

## IMF's report highlights women are better at risk management



**New Delhi, Mar 8, 2019 ([Issuewire.com](http://Issuewire.com))** - A recent report by the IMF highlighted that women are better at risk management. From the observed samples, the report claims that banks with women leaders were more stable, had higher capital buffers, a lower proportion of nonperforming assets and greater resistance to stress. On the other hand, small and medium-sized enterprises run by women were 54% less likely to default on payments as compared to enterprises run by men, an interesting observation made by the United Nations Development Programme. It also observed that generally men invest double the usual investments made by women, but women make 20% more profit. These observations prove that women have great potential. Regardless, women are still given the back seat in fiscal matters.

Research conducted by International Monetary Fund (IMF) highlights that the inclusion of women in the financial services as users, providers or regulators will facilitate in narrowing the gender gap, fostering greater stability in the system and boosting economic growth. It also highlighted that on an average in 2015, less than 2% of financial institutions across the globe had women chief executive officers and less than 20% of the executive board panelists were women, whereas, nearly 75% of global businesses have at least one woman in senior management, a considerable rise from 66% recorded in 2017. Concurrently, the senior roles held by women are proportionally low, claimed another report, bringing to light that businesses tick off the gender diversity box by just including women in management, instead of creating an inclusive culture.

Commenting on the report and on the occasion of Women's Day, **Mr. Rajiv Singh, CEO-Stock Broking, Karvy** shared, ***“The world may have made a lot of progress, but the financial matters of most households are still managed only by men. Women have always been considered weak in matters concerning the numbers, but if reports are to be believed, women as compared to men perform better in the financial sector. Women have always been versatile in making and following household budgets. Many researchers have concluded that there is no physiological or psychological evidence supporting the myth that women's brains are structured in a particular manner making them weaker in dealing with numbers.”***

He further added, ***“Money definitely plays a vital role in human life. It has limited human life in the vicious circle of earning, spending, saving and investing. If money is so important, it is surprising that very few women are actively earning and even fewer are involved in the money matters, both at a professional level and familial level.”***

Women contribute to more than half of the world population, but only 37% women across the globe were earning in 2017 according to the International Monetary Fund (IMF). Further appalling is the fact that only 27% Indian women are involved in the workforce. These figures make it obvious that the number of women availing financial services and holding bank accounts too would be significantly low. Global Findex Survey once highlighted that only 43% Indian women held bank accounts in 2014. However, the number sharply soared to 77% in 2017 post demonetization and Jan Dhan Yojana, the government's steps to boost financial inclusion in India. However, this has not changed the scenario much.

Indian women now are also leading international banks. **Naina Lal Kidwai** joined the HSBC group as Vice-Chairman and Managing Director at HSBC Securities and Capital Markets in 2002 and continued to grow with the bank and retired as the Executive Director on the Board of HSBC Asia-Pacific and Chairman of HSBC India in 2018. **Kaku Nakhate** is also a vital contributor in this sector. She is the President and Country of Head India at Bank of America-Merrill Lynch India, one of the leading wealth management, capital markets and advisory companies in India. Her efforts made India one of the most

profitable markets in the Asia-Pacific region for Bank of America Merrill Lynch in 2017.

Where globally women face the glass ceiling as a growth obstacle, these women have broken the double glass ceiling of the organization and society to scale greater heights. The involvement of these women in the banking sector has brought a stir in society and has boosted women's morale in several organizations. However, we need to realize that these are just a few streaks of change, which can be further catapulted by supporting women education, employment, and empowerment. If explored deeply, the superficial challenges boil down to the actual challenges such as lack of awareness and societal discrimination.

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