

# Corporate sector leaders

## Methodology

To select companies in this sector, last year this study identified the largest companies headquartered in the GTA based on the revenue reported in the Financial Post 500. This year the same companies were examined to ensure consistency (Appendix 2). For each company both boards of directors and senior executives were considered. Data for four companies found last year were not available this year.

## Findings

Visible minorities are 4.1% of corporate sector leaders in 2010, the same as in 2009. Representation in senior executive roles declined slightly (4.8% compared to 5.4% in 2009). Board member diversity increased slightly (3.3% compared to 2.8% in 2009).

This year the data was examined more closely and it was found that the average number of visible minorities masks huge disparities. Of the 52 companies analyzed, six (11.5%) have executives where 20% or more are visible minorities. And for five of the 52 companies (9.6%), more than 20% of board members are visible minorities. In contrast, for 40 of the 52 companies, 76.9% have no visible minorities on their boards and 36 of 52 (69.2%) have no visible minorities among their top executives.

Table 6. Visible minorities in corporate sector leadership

Corporate sector leaders	2009 Total number	2010 Total number	2009 Analyzed	2010 Analyzed	2009 % Analyzed	2010 % Analyzed	2009 VM	2010 VM	2009 % VM	2010 % VM
Boards of directors	546	520	472	458	86%	88%	13	15	2.8%	3.3%
Senior management	549	546	521	505	95%	92%	28	24	5.4%	4.8%
<b>Total corporate sector leaders</b>	<b>1,095</b>	<b>1,066</b>	<b>993</b>	<b>963</b>	<b>91%</b>	<b>90%</b>	<b>41</b>	<b>39</b>	<b>4.1%</b>	<b>4.1%</b>

### CANADA'S FINANCIAL SECTOR

#### What gets measured gets done

Canada's financial sector is federally regulated and as a result it is subject to the federal Employment Equity Act. Since 1986 all banks have been tracking and reporting on the composition of their workforce and their diversity initiatives. The results are impressive. An analysis of employment equity data since 1987, the first year data was released, shows

substantial increases in the representation of women, persons with disabilities and visible minorities in leadership positions.

According to publicly available data there has been a dramatic upward trend in the representation of visible minorities in the overall workforce and in leadership positions across Canada's financial sector. Some banks have almost tripled representation in senior roles in less than a decade.

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## CANADA'S FINANCIAL SECTOR

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Levels of representation in senior roles in some banks exceed 12%, well above the corporate sector average. Financial services companies have taken a long-term, integrated approach to develop the talent pipeline and to signal their commitment to diversity.

All the banks have leaders who have taken a strong stand on this issue. For example, Ed Clark, President and CEO of TD Bank Financial Group states: "We want our organization to be a place that's supportive of all our employees – a place where differences are celebrated and supported, and where every employee has the opportunity to fulfil his or her potential. We also want TD to be a place where customers can see themselves reflected in our workforce – that way they'll feel more comfortable doing business with us." Royal Bank of Canada (RBC)'s President and CEO Gordon Nixon takes a similar stand on diversity in stating that "Every employee brings his or her unique talents, experiences and perspectives to the workplace. True diversity isn't just a matter of having a strong representation of various groups, but of tapping into the full spectrum of ideas and abilities that people at RBC possess."

Similarly, many of the banks adopted practices aimed at attracting and retaining highly qualified visible minority leaders.

For example, since 2005 RBC has focused on increasing visible minority representation in both senior level and pipeline positions (Catalyst, 2010). They offer workshops and programs including Business Excellence through Diversity, Building Cross-Cultural Competence, and RBC's Diversity Dialogues mentoring program, which aim to support employee learning and advancement within the organization.

The Bank of Montreal (BMO) implemented Talent Roundtables and succession planning which place a focus on the development of potential leaders and emerging executives within the organization.

Similarly, TD Bank Financial Group offers leadership events, networking programs, group mentoring, career coaching, internal training and external learning to increase visible minority representation in senior management and middle management positions. It has also recently launched a program to build financial literacy and knowledge of financial services careers among under-represented groups.

Scotiabank's initiatives include Financial Services Connections, a program designed for internationally trained professionals who are seeking work in Toronto's financial sector. This program offers training and information about job search strategies and preparation for individuals interested in writing the Canadian Securities Course exams. Scotiabank also participates in a mentorship program that works to bring skilled immigrants together with established professionals in the sector.

Finally, the Canadian Imperial Bank of Commerce (CIBC) has partnered with Career Bridge, a Canadian organization that offers paid internships to internationally trained immigrants, and also participates in The Mentoring Partnership (CIBC, 2010), both of which help to encourage the advancement of visible minorities through its pipeline.

Other strategies used in the financial sector to increase the representation of visible minorities in leadership roles include: a clearly articulated business case, strong senior leadership, transparent measurement and tracking, advanced human resources policies, attention to the pipeline that feeds the talent pool and "mainstreaming" diversity throughout the organization, in everything from procurement to product development and customer service. Finally, the banks communicate their commitment to diversity externally as well as internally, recognizing that it is good for business.



## Sarabjit (Sabi) S. Marwah

Vice-Chairman and Chief Operating Officer,  
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Sabi Marwah's responsibilities as Vice-Chairman and Chief Operating Officer include Audit, Finance, Corporate Insurance, General Counsel, Global Transaction Banking, Information Technology & Services, Investments, Real Estate, Scotia Economics, Securities Operations and Shared Services. Mr. Marwah joined Scotiabank in Toronto as a financial analyst in the bank's Finance Division in 1979. Over the years, he held successively more senior positions. He was appointed Chief Financial Officer in 1998 and Senior Executive Vice-President and Chief Financial Officer in 2002. During his tenure in finance, he was also responsible for several functions outside the Finance Division, and was actively involved in many of the bank's strategic decisions, including acquisitions both in Canada and internationally. He became Vice-Chairman and Chief Administrative Officer in 2005, and was appointed to his most recent position in October 2008.

Mr. Marwah is active in the community, a member of the Board of Trustees of The Hospital for Sick Children and Cineplex Entertainment, and of the Board of Directors of the C.D. Howe Institute and several Scotiabank subsidiaries. He was a member of the United Way Cabinet in 2008 and 2009, and Past Chair of the Humber River Regional Hospital. He was awarded the Queen's Golden Jubilee Medal for his contributions to Canada. Sabi earned an undergraduate Honours degree in Economics, a Master's degree in Economics, and a Master of Business Administration (Finance) from the University of California, Los Angeles.

*"The diversity and breadth of my background has certainly helped me better understand and manage issues in an increasingly global world."*