

Women in Credit Union Leadership



Credit Union National Association (CUNA) is committed to advancing diversity, equity, and inclusion (DEI)—the eighth cooperative principle of America’s credit unions. As part of CUNA’s DEI commitment, we regularly update the Women in Credit Union Leadership Issues Brief.¹ These reports investigate the extent to which women are represented in the leadership of credit unions (as compared to commercial banks).²

Women Remain Significantly Underrepresented in Leadership Across Industries, Despite Proven Benefits

Research finds that organizations with greater gender diversity perform better than those with lower gender diversity. Further, organizations with women in leadership experience increased productivity, enhanced collaboration, and improved equity and employee engagement.³ In addition, more gender diversity on boards is associated with higher risk-adjusted returns and board effectiveness.⁴

Despite these findings, women remain significantly underrepresented in leadership positions across nearly all industries in the United States, including the financial sector. That holds true even in the face of recent external pressures to improve the representation of women in leadership and some nascent progress on this front.

According to Fortune, the percentage of CEOs at Fortune 500 companies who were women reached a meager 10.2% in 2023.⁵ This was the first time the percentage of women CEOs at Fortune 500 CEOs surpassed 10%. Of those 52 women Fortune 500

CEOs, a quarter became a CEO in the last year – evidence that some companies are recognizing the value of diversity in their leadership team and adjusting their hiring practices and policies.

Credit unions represent a different structure than many large companies or depository institutions – being member owned institutions with democratic ownership and control where each member gets one vote within their organization. These differences in structure of the U.S. credit union system compels more representative and inclusive leadership to act on behalf of their own diverse members.

Credit Unions Lead the Pack When it Comes to Women in Leadership

CUNA’s sample of 162 publicly traded banks comparable in assets to credit unions finds that just 4% of commercial bank CEOs in the U.S. were women in 2022, and 23% of board members at those banks were women. This ratio of women CEOs matches research by S&P Global from 2021, which found just 10 out of 347 CEOs at publicly traded U.S. banks were led by women.⁶

¹ This analysis focuses on trends in women and men in credit union and bank leadership. Due to data limitations, we’re not able to include nonbinary gender as a category. Also, the Issues Briefs focus on women holding leadership roles as Chief Executive Officers (CEOs) and as board members of financial institutions.

² This Issues Brief represents an update to CUNA’s 2021 Issues Brief.

³ See, for example, Novotney, Amy, “[Women Leaders Make Work Better. Here’s the Science Behind How to Promote Them.](#)” American Psychological Association, March 23, 2023 Joshi, Mansi and Amanda B. Diekmann, “[My Fair Lady? Inferring Organizational Trust From the Mere Presence of Women in Leadership Roles.](#)” Society for Personality and Social Psychology, Vol. 48, Issue 8, Aug. 5, 2021. McKinsey, “[Delivering through Diversity.](#)” 2018 and Noland, Marcus et al., “[Is Gender Diversity Profitable?](#)” Evidence from a Global Survey.” Peterson Institute of International Economics.

⁴ See, for example, Saona, Paolo et al., “[Board of Director Gender Diversity and its Impact on Earnings Management: An Empirical Analysis for Select European Firms.](#)” 2019; Lee, Linda-Eling et al., “[Women on Boards: Global Trends in Gender Diversity on Corporate Boards.](#)” 2015, Owen, Ann and Judit Tensevay, “[Gender Diversity on Bank Board of Directors and Performance.](#)” FEDS Notes 209, Post, Corinne, and Kris Byron, “[Women on Boards and Firm Financial Performance: A Meta-Analysis.](#)” Academy of Management Journal, 2015.

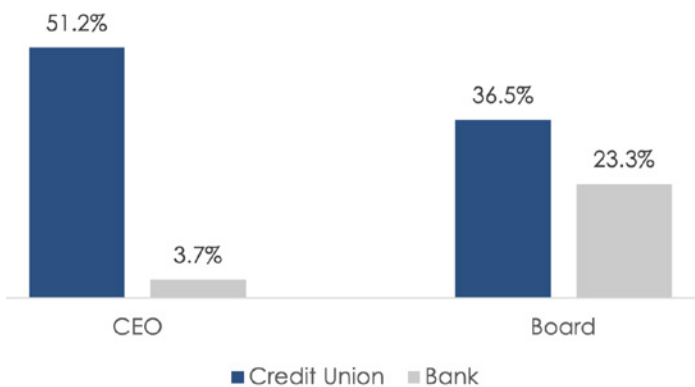
⁵ Hinchliffe, E. (2023, June 5). Women ceos run 10.4% of fortune 500 companies. A quarter of the 52 leaders became CEO in the last year. Fortune. <https://fortune.com/2023/06/05/fortune-500-companies-2023-women-10-percent/>

