play in the uneven gender distribution as it has been claimed that “men tend to not see their gender privilege” (Acker, 2006, p.452).

Due to practical reasons regarding interviewing, only investment bankers in Stockholm were interviewed. Thus, our findings are arguably delimited to Stockholm. As there was a limited pool of women working in investment banking in Stockholm, we included interviewees from all investment banking divisions, such as Corporate Finance, Equity Capital Markets and Debt Capital Markets. For the same reason, we interviewed women at three different banks. A drawback of this choice is that the interviewees were not subject to the exact same incentive system, however it was weighed against the possibility of not getting sufficiently many interviewees to participate. Moreover, we chose to delimit the study to Sweden's large banks, since they were assumed to have more similar incentive systems, compared to for example international banks or niche firms. Although the women worked at different banks and divisions, they were for the purpose of this study treated as part of an industry. The reason for this was that we were interested in the role of the overarching incentive system in the industry, rather than differences across divisions and banks. In addition, our empirics did not show any significant differences in the incentive systems between different banks and divisions. In order to get a more comprehensive view of how women's work motivation is affected, we interviewed both junior and senior women. Due to the small number of senior women, we chose to not disclose the interviewees' position in order to protect the interviewees' anonymity. For the same reason, the majority of the interviewees were juniors, with up to five years of working experience.

The interviewees were found via LinkedIn, as it was easy to find people in specific professions on the platform. The search word was *Investment banking [Bank X]*. When a potential respondent had been identified, she was contacted via LinkedIn, or via email if we could access the email address. In the message, the purpose of the project and the arrangement of the interview were explained. It was also made clear that they would be

completely anonymous. In total, 23 women investment bankers were contacted, of which 10 agreed to be interviewed, 1 declined and 12 did not respond. In the case of no response, the contact was followed up by an additional message.

3.2 Data Collection

3.2.1 Overview of the interviews

In the table below, an overview of the data collection is presented, where the names of the interviewees are fictitious to maintain anonymity.

Table 1: Information about the interviews

| Name | Date | Length of interview | Place |
|------------------|-------------|----------------------------|-----------------------|
| Anna | 18/10 2022 | 34:18 | Physical at workplace |
| Lisa | 18/10 2022 | 25:24 | Physical at workplace |
| Karin | 18/10 2022 | 33:22 | Physical at workplace |
| Alice | 19/10 2022 | 40:19 | Physical at workplace |
| Elin | 20/10 2022 | 49:46 | Physical at a café |
| Vera | 20/10 2022 | 1:00:24 | Physical at a café |
| Jenny | 24/10 2022 | 1:04:35 | Physical at workplace |
| Hanna | 25/10 2022 | 44:55 | Physical at workplace |
| Ida | 26/10 2022 | 58:30 | Physical at workplace |
| Frida | 26/10 2022 | 46:03 | Digital on Zoom |
| Average duration | | 46 minutes | |
| Median duration | | 45 minutes | |

The length of the interviews varied between 25 and 65 minutes. The length of the interviews mainly depended upon the level of elaborateness of the interviewees' responses. However, it is worth noting that the first three interviews were the shortest ones, and the reason for this

was that the interview guide was continuously developed during the interview process. After having processed the first interviews, the interview guide was updated with additional questions related to interesting topics that were brought up during the interviews, resulting in longer interviews later in the process. Additionally we, as interviewers, got a better sense of how to ask follow-up questions to make the interviewees elaborate more on their answers during the process, which also resulted in more full responses and longer interviews towards the end of the interview process.

3.2.2 Performing the interviews

Altogether, nine interviews were conducted in person and one online. Of the nine interviews conducted in person, seven were conducted at the respondents' offices, and two at nearby cafés. To get as personal interviews as possible, physical interviews were preferred, but interviewees were given the option to participate in the interview digitally if there were special circumstances that made a digital interview a better option for them. The main reason that in person interviews were preferred was that a physical interview context has been recommended for sensitive topics (Sturges & Hanrahan (2004). However, researchers have found that respondents perceive increased anonymity in telephone interviews (Greenfield et al, 2000 as cited by Sturges & Hanrahan, 2004). We argued that physical interviews were preferable for this study to make the respondents more comfortable talking about potentially sensitive topics. Regarding the potential issue with anonymity perception, we emphasized the anonymity both in the initial contact and before starting the interview. At all interviews, both authors to this thesis were present.

In the beginning of each interview, the authors presented themselves and once again explained the purpose of the project, in line with Kvale and Brinkmann's (2014) recommendation, as well as reminded the interviewees of their anonymity. Thereafter, they were asked to give their written GDPR consent. We also asked for the interviewees' permissions to record the audio, to allow us to focus on the interviewee and the dynamics of the conversation (Kvale & Brinkmann, 2014). Furthermore, all interviewees gave their consent to be quoted in the study and each of them were also asked during the interview if there was anything that they would not like us to cite them on or mention in the study.

