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EPSTEIN BECKER & GREEN, P.C.

Diversity in the Finance Industry

Recently, the Equal Employment Opportunity Commission (EEOC) issued a report titled "Diversity in the Finance Industry," the purpose of which was to examine the finance industry with respect to the employment of women, African Americans, Hispanics and American Indians/Alaskan Natives in management positions, i.e., as officials and managers. Specifically, the report studied the employment rate of the protected groups in the finance industry, including banking, credit, securities, insurance activities and various other finance-related jobs. It is expected that the report will be used by EEOC as a basis for its analysis of individual charges of discrimination and as a foundation for commission-directed class investigations of finance industry companies.

Some examples of the findings contained in the report are as follows:

- The percentage of women officials and managers is highest in the Banking/Credit subsector (48.6 percent) and their lowest percentage is in the Securities subsector (33.8 percent). The percentage of women officials and managers in each of the subsectors falls below the percentage of women employed as professionals, which might be considered a source for management jobs.
- Similar disparities between the percentage of African American officials and managers and the percentage of African American professionals are also observed. Among the Financial Industry subsectors, the percentage of African American officials and managers is highest in the Banking/Credit subsector (7.0 percent) and lowest in the Securities subsector (4.4 percent).
- The highest percentage of Asian officials and managers is in the Securities subsector (6.4 percent) and the lowest percentage of Asian officials and managers is in Central Banking and Insurance (2.8 percent). As with the other groups examined, the percentage of Asian officials and managers fall below the percentage of Asian professionals in each subsector.

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- Employment as officials and managers is examined in more detail for each of these groups by determining their chances of being officials and managers in contrast to professionals and sales workers. This shows that each subsector has a large portion of establishments in which such chances are unfavorable to women, African Americans, Hispanics and Asians when compared to white males. Entry into management may be a particular concern for Asians.
- While the relative chance of being an official or manager is better in the Securities subsector for each of the groups analyzed, the low proportion of women and African American professionals in this subsector may be partly responsible for these results.

The entire fifteen-page report can be found at <http://eoc.gov/stats/reports/finance/index.html>.

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For additional information regarding this report or related issues, please contact **Cathie A. Shattuck** in EBG's **Washington, DC** office at (202) 861-1863 or CShattuck@ebglaw.com.

This document has been provided for informational purposes only and is not intended and should not be construed to constitute legal advice. Please consult your attorneys in connection with any fact-specific situation under federal law and the applicable state or local laws that may impose additional obligations on you and your company.

* * **EVENT NOTICE** * *

Coming this fall - EBG's **Summit on Diversity in the Finance Industry**. Please join us for a in-depth discussion of the EEOC report with a panel of financial industry leaders and EBG attorneys. We will be joined by a prominent government official who will share her views on this important topic.

For additional information on the fall Summit, please contact Linda Altschul in EBG's New York office at (212) 351-4797 or laltschul@ebglaw.com.