⁶ Mangulabnan, X., & Dela Cruz, R. (2022, December 6). “US banks had more female employees in 2021, only 10 as CEOs.” S&P Global Homepage. <https://www.spglobal.com/marketintelligence/en/news-insights/latest-news-headlines/us-banks-had-more-female-employees-in-2021-only-10-as-ceos-73032836>

By contrast, 51% of U.S. credit union CEOs and 36% of credit union board members are women.

The percentage of women in credit union leadership has held relatively steady since at least 2018. The percentage of credit union board members identifying as women has increased slightly every year in data provided by the NCUA beginning in 2012, when 34% of board members identified as women.

Percentage of Women in Leadership Roles in Credit Unions and Banks: 2022



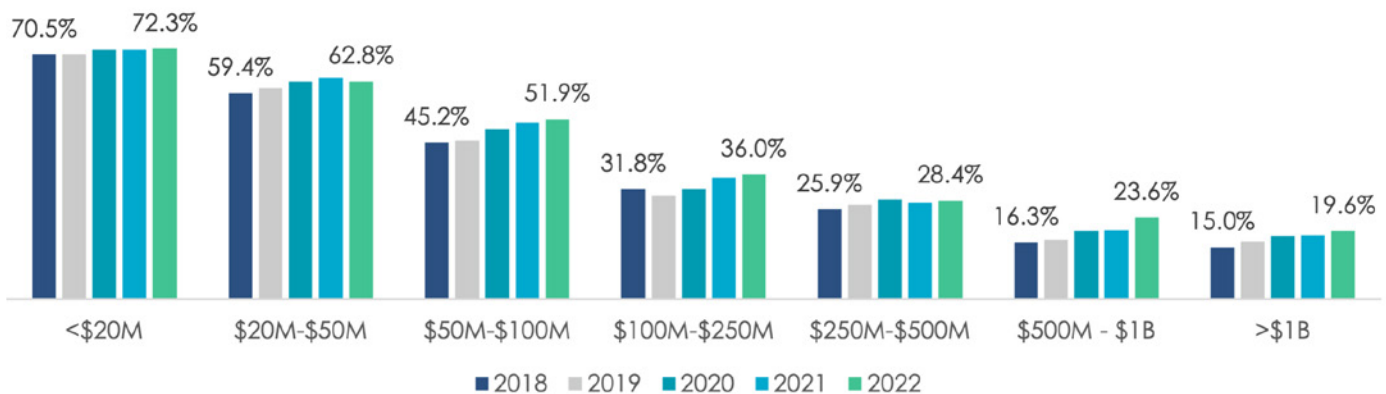
The following section examines in detail our findings about women in credit union leadership:

Women's Representation at the CEO Level

- **Women executives** are remarkably more common at credit unions than at other financial institutions. A majority (51.2%) of credit union CEOs are women. This is nearly 14 times the rate observed at publicly traded banks (3.7%)
- **Women** are significantly more likely to lead smaller credit unions (by asset size); over 70% of the 1,500 credit unions with under \$20 million in assets are led by women.
- **The majority** of banks in our sample have between \$1 billion and \$20 billion in assets. Most credit unions are smaller. But even when we compare credit unions of a similar asset size (>\$1B), a strikingly higher percentage of credit unions (19.6%) are led by women compared to banks (3.7%). In other words, **a CEO of a credit union is over five times more likely to be a woman than a CEO of a bank**, even after accounting for differences in asset size. Indeed, in 2023 four of the top 10 largest credit unions are currently led by women, including the two largest institutions by asset size.⁷

Percentage of Women CEOs at Credit Unions by Assets and Year

Source: NCUA, CUNA



⁷ These include Mary McDuffie, President and CEO of Navy Federal Credit Union, which at \$165.3 billion in assets is the largest credit union in the U.S. Leigh Brady became the CEO of the second largest credit union at \$49.6 billion assets, State Employees' (SECU) in June of 2023 and is not included in the 2022 data summary. Beverly Anderson is the President and CEO of Boeing Employees Credit Union (BECU), the 4th largest credit union with \$29.0 billion in assets. and Donna Bland is the President and CEO at The Golden 1, the sixth-largest credit union in the U.S. with \$20.5 billion in assets as of June 2023.