The interviews then followed the structure of the interview guide (see Appendix 1) that was designed prior to the interviews, but as mentioned it was slightly adjusted after the first interviews. As this thesis used a semi-structured interview method, the interview guide was used as a basis for the discussion, but additional follow-up questions were allowed to enable fuller and more elaborate responses from the respondents. Thus, if something interesting was brought up during the interview, this was further explored by using follow-up questions to make the respondent provide more in-depth answers.

The interview guide was designed with the research question as a starting point, which led to questions both regarding the monetary incentive system, as well as the cultural aspects of motivation. Questions regarding culture and socialization at work were included since they are inherently intertwined with the incentive system, thus the motivational effect of the incentive system and formal processes would be hard to examine in complete absence of the culture and informal aspects of the job. This argument followed Anderson-Gough et al (2005, p.486), who argued that “research on gendering processes in the accounting profession necessarily combines consideration of both the formal mechanisms of organizational structuration, such as [...] appraisal [...], and the informal processes in terms of cultural norms, values and beliefs that play through how the formal processes are enacted and reproduced”.

At the end of each interview, each respondent was asked if she wanted to add something that had not been brought up during the interview, to allow the respondent to elaborate on topics she found important, but that had not been covered in the interview (Kvale & Brinkmann, 2014).

3.3 Data analysis

During the interviews, one of the authors was primarily responsible for conducting the interview, listening and asking follow-up questions, while the other was primarily responsible for taking extensive notes. Within one day after each interview, these notes were complemented with additional information from the recordings if necessary. The transcripts included spoken language expressions, however, these were removed in the citations in order to simplify the readability as well as present the respondent’s statement in a more factual

manner, which can be considered more ethically correct towards the respondent (Kvale & Brinkmann, 2014). Furthermore, any specific personal examples have been slightly adjusted in order to protect the respondents' anonymity. As all interviewees were native Swedish speakers, they were asked if they would prefer the interview to be conducted in Swedish, which all interviewees did. Thus, all quotes included in the empirical findings have been translated from Swedish to English. In the translation, we have tried to translate as directly as possible, while not distorting the meaning behind certain Swedish wording and expressions.

We used a thematic analysis of our data, thus the transcribed data was separated into different themes related to the research focus (Bell et al, 2019). This allowed for a comparison between answers that related to the same theme, which made the identification of repetitions, similarities, and differences possible, which in turn enabled the qualitative data to be presented efficiently (Bell et al, 2019). The transcripts were then scrutinized in order to find relevant quotes and experiences or statements of particular interest for the study. The authors have been as objective as possible in the reproduction of the respondents' statements and experiences, in order to provide a nuanced yet factual depiction. With that said, since the respondents had different experiences in regard to some respects, not all statements are representative for all respondents. Furthermore, it is of great importance to avoid 'selective plausibility', that is when evidence has been selected "simply because it fits the researcher's theory" (Ryan et al, 2002, p.158). In order to avoid this, all empirics presented were selected prior to selecting the theoretical framework. In addition, to minimize researcher bias, the identification of themes were initially made by the researchers individually, before discussing and agreeing on the final themes and related content. Furthermore, at least one quote from each interviewee has been included in the empirical findings. The identified quotes and interesting points were highlighted and made out the basis for the empirics in each theme, which resulted in the empirical findings section below.

4. Empirical findings

4.1 The continuously uneven gender distribution

On a general level, the interviewees stated that their departments had an uneven gender distribution, where women made up approximately 20% of the workforce, excluding assistants and support function employees, which were almost exclusively women. On a senior level there were even fewer women, where most departments had zero or one senior woman. The women mentioned the high pace, steep learning curve, and constant challenges as the things they enjoyed most about their job, while they referred to the long working hours and lack of work-life balance as the worst part. The general view of the job was captured well by the following quote:

The best thing [about the job] is constantly getting new challenges and opportunities to take a lot of responsibility. [...] The worst part is the lifestyle, the hours, and the balance between work and private life - Lisa

When asked about what they thought were the reasons for the uneven gender distribution in the industry, most women pointed out that the gender distribution problem starts early, already in school. They recalled how men spoke loudly about their interest in finance and equities, and seemed to already know everything. Some interviewees argued that this resulted in a lower self-esteem among women, which in turn made them not apply for jobs or internships within investment banking, since they believed that they were not good enough to get them.

The interviewees also mentioned that they perceived it as harder for women than men to balance work and a family life, as women are expected to take greater responsibility at home, which makes it hard to have a time-consuming and inflexible job. Many women also expressed that if they were to have children in the future, they would want to spend a lot of time with them, which they argued forces them to choose between the family and the job. Several women also pointed out that there were few role models in terms of women balancing work with a family life in the industry, which may strengthen the idea that it is

impossible to combine the two for a woman, while it apparently works well for men. This will be further elaborated on in the following sections.

