



# The Leadership Gap - April 2007

## Study Reveals Opportunity for Women Leaders

### ABOUT THE STUDY

In December 2006, the FWI Foundation conducted a Leadership Gap Survey focused on community banking organizations. The survey focused on questions related to the impact that the pending boomer retirement explosion would have on community banking.

The leadership gap was defined as the shortage of experienced leadership – a void or gap – created in the next 5-10 years as some 78 million baby boomers begin to retire.

The FWI Foundation recognizes the value and importance of preparing women to assume leadership roles and to fill the void that the retiring baby boomers will create.

To learn more about this study or the Foundation's programs, visit the website [www.fwi.org](http://www.fwi.org).

## Participating Organizations

### A COOPERATIVE EFFORT

FWI conducted The Leadership Gap Study in cooperation with the Independent Community Bankers of America (ICBA) and Red Ladder, Inc., which designed, conducted and analyzed the survey. The survey and report remain the intellectual property of Red Ladder, Inc.

The ICBA represents the largest constituency of community banks of all sizes and charter types in the nation, and is dedicated exclusively to protecting the interests of the community banking industry. Learn more at [www.icba.org](http://www.icba.org).

Red Ladder, Inc., is an organizational and leadership development consulting firm specializing in the banking and financial services industry. Learn more at [www.redladder.com](http://www.redladder.com).

## Methodology

### QUANTITATIVE RESULTS SUPPORTED BY FOCUS GROUP FEEDBACK

The survey focused on three key areas:

1. Statements and perceptions about the pending leadership gap.
2. Rank ordering of leadership competencies critical in the next 5-10 years.
3. Identification of key abilities related to the leadership competencies critical in the next 5-10 years.

Focus groups were held to explore the results of the survey with bank leaders with specific emphasis on:

- Succession planning
- Leadership and staff development
- Acquiring and retaining talent
- Identification/ evaluation/ measurement of leadership competencies

To order a copy of The Leadership Gap Study full report, which includes the focus group findings, contact us at [info@fwi.org](mailto:info@fwi.org).

## Critical Competencies for Leadership Success

Survey participants rank-ordered the top five leadership competencies most critical for leaders in the next 5-10 years as follows:

- Communication (tied for #1)
- Problem Solving (tied for #1)
- Personal Integrity
- Vision
- Planning & Goal Setting

When viewed on a stand alone basis, three other competencies joined the list:

- Initiative & Risk Taking
- Quality of Results
- Team Work

# The Leadership Gap

## KEY FINDINGS

Respondents were seasoned bankers with 68% indicating that they had more than 20 years in the banking industry.

Sixty percent of respondents were comprised of Senior Management and of that, 39% were top-level executives (CEO/COO/CFO/Chair) of their banking organizations.

Almost two-thirds of respondents (70%) were from banking institutions with \$250 million in assets or less. Only eight percent were from banking institutions with assets greater than \$750 million.

Of 168 survey respondents:

- 51% of respondents agreed that the boomer retirement will create a substantial labor shortage by 2010
- 52% agreed their bank is at risk of losing top talent
- 60% agreed their bank will need to cultivate a broader talent pool from which to draw leaders, including women and minorities
- Slightly less than 50% of respondents agreed that their organizations would experience both a knowledge and leadership gap
- Succession planning will be an important focus area for at least 48% of banks due to the shrinking pool of available talent
- 71% of survey respondents indicated that leadership development is an essential component of planning for their banks future given the expected competitive staffing environment
- Almost 50% of survey respondents indicated that investing more resources in preparing and training younger workers to assume leadership roles will be critical in broadening the organizational talent pool

To obtain a copy of the full report including Focus Group results, go to [www.fwi.org](http://www.fwi.org) or contact us at [info@fwi.org](mailto:info@fwi.org) or 651-487-7632.

## How to Get Involved

### SHOW YOUR SUPPORT FOR WOMEN IN BANKING AND FINANCIAL SERVICES

To sponsor future studies or to find out more information about the FWI Foundation, please contact us at [info@fwi.org](mailto:info@fwi.org) or 651-487-7632.

## Preparing Leaders Key to Organizational Success

*"Effective leadership is critical to the long term success and viability of any organization. It is crucial that we begin to prepare leaders now - particularly women - or we will put our organizations and ultimately our customers, at risk."*

**Cindy Haas**

FWI Foundation Chair  
Senior Vice President  
Anchor Bank

## Foundation Mission

### OVER 30 YEARS OF EDUCATING WOMEN IN FINANCIAL SERVICES

Created in 1973 to serve as the educational arm of Financial Women International, the FWI Foundation is dedicated to the advancement of financial services industry professionals, by providing tools, resources and opportunities that will benefit the individual, the industry and the community at large. The FWI Foundation is a nonprofit, 501(c)(3) corporation, governed by a board of nine trustees. Donations to the Foundation may be tax-deductible.

## About FWI

### BECOME A MEMBER OF THE PREMIER ORGANIZATION FOR FINANCIAL EXECUTIVES

Financial Women International was founded in 1921 as the National Association of Bank Women, and is one of the largest and oldest individual membership organizations of women financial executives. FWI's mission is to help women in the financial services industry be successful in their careers.



For more information on how to become a member go to [www.fwi.org](http://www.fwi.org) or contact us at [info@fwi.org](mailto:info@fwi.org) or 651-487-7632.