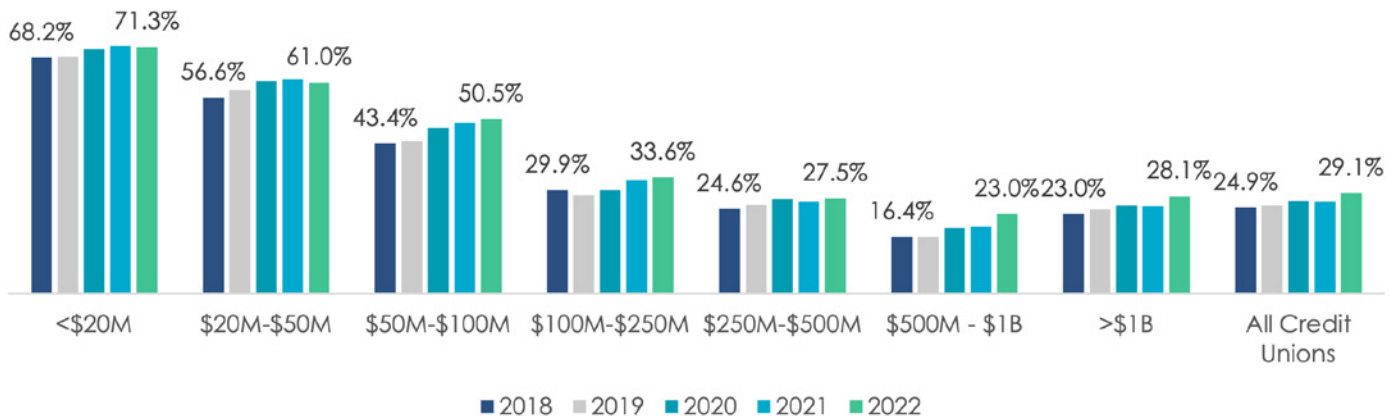
- **As the size** of credit unions increases, the likelihood of the CEO being a woman decreases. This indicates that a “glass ceiling” exists such that women are less likely to rise to become CEOs of larger institutions. However, women are substantially more likely to rise to the CEO role at credit unions than at banks or most other U.S. companies across every asset level.
- **When examining** long-term trends of credit union CEOs, the overall percentage of women in the highest roles at credit unions has remained relatively steady for the industry as a whole. We estimate in 2018, 51.8% of all credit union CEOs were women, and by 2022, that figure had fallen to 51.2%. The miniscule decrease is predominately caused by consolidation within the credit union industry that generally sees smaller institutions

(where the vast majority of CEOs are women) merge into larger institutions.

- **Despite the overall representation** decreasing slightly at credit unions, **within each asset group we see a higher proportion of credit unions being led by CEOs in 2022 than in 2018.** A good indicator that despite some existing barriers credit unions are continuing progress in assembling diverse leadership groups to properly meet the needs of their own diverse membership groups.
- **The percentage** of overall credit union assets at credit unions managed by women has been slowly increasing over time. CUNA estimates that 29.1% of all credit union assets are managed by women CEOs in 2022, an increase from 24.9% in 2018.

Percentage of Assets at Women-Led Credit Unions by Year

Source: NCUA, CUNA



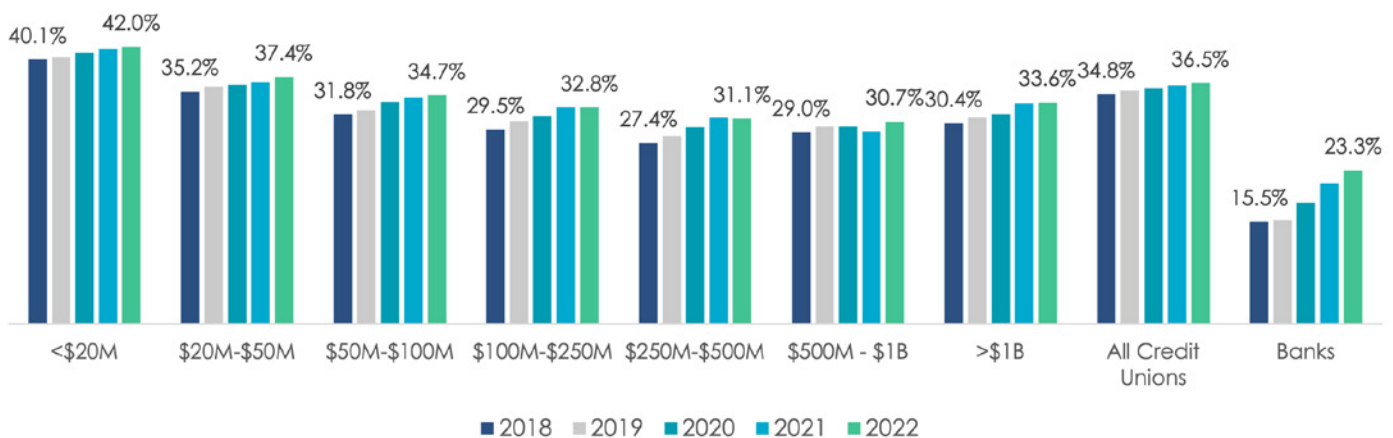
Women Representation on Boards:

- **Representation of women** on the boards of depository financial institutions is more common at credit unions than banks. In our sample of banks, 23.3% of board members were women in 2022, compared to 36.5% of credit union board members.
- **A large increase** in gender representation was seen on bank boards over the last few years potentially spurred by state laws, such as efforts in California’s SB 826 in 2018⁸, or in preparation for Nasdaq’s board diversity rule, which will begin being enforced at the end of 2023 for most companies on the exchange.⁹, ¹⁰ Our sample of banks experienced a jump from 15.5% of board members being women in 2018 to 23.3% in 2022. Previously, the increase in representation on bank boards had been at a slower pace, only increasing from 10.8% of bank board members being women in 2010 to 13.6% of board members in 2017.
- **No matter the asset size**, a higher proportion of board members at credit unions are women, but changes tend to be slightly slower, increasing from 34.8% of board members being women in 2018 to 36.5% in 2022.

- **Unlike CEOs**, where the largest credit unions still have the lowest overall representation of women in the role, boards tend to be more diverse at the largest credit unions compared to some of the mid-sized institutions. Only credit unions with under \$100 million in total assets see a larger proportion of women board members when comparing to credit unions with over \$1 billion in total assets. However, differences by institution size are less pronounced on the boards of credit unions, with every observed asset size having more than 30.0% of board members as women by 2022.
- **Another measure** for gender diversity would be to look at the proportion of boards who did not have any women on them. Both credit unions and banks have slowly been making progress on this front. However, perhaps being spurred by upcoming diversity requirements by Nasdaq, the percentage of bank boards with no women to has dropped significantly. In 2018, 13.5% of bank boards did not have any women as part of their decision-making team, and by 2022 that figure has dropped to just 3.1% of bank boards without women. Given that the Nasdaq’s diversity rule requiring at least one diverse director will be implemented at year-end 2023 for most companies we may see yet another drop as the

Percentage of Women Board Members at Credit Unions and Banks by Year

Source: NCUA, CUNA, SEC



⁸ “Bill Text - SB-826 Corporations: Boards of Directors.” n.d. [Leginfo.legislature.ca.gov](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201720180SB826). https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201720180SB826.

⁹ “NASDAQ’S BOARD DIVERSITY RULE WHAT NASDAQ-LISTED COMPANIES SHOULD KNOW.” n.d. <https://listingcenter.nasdaq.com/assets/Board%20Diversity%20Disclosure%20Five%20Things.pdf>.

¹⁰ We don’t anticipate any move to require credit unions to diversify their boards. In any case, credit unions already have more gender diversity on their boards than banks. While credit unions currently lead banks, banks are starting to catch up, and this report shows that even for credit unions, there is still progress to be made.

last holdouts bring more diversity to their boards.

- **Credit unions** have seen a decrease in boards without any gender diversity, dropping from 10.3% to 9.3% from 2018 to 2022. Contrary to some of the previous CEO and board trends, the credit unions most likely to be lacking gender diversity are the smallest of institutions. These are the same credit unions where the majority of CEOs are women, and the highest proportion of overall board members are women. While the differences are not too large, most hover around 10% with small movements towards more boards having a diverse set of voices.
- **The largest credit unions** are the most likely to have gender diversity on their board, with just 2.6% of credit unions with over \$1 billion in total assets having no women on their board. It's not clear what is driving this trend. Further research is required to better understand why larger credit union boards are more likely to have gender diversity as compared to smaller credit unions.
- **Credit unions** most comparable to banks in asset size, having more than \$1 billion in assets, are still outperforming banks in gender diversity on their boards despite no external requirements being placed upon them. That said, with the Nasdaq requirements coming into play, banks are starting to catch up.