4.2 The importance but obscurity of monetary incentives

The women generally agreed that the incentive system was focused on monetary compensation, consisting of a monthly base salary and a variable bonus. However, some non-monetary incentives such as regular appraisal and challenging tasks were also mentioned. The timing of the bonus varied between different banks, but it was always paid out either annually or semi-annually. Also, the size of the bonus varied to a high extent, both between the same departments at different banks, but also between departments at the same bank. Corporate finance departments generally had higher bonuses, measured as the number of monthly salaries, than Debt capital markets or other debt departments, but they also worked longer hours.

The junior employees stated that despite the fact that bonuses were formally described as variable, the bonus tended to be more or less the same both between employees on the same hierarchical level and from year to year. They described junior's bonuses as not being based on individual performance and that they were generally not affected by low market activity. They also expressed that there was a clear expectation that the bonus would come regardless of performance, indicating that the bonus was seen more as a part of the base salary, rather than a performance-based variable payment, at least in the early years of the career. As Alice described it:

The bonus is often more or less the same for everyone [...], and similar from year to year. It is very unlikely that there will be no bonus at all.

On the senior level, bonuses tended to be more sensitive to the market situation and varied more from year to year and between individuals.

Something to note regarding the incentive system is that there was a clear lack of knowledge regarding what parameters were included in determining the bonus. This was true at all banks and all departments, as well as at all hierarchical levels. No interviewee could state exactly

what dimensions they were evaluated on when their superiors determined the size of their bonus. When we asked Jenny what the bonus was based on, she said the following:

Nobody really knows what [the bonus] is based on, it is just a big black box. [...] There are many parameters, but I think that it essentially comes down to [...] how much they are willing to pay to have you stay another year.

When we later asked Jenny if there was anything about the incentive system that could be changed that would increase her work motivation, she answered: *“More insight into how the bonus is actually set. If you know what parameters it is [based on] you also know what to do, what to have in mind and how to allocate your energy.”* Ida agreed that more insight into the bonus setting process would be beneficial and added a guess that 60% of the bonus was based on technical criteria and 40% on social skills, since those were *“[...] the two important parts you go through during feedback. [...] First, you go through the technical parts and how you have performed with regards to those aspects. Then there is a lot of focus on the social parts, for example if you are a ‘culture bearer’.”*

No woman mentioned the monetary incentives, i.e. the base pay and bonus, as their main motivators at work. The general view was that the pay was important to ‘compensate’ for the sacrifices they made in terms of working late evenings and weekends and missing out on a private life, but that it did not act as a motivator to the job itself. Vera explained it as *“the industry is quite money-driven, if you are not compensated for working until four a.m., no one would do it.”* Hanna had a similar view:

The bonus and salary are rather compensation for the hours, otherwise you would not do it, but the main motivation is still to do a good job.

However, some women mentioned that the monetary incentives might play different roles at different periods of the career. The monetary incentives were important for choosing the job in the first place, and the first bonus felt special and ‘cool’, but with time you got used to it and no longer got the same motivation from it. At the same time, Ida emphasized that you adapt your lifestyle to the amount of money you make, and thus it becomes important to keep up the level of earnings to avoid the risk of having to change that lifestyle.

While the bonus did not seem to contribute much to their motivation, some women mentioned that it could be demotivating if the bonus turned out to be lower than expected. For example, Anna stated that her bonus once was withdrawn with short notice, which negatively affected her motivation since she had been promised the bonus and expected it to come. Vera agreed, and mentioned that if you talk to friends who work at other banks and hear that they have received larger bonuses, that can have a demotivating effect. When asked if she could mention a situation when a reward had a demotivating effect, Elin recalled that her last bonus affected her motivation negatively, as there was an expectation that it would be bigger than it turned out to be. It was further described that many employees left the banks right after the bonus was paid out as people lost their motivation if the bonus was lower than expected. Thus, it seemed that the bonus was an important aspect for staying at the job, but not a main motivator to the job itself.

Regarding group-based or individual bonuses, the interviewees did not agree on what they preferred. While some mentioned group bonuses as something that increased the team spirit and reduced the internal competition and thus led to a better work environment, some women stated that they would prefer more individual bonuses, as that would increase their motivation to work harder. The main argument for more individual bonuses was that your own performance is what you can influence, hence that should be what you are evaluated on. As Alice put it:

In my opinion the bonus should be based on performance, [...] but it is often the same for most people. I think that the point of having bonuses is that you should feel like you can control it.

However, Alice later emphasized that the bonus system should not be too uneven, as it was important to avoid a tough, competitive culture. The importance of a friendly culture for their motivation was something most women noted, and that group bonuses, or at least bonuses that were fairly similar across individuals, contributed to a less competitive and more pleasant work culture.

