



Spaces of business education and the (re)production of financial theory in practice

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**'The hard edge of soft capitalism'? Exploring the gendered nature of
financial business education**

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Research aims and objectives

The aim of the project is to develop knowledge and understanding of the relationship between business education and financial services practice and its implications for the competitiveness of London as an international financial centre.

The research programme is divided into the following supporting objectives:

- Specifying the main providers of financial business education and training for financiers working in London's wholesale financial services sector
- Specifying the different teaching and learning strategies used in financial business education
- Specifying the ability of financial business education and training to meet the changing demands from financial services practice
- Exploring the potential scenarios for the future development of the professional financial education and training market.

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Introduction: 'The hard edge of soft capitalism'? Exploring the gendered nature of financial business education

Education and training is frequently used to reproduce financiers with the skills and technical know-how demanded by employers, particularly transnational investment banks. Business education providers emphasize the increased competitiveness it can bring to firms as well as enhanced individual career progression. This emphasis on knowledge is labeled soft or knowledgeable capitalism by Professor Nigel Thrift (see further reading).

However, Thrift also identifies a number of limitations – what he terms hard edges – associated with the widespread focus on knowledge and education. These include the difficulty of offering courses tailored to the *specific* needs of particular firms and the costs of investing in education in the face of significant labour market churn. In this briefing paper we focus on a further hard edge of financial business education associated with the gendered nature of its consumption (by financial institutions and firms) and production (by educational providers).

First, in terms of consumption, we argue that because financial business education is spatially and temporally extended in nature, certain individuals are much better placed to combine this with their everyday paid working practices than others. Second, we point to the gendered division of labour involved in providing business education and suggest that this goes beyond debates about combining paid and unpaid work. Understanding the gendered aspects of financial business education in these ways is important because of longstanding debates concerning equal opportunity and the removal of the 'glass ceiling' within financial services in London and beyond. Our research helps us to understand how business education and training might both enhance but also hinder such progressive policies.

Outline of research completed

In addition to extensive analysis of quantitative data sets relating to the changing nature of financial business education, this project used in-depth interviews with financial business education providers and financial services practitioners. In total 90 interviews have been conducted to date with: investment bankers working in London (38 interviews); business school lecturers and managers in both the US and UK (36 interviews); human resource managers in investment banks in London (6 interviews); and educators and managers in for-profit specialist financial business education companies and charitable organisations in the UK (10 interviews). From this extensive data-set of interviews, a number of important findings have emerged that help us to understand the gendered implications of the widespread use of financial business education.

Research findings

1. Combining financial business education and paid work – the challenge of time and space

This first hard edge of soft capitalism hinges on how the demands of undertaking business education in many ways exacerbate longstanding debates concerning the challenges of combining paid and unpaid work with business education because of the spatially and temporally extended nature of business education itself. This spatial and temporal expansion refers to the ways in which business education often takes place at a distance from an individual's normal place of work and not necessarily within their standard working hours, often involving evening and weekends.

Table 1 shows the different nature of the spatially and temporally extended aspects of business education at different stages of a financial services career as well as the corporate rationale for such forms of business education.

This means that employees often have to make decisions at a household level in order for them to participate in many forms of financial business education, with some employees better able and willing to undertake such commitments compared to others.

Table 1: Spatially and temporally extended financial business education (Source: fieldwork)

Stage in career life-course	Spatially-temporally extended form of financial business education	Corporate rationale behind form of business education provision	Indicative examples
Early career	In-house, institution specific graduate training courses	Education as a way of societally embedding (Hess, 2004) new recruits into trans-national organizational cultures	CSFB full-time Analyst programme: firm-wide orientation event; situated learning facilitated in workplace rotations
Mid career	MBA degrees from leading business school	Responding to credential inflation by leveraging the greater career capital associated with MBA degrees from elite, international business schools	'One way of 'crossing the pond' remains the MBA. They still value it more over there [in the US] so having a good one, you know from Harvard [or] Chicago certainly helps' <i>Investment bank associate, London, September 2006.</i>
Late career	Specialist training in embodied knowledges offered by specialist for-profit education boutiques	(Re)producing corporate-specific subjectivities associated with particular embodied knowledges and 'psy-knowledges' (Rose, 1998)	'When I moved here to VP (Vice president) I was sent on a leadership course – a set of away days – run by consultants and a lot of that wasn't about leadership in general but what leadership meant here [in a particular investment bank].' <i>Vice-president, investment bank, August 2006.</i>

2. Gendered production of financial business education

It is often assumed that financial business education is gendered because of the gendered nature of knowledge taught on the courses. For example, critics argue that traditional models of leadership are stereotypically masculine, emphasizing authority over more consensual approaches to leading (Due Billing and Alvesson, 2000. See further reading). This has been widely studied in relation to MBA courses. It is pointed to a partly explaining the comparatively small number of women undertaking such courses.

However, our research reveals the more complicated gendered nature of financial business education. Two elements stand out as being particularly important:

1. Female run education and training companies

First, many women with careers in finance are explicitly establishing their own financial training companies that uses their valuable commercial experience. These firms were often highly innovative in the services they offer, combining recruitment and educational services to meet the needs of their clients. However, they also enabled such women to meet their work-life balance aspirations whilst still contributing to London's international financial district as the following example demonstrates:

"The job I had involved a lot of travel and a lot of long hours and I had a young child plus another one on the way and so it was a way of moving onto the consultancy side in the sense of working more flexibly [...] so it [the firm] was really sort of set up as a little bit of a community of working mothers if you like that could provide a service to the smaller investment banks who in practice didn't have the head count or the budgets to hire in experienced graduate recruitment and development"

For profit education company director, September 2008

2. Challenging the gendered nature of course content

Our research suggests that financial business education is being used to challenge the gendered stereotypes associated with different types of knowledge and skills such as leadership and mentoring as the following example shows.

This is important because it has the potential to benefit both male and female employees and ultimately improve the experience of financial business education for employees.

"there are cultural discourses, there are gender discourses, women are often more comfortable seeking a mentor...and that's challenging. Men often its like part of their, they all go to the same golf club or something ...and so they implicitly network or implicitly mentor and foster each other..."

For profit education company manager, November 2008

Implications for future research

- Our research points to the differential ability of individuals to combine paid and unpaid work with spatially and temporally extended forms of financial business education. Future research needs to explore the possibility for financial business education to both reproduce but also erode longstanding gendered divisions of labour within international financial services.
- More optimistically, our research also points to the ways in which gender stereotypes are being challenged through financial business education and females are providing a key role in the provision of such education
- Future research needs to consider how the global financial and economic crisis may impact on these trends and explore how the recession changes the nature of the demand for financial business education.

Further Reading

- Thrift, N. (2005) *Knowing capitalism*. London: Sage.
- Due Billing, Y. and Alvesson, M. (2000) 'Questioning the Notion of Feminist Leadership: A Critical Perspective on the Gender Labelling of Leadership'. *Gender, Work and Organization*, 7 (3) 144-157.