4.3 Challenges to motivation

4.3.1 An unsustainable lack of work-life balance

Almost all interviewees mentioned the hours as the worst thing about their job and expressed that work-life balance was hard to find in the industry. They commonly mentioned the long hours, lack of flexibility and always having to be stand-by on late nights and weekends as issues since it implied that they often had to set private plans aside. For example, Vera emphasized that if she would get the weekends off, that would be more important than the pay for her long-term motivation. She further explained that she felt that she could never make plans in her private life *“because you never know if something comes up, [...] then you will have to cancel everything.”*

However, many women mentioned that there were ongoing dialogues at work on how to improve work-life balance and that the transition was mainly requested from junior analysts. Anna had experienced an improvement in work-life balance since she started working in the industry, and said the following:

[Sometimes] I sat from eight am to three pm and twiddled my thumbs. By four pm I received the task that caused me to sit until two am. That type of arrangement is a disaster for your work-life balance. [...] The transition to better work-life balance was absolutely necessary in order to keep my motivation up.

While most women described the work-life balance as more or less non-existent, many of them emphasized that they still felt that they were ‘at the right place’, since they were young and had time to work a lot. As mentioned, the majority of the women enjoyed the fast pace and steep learning curve, and were thus willing to sacrifice their private time to get a ‘head start’ of their careers. With that said, while they managed the long hours at the time, most of the women said that they were not willing to work such long hours for a longer period of their careers. Karin described her view of it as follows:

In some sense you must have time for a life outside [of work] and that will be of greater importance in a few years. I would like to stay [at this job], but I cannot plan anything so I miss out on a lot in life.

None of the women had any children or other time-consuming commitments or responsibilities outside of work. Jenny expressed that there were few role models in terms of women balancing the job with a family life. Several women emphasized that in order to be able to combine a job in investment banking with a family life, you needed support at home, for example a partner who had more time for the family. Men tended to have this support at home to a greater extent than women, for example Karin described that many women quit when they start a family while *“Men keep working, but they usually have women [partners] who do the heavy lifting [at home].”* The majority of the women believed that their work was difficult to combine with a family life. When asked if they saw themselves working within investment banking in five years, several of the women answered no with the explanation that they wanted to have a family, and when they had children they would no longer want to work within investment banking. One of them was Anna who said:

No, [I cannot see myself working with this in five years]. At that point I will want a family, and I see many people who feel bad working in investment banking when having a family. Then the salary becomes irrelevant - Anna

According to Anna, her men colleagues did not have the same attitude towards family life, especially senior men who *“[...] have all very clearly, I would say, communicated that they do not take parental leave and if they do it is 3 months during the summer. [They have communicated that] they will not work fewer hours – that the woman can do.”* She continued to confirm Karin’s observation that the men who had children usually had a wife with a not very time-consuming job and thus greater support at home, which made it possible for them to work longer hours. A further explanation was provided by Ida who believed that women left their jobs because they *“[...] are expected to take care of the child more. There is a societal norm that women should take more responsibility at home and therefore they prioritize family over work.”* Elin supported this view and noted that men are not subject to the same expectations: *“No one questions men who work a lot when they have small children.”* A number of women also argued that even if a mother worked a lot, she was still

expected to take major responsibility for the home and the family. Jenny elaborated on these expectations and said that:

If you are to work and have a career, you can not have a great career, a perfectly cleaned home, [...] well-mannered children [etc]. With all these expectations society puts on women, one must dare to go one's own way [...], but it takes a lot of energy and courage to go against society.

In addition to support from a partner at home, the interviewees described that you had to reach a more senior position in the hierarchy before you could start a family. Alice, a junior, noted that *"Many directors have children, but they can work less since they have more of a sales role, while our work takes much more time."* Frida confirmed this notion and said that *"In general when it comes to these jobs, the more senior role you have, the easier it is to plan your own time."* The common view was that it was not possible for junior employees to combine the job with a family, while senior employees had the choice, and that the main reason for this was that the seniors had already proven themselves in the workplace. As Jenny put it:

You must prove yourself for some years to reach a position where you feel that you can have a family.

Elin, who also supported this view explained that *"I cannot have children now because I am still new, but if I stay in my team I do not think that it would be a problem [later on]."*

4.3.2 Culture as a main motivator *and* potential demotivator

The majority of women mentioned the steep learning curve, interesting and challenging tasks, and personal as well as professional development as their main motivation drivers at work. Recognition and praise was also commonly mentioned as particularly motivating rewards and several women also mentioned lack of recognition and praise as something that decreased their motivation. In addition, all women mentioned the colleagues and culture as very important to stay motivated. The importance of culture for motivation was captured by Alice:

[The culture] is the absolutely most important [motivator] along with personal development. It is nice to go to work feeling [...] that you have the courage to contribute, so it is so much more important than the bonus.

Lisa agreed that the culture played an important role for the motivation:

[The culture has a] very large impact [on motivation]. It is almost the most important thing. That is probably the reason I stay. I really enjoy it here and my colleagues are very nice. [...] If the atmosphere had not been this nice, I probably would not have thought it was worth staying here.

Vera further elaborated on the importance of culture in order to stay motivated in the longer term. She stated that “*You wonder if this is something you want to do in the long term, do you want to put in all these hours? [...] The job is fun but for how many years? A lot of other aspects come into play, particularly whether it is a good culture since you will spend more time with your colleagues than friends and family.*” Thus, there was a consensus view among the women that financial incentives themselves were not enough to motivate them. They requested a good culture, constructive feedback, and nice colleagues in addition to a reasonable salary and bonus.

All women described the culture as generally something positive that, to a high extent, contributed to their work motivation. In their initial descriptions of the culture, they commonly described an open culture, a team-spirit and a nice atmosphere where people were social and jesting. However, the culture seemed to act as a double-edged sword; as the interviews proceeded, other aspects of the culture were put forward. Many of the women stated that the number of women being so few affected the dynamics and resulted in a ‘dude’ culture³ where you had to be tough to fit into the environment. Vera stated that men for example have posed ‘dude-ish’ comments on women’s appearance and made the following statement:

³ When describing the culture, the interviewees used Swedish phrases such “grabbig kultur”, “ryggdunkande” and “krävs skinn på näsan”. These phrases are specific to the Swedish context, but indirectly translates to a ‘dude’ culture where one has to be tough and determined.

I think you get shaped [by the culture] with time. In the beginning I reacted to things and thought 'Is this not strange?', but [...] you get so inculcated with regards to certain things. [...] For example dude-ish comments [...] that are unreasonable and that anyone would react to, but you do not because you learn that this is how it works.

Several women also experienced that they had been treated differently due to their gender. They gave examples of when men had asked them or other women to do administrative tasks, or what Acker (2006) described as 'the organizational housekeeping', such as getting papers or booking meeting rooms, which were not part of their work descriptions or responsibilities. An exemplifying quote was made by Vera:

One of my colleagues, [a junior woman,] was at a client meeting with a senior man colleague. The man forgot his bag and told the woman to get the bag for him. That is not okay, especially since he did it in front of the clients. [...] Similar things have happened to me. I have been asked to print papers and such.

Several women shared the view that they, as women, had to prove themselves and their knowledge to a higher extent than men. One senior woman noted that her title was important to her, as it proved her seniority. Otherwise people tended to assume that she had another role or was less knowledgeable because she was a woman. However, others described the absence of titles as something positive as it contributed to less of a hierarchy. The degree of hierarchy, with regards to both organizational structure and culture, varied however. Some described the culture as not being hierarchical and said that even as a junior, you could ask the manager questions directly. Others described a hierarchical culture and one woman noted that even emails were sent in hierarchical order, where the most senior person should be the first one in the order of people included in the email conversation.

4.3.3 Exclusion at work

It is hard to point at something concrete, it is more a feeling of not being 100% part of the group. [...] It can relate to topics of conversation or who grabs lunch together. [...] I could often hear that the boss had grabbed a beer with someone, but I have never been invited for a beer. - Hanna

The above quote explains Hanna's experience of gender-based social exclusion. Frida on the other hand stated that she felt very included. She also explained that "Every Friday, you receive an email regarding how included you have felt during the week. There you can report if you have an example of when you have not felt included." Several women initially agreed with Frida and said that they felt very included, but most of them later recalled situations when they had been excluded. They gave examples of when the men went out for lunch together, celebrated birthdays or took a beer after work. As Jenny described it:

They will not exclude you if you ask, but you might not be asked [to join] if you're a woman. [...] One evening the boys apparently had decided to [go grab a burger], and everyone was invited except for me, because I was the only woman. The intention was not to hurt, but it is wrong when you are the only one not invited.

The women also felt excluded based on the conversation topics, as Hanna for instance mentioned. Elin, who also had experienced this, explained that men often sat and talked about cars for example, and since she did not know much about cars, it made it hard for her to participate in the conversation. Several of the interviewees also mentioned that informal events, which were seen as important opportunities to network with colleagues and clients, were usually centered around activities that men tended to like, such as golf or whiskey tasting. As Jenny described it "The social [activities] are more directed at men's interests. In the social contexts where women are excluded, the cohesion between the men is strengthened and as a woman you have to learn how to handle those parts." She also argued that the activities could generally be more inclusive, not only to women but also to people with disabilities as an example.

Moreover, socializing and building relationships with clients were mentioned as important aspects of their work and as Karin noted, client relationships were also important for your career advancement opportunities. Both Karin and Jenny described that the communication with clients could be harsh, which required you to be tough and determined. Furthermore Karin explained that: *“Client relations are important and there are a lot of men there. If you as a young woman come to give advice to a 60 year old man who has always worked within finance, [he] won’t take your advice as seriously.”* Frida shared the experience that as a young woman, she was sometimes less respected by clients and explained that:

It has happened that clients have expressed that they would rather speak to my man colleague. It could be because I am a junior, but also because I am a woman.

Ida, on the other hand, said that she had never been treated differently by clients, however she noted that one of the seniors, a man, was *“[...] more positive towards men. He can come by to make jokes and be lighthearted with men juniors, but not with the young women. He has never talked to me in that way.”* She further explained that it was probably because he was more comfortable with other men and that consequently, the junior men created stronger bonds with their superiors.

From these empirical findings, we have identified two interesting contradictions. First, all women initially described the culture at their workplace as open and inclusive, yet almost all of them later came up with examples of situations in which they had been excluded. Second, most women expressed that they had high job motivation, however, when asked regarding their future in the industry, many women stated that they would probably not stay for five more years. These findings will be further analyzed in the following section.

5. Analysis

In this section, gender identity and expectations in relation to the informal and formal processes the women were subject to at work will be analyzed using theory on hybridized accounts of habitus and reflexivity with the aim to answer the research question. In addition, contributions to previous research will be put forward.

5.1 Women's identification with the culture and norms

The empirics showed that while many women stated that their work culture was inclusive, a number of women pointed out that you, as a woman, had to stand up for yourself in order to prove your qualification, and that 'dude-ish' comments and jokes were present in the workplace. Bourdieu (1990, 2001 as cited by Fenech et al, 2022) emphasized that inequality is produced through social interaction. Thus, the 'dude-ish' comments and jokes as well as the social exclusion a number of women experienced can be understood as social interactions that reproduce gender inequality in the investment banking sector. People carry their gendered habitus with them also into the work field, where in this case it guided the senior men to socialize and grab beers with other men, as this was how they believed that 'things were to be done', based on their gendered habitus. Furthermore, Bourdieu (1977 as cited by Fenech et al, 2022) explained that having a 'feel for the game' meant implicitly understanding the unwritten rules, thus the women who explained that they partly had to adjust to the existing culture, may have done this as the masculine culture was part of the unwritten rules. It appeared to be more convenient to adapt to, rather than challenge, these rules.

One interesting finding in the empirics was that, while virtually all women described the culture at their workplace as open and inclusive, almost all of them could come up with examples of situations where they, or other women colleagues, had been excluded in the workplace due to their gender. How can we understand this? Bourdieu (2001 as cited by Fenech et al, 2022) argued that gendered habitus "socializes people into unequal power relations" (Fenech et al, 2022, p.430). The habitus may stem from growing up in a gendered society, but also from the women's backgrounds of studying at prestigious business schools, where they had experienced a masculine culture where men spoke loudly and confidently, while women tended to keep a lower profile. Furthermore, Bourdieu understood norms as

incorporated, following the assumption that there is an agreement between the habitus and field (Bourdieu, 2000 as cited by Adkins, 2003). When the women entered the finance industry, which in Bourdieu's terminology can be defined as a field, their habitus became harmonized with this field, as they silently accepted the current gender order as their habitus guided them to think that this was how 'the game' worked. This process was captured well by Vera, who described how she in the beginning reacted to 'dude-ish' comments and thought they were unreasonable, but with time learned that that was 'how it worked'. The women thus identified with the norms as their dispositions had been adapted to the demands of the finance industry 'game', which led them to explain the culture as inclusive. However, as Adkins (2003) emphasized, norms are never fully occupied since the adaptation is temporary. In this way the women never *fully* identified with the norms and their ambivalence became apparent when the women brought up the examples of situations when they, or other women, had been excluded. Thus, the identification with prevailing norms led the women to initially describe the culture as inclusive, however, the temporal nature of adaptation gave room for an ambivalence that led the women to reflect upon the culture, and actually come up with several examples of situations where the culture may not have been as open and inclusive as they first claimed.

As a result of the masculine culture, the women did not have the same opportunity as men to socialize and network, which is consistent with Fenech et al's (2022) finding. This applied to both formal and informal interactions at work. As Ida described, she experienced that junior men created stronger bonds with their superiors and gave the example that one of the senior men often initiated informal conversations with junior men, but not with junior women. This also suggests that Cohen et al's (2020) finding that women experience that they do not receive the same social support from senior leaders as men and that they lack network opportunities not only applies to women in accounting, but also to women in finance. Furthermore, we found that women described networking as important for career advancement and that the activities at social events as well as conversation topics, centered around the men's interests, put them at a disadvantage. This is consistent with Anderson-Gough et al's (2005) finding that social networks are a basis for career advancement and that social interactions support gender domination.

5.2 Gendered career paths despite critical reflexivity

A second interesting finding was that most women at first expressed that they had a high motivation to their job, and that this primarily stemmed from the challenging tasks and the open and supportive culture. However, when asked regarding their future in the industry, many women stated that they would probably not stay for five more years. This was particularly true for women who expressed that they wanted to have children, with the reasoning that it would not be possible to combine the job with a family life. Moreover, they expressed a consciousness of the conflicting societal expectations of women and expectations at work. Thus, despite being motivated and enjoying their work, as well as being critical of the societal expectation that women should prioritize family over work, they still expressed a will to leave the industry when they wanted to have children. We can understand this drawing on the hybridization of habitus and reflexivity. Following McNay (1999), the conventional image of motherhood can be seen as an entrenched aspect of the women's gender identities, which is less amenable to reflexive self-transformation. The women's critical view of this conventional image can be interpreted as a critical reflexivity that arose when they negotiated the conflicting roles of being an investment banker and mother. So why did they still contemplate leaving? As Adams (2006) suggested, one's habitus restricts the choices available and transforming your situation requires resources. It was commonly mentioned that the opportunity to proceed working within investment banking while having children depended on if you had a partner who was willing to take on most of the child-related responsibilities and how high up you were in the organizational hierarchy. Moreover, there was a common view that women in the sector did not meet these conditions to the same extent as men. Thus, while being critical of the norms and expectations that women should choose family over work, women lack the opportunity to undo this traditional expectation.

Most interviewees mentioned the long hours as the worst part of their job since it made it hard to balance work with a social life and time-consuming commitments outside work. Furthermore, the monetary incentives were commonly understood as a means of compensating for this poor work-life balance, rather than a way of incentivizing and rewarding performance. This monetary compensation in combination with non-monetary incentives such as challenging tasks generally produced high motivation among the women, despite the de-motivating lack of work-life balance. However, when facing the conflicting expectations of 'a good mother' and expectations at work, the incentive system was not

enough motivating for them to choose the job over a family life and more time with their children. Motherhood, as an entrenched aspect of gender identity appeared to take precedence over the job that they otherwise reported to enjoy. This finding is also in line with the empirics that showed a phenomena of women leaving the industry when they had children, which could also explain the uneven gender distribution on the senior levels in the finance industry. Consistent with Lupu's (2012) study, motherhood thus turned out to be a highly relevant aspect for understanding the women's career trajectories. Our findings support Lupu's assertion that there is a social pressure on women to prioritize family over work and that raising children implies a disruption to women's careers, but that the same does not apply to men. We contribute to this finding by suggesting that one explanation that women's careers are disrupted to a larger extent than men is that they do not possess the same resources that enable men to combine the demanding job with family life.

As McNay (1999) argued, detraditionalizing forces may have opened up for debate regarding certain aspects of gender relations, such as gender division of labor. Indeed, women now occupy professional positions that traditionally have been masculine coded, investment banking being one example. Still, other gender arrangements are deeply entrenched. Motherhood is one such arrangement that seems to be difficult to reshape. The deeply rooted conventional image of motherhood as part of femininity combined with women's lack of resources to combine the demanding finance job with a family life can potentially explain why women leave the industry and the representation of women at higher levels remains low, despite the high degree of critical reflexivity towards the prevailing societal norms.

6. Conclusion

6.1 Summary and discussion

Following the call for more research on the individual experience of individuals subjected to gender-based social constraints (e.g. Haynes, 2017), this study has examined women in the male-dominated finance industry in Sweden. In this thesis, the following research question was posed: *How do incentive systems affect women's work motivation in finance?*

Based on a qualitative study of women working in investment banking, we found that the incentive system present in the sector motivated women in the short-term. However, the main motivation drivers were not the monetary incentives, but rather the steep learning curve, high pace and interesting tasks. A supportive culture was highlighted as the most important aspect to create motivation at work. Previous research has shown that investment banking is characterized by a masculine culture (Sheerin & Garavan, 2022), and this notion was supported by our empirics where several interviewees witnessed that women faced disadvantages as the culture was shaped by the behaviors, interests and lifestyles of men, with little accommodation for women. The analysis based on a hybridization of habitus and reflexivity showed that while the women at first described the culture as supportive and inclusive, as they identified with the prevailing norms, the temporary nature of adaptation gave rise to an ambivalence that caused the women to critically reflect upon the masculine culture. Their display of critical reflexivity became even more apparent when the women negotiated the conflicting roles of 'investment bankers' and 'mothers'. While critical of the expectation that women should prioritize family over work, we found that women generally lacked the resources required to combine the two roles and thus they ended up at a crossroad where they had to choose between the job and a family life. At this crossroad, the choice depended on whether their motivation at work outweighed the motivation to conform to the societal expectations of motherhood. The monetary incentives were found to not be enough motivating for the women in the long term, thus the motivation relied on the culture. Despite the women's initial descriptions of an *inclusive* culture, the several examples of women being excluded at work indicated that the masculine culture was *excluding* women. Since a supportive culture was the main motivator for most women, this lack of support will suppress their motivation and eventually make most of the women leave the industry.

6.2 Limitations

This study is inherently context specific, implying that our findings are specific to Sweden and likely not transferable to international contexts. Moreover, we have chosen to focus on the investment banking sector as an ‘extreme case’ within the finance industry implying that the results can not be regarded as an average case that is representative for the general view of women in other kinds of financial services sectors. In addition, this study is comparatively small. A more comprehensive study would perhaps be able to capture more nuances in the answers.

Following Ryan et al (2002), we have identified a number of limitations related to the contextual validity of the study. First, since interviews were our only type of evidence, we have not been able to assess the validity of evidence from our interviewees (for example if they adjusted their responses to the situation). Second, we only interviewed women who were subjected to the incentive systems, as we argued that this selection of respondents fitted best with our purpose and given the time limitations of the study. However, as a consequence of this, our empirics display a fairly one-sided point of view. While we have included women at different banks and at different levels, we have for example not interviewed any evaluators that were in charge of assigning incentives. Finally, there is a risk that the validity of our own interpretations may have been affected by the fact that we have only been two researchers with fairly similar backgrounds and experiences. While we have tried to guard against potential individual bias by making separate interpretations before discussing and agreeing on one interpretation, this risk would have been lower if we had been several researchers with more diverse backgrounds and experiences.

6.3 Contributions and future research

Previous studies that have looked into career structures and experiences of women in accounting and finance professions have found that socialization, as part of the formal performance evaluation, was disadvantageous to women since the sociality was assessed based on men’s view of correct socializing (Anderson-Gough et al, 2005; Fenech et al, 2022; Lupu, 2012). Our study contributes with further empirical contextualization of this phenomena and confirms that also in Sweden, which has been ranked as a highly gender

equal country (European Institute for Gender Equality, 2022), informal conversations and social events are tailored to men's interests, resulting in women feeling excluded. In turn, this also serves as a disadvantage to women's career opportunities as they are excluded from important networking.

One interesting finding in this study that has not so far been elaborated on is the fact that the women mentioned that they had very limited insight into the performance evaluation used to determine the size of their bonuses. Jonnergård et al (2010) suggested that women are less certain of the basis of performance evaluation due to their weaker relationships with management and more limited access to information shared in informal networks. It is possible that, in line with Jonnergård et al's findings, the women's lack of knowledge regarding the basis of their bonuses can be explained by their weaker bonds with their superiors. However, it may also be the case that the finance industry in general is characterized by poor transparency in performance evaluations and that men are equally uncertain. Thus, in order to draw any conclusions, men's knowledge regarding the basis of bonuses would also have to be examined. We suggest that this is a topic that could be investigated closer in future research on the Swedish finance industry.

Lastly, our findings partly contradict previous research. Fenech et al (2022) found that women misrecognized the importance of sociality in performance evaluation. The authors further argued that even if the women did recognize it, they would still not be able to perform on this criterion as acceptable socializing was found to be defined by male habitus. Contrary to Fenech et al's (2022) finding, we suggest that women are well aware of the importance of sociality and understanding 'the rules of the game'. Our finding also resonates with Kornberger et al (2011), and contributes by showing that women on different hierarchical levels understand the significance of sociality, not only managers. Yet, in line with Fenech et al's (2022) argument we found that women still were not able to socialize and network on the same terms as men, which contributed to a gendered hierarchy. Worth to mention is that Fenech et al's (2022) study was conducted in the Maltese financial sector, where the gender representation is overall equal, despite the societal gender inequality in the country. As the opposite can be found in Sweden (European Institute for Gender Equality, 2022), the differences in our study may potentially be explained by the difference in context with regards to gender equality in different fields. However, this contradiction calls for further research regarding women's awareness of the importance of sociality in performance

evaluations. In addition, future research could examine the evaluator's awareness of this problem. If it is the case that women have poorer access to critical information regarding performance evaluation (Jonnergård et al, 2010), it is of interest how those who are part of creating this structure, that is the evaluators who share such information in informal networks that excludes women, understand the phenomenon.

7. References

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8. Appendix

8.1 Appendix 1: The interview guide

Introduction questions:

- For how long have you worked with investment banking?
- Can you describe your career path so far?
- What was it with investment banking that appealed to you?
- How would you describe yourself as a person?
- Do you think one has to possess certain personality traits in order to thrive within investment banking? If so, which?
- What is the gender distribution at your division? Does it differ between different positions?
- What is the best and the worst thing about your job?
- How pleased are you with your work situation?
- Can you please describe the incentive system at your work?

In-depth questions:

- What is your main motivation at work?
 - Would you still be motivated by this if the bonus was low?
- What kind of rewards do you have at work?
 - Can you give an example of when a particular reward was motivating?
 - Can you give an example of when a particular reward was demotivating?
- How do you feel about the size of your bonus relative to your base salary?
 - What is the bonus based on?
 - How often is the bonus paid out?
 - Is the bonus based on individual or team/company performance?
 - Do you have any expectations regarding the bonus?
- Has your work motivation overall increased or decreased since you began your career within investment banking?
- What is your approach to work-life balance?
 - How do you balance work with other responsibilities, commitments or interests you have?

- How does the incentive system affect your short-term versus long-term motivation?
- Is the current incentive system enough motivating for you to have a long career in the industry?
- What role does bonuses have for your work motivation?
 - Has the role of bonuses changed since you began working with investment banking?
- Is there anything about the incentive system that could be changed, that would increase your motivation at work?
- How does the work culture affect your motivation?
 - How would you describe the culture?
- What is your experience of socializing in connection to work?
 - How included do you, as a woman, feel in social contexts?
 - Have you in any work-related situation felt excluded on the basis of your gender? If so, can you please give an example?

Concluding questions:

- Do you see yourself working within investment banking in 5 years from now?
Why/why not?
- What do you think is the explanation for why women are underrepresented in the industry?
- Is there anything you want to add or clarify before we end the interview?
- Can we contact you by phone or email if we would have any further questions?