Nasdaq to Require Board Diversity at Publicly Traded Companies

Nasdaq will be requiring the majority of publicly traded companies to have at least one diverse director on their board by year-end 2023, and two by year-end 2025. Many companies are already making changes.

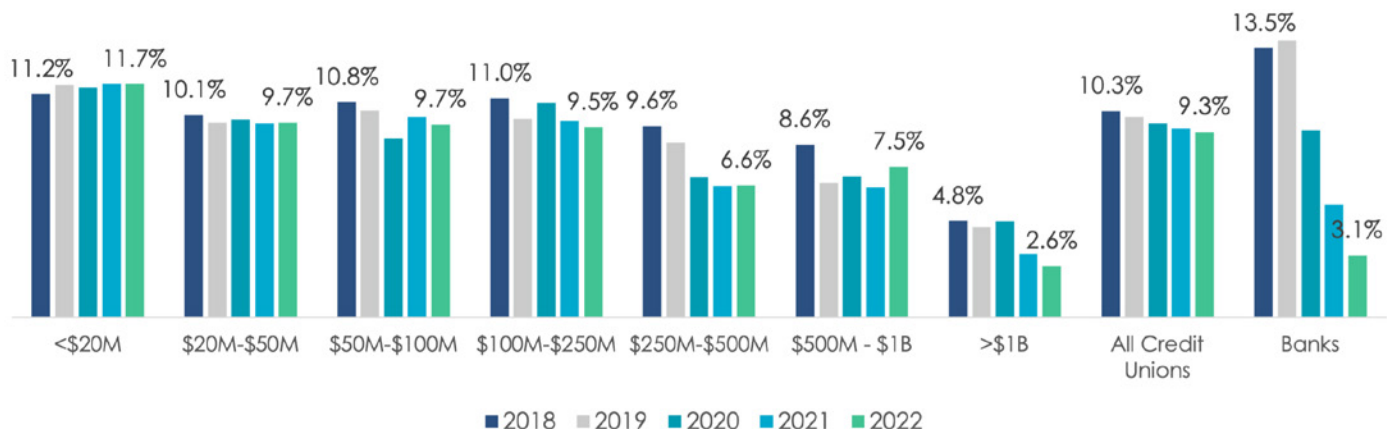
According to research by Out Leadership, just 113 of the Fortune 500 companies explicitly stated gender diversity within their board policies in 2021. In 2023, 422 companies included mention of gender diversity as a factor when deciding their board. This increase in valuing diversity was also seen not just for gender, but across other factors such as race, ethnicity, and age.

Source: Out Leadership, "[LGBTQ+ Board Diversity: Progress and Possibility](#)," April 2023.

- **Given the undeniable benefits** of board diversity and credit unions' commitment to our **8th cooperative principle**, credit unions would do well to continue diversifying their boards.

Percentages of Boards without any Women Representation at Credit Unions and Banks

Source: NCUA, CUNA, SEC



Data Sources:

Bank data was pulled from proxy statements (form DEF14a) from the SEC Edgar database of publicly traded banks that are roughly comparable to credit unions in assets. In 2022, this comprises 162 banks with between \$380 million and \$22 billion in assets. While most credit unions are smaller institutions (with a median asset size of \$54 million in 2022), 17.6% of credit unions fall between the comparable bank asset range. Just five credit unions hold more than \$22 billion in total assets in 2022. The DEF14a forms provide information on the CEO, board members and their gender, which were collected manually by CUNA. Asset sizes for institutions were gathered from Form 10-K and the SEC Edgar database.

Credit union data on CEOs and asset size is provided by the NCUA as part of the quarterly 5300 call report information, which provides the name of the CEO beginning in 2009. CUNA utilized the 'gender' package in R¹¹, which compares names to U.S. social security registries to estimate the gender of the individual. Previously, CUNA had been using its own historical CEO registry but has shifted to utilizing the NCUA-provided data as it is more complete in the aggregate than CUNA's internal records, which may be biased and most accurate towards our credit union members. Board data was acquired as part of a FOIA request to the NCUA, in which we were given board data and names listed for all credit union boards from 2012 to 2022. Previously, CUNA had been using board data from IRS 990 forms, which only state-chartered credit unions (39% of all credit unions) were required to file. The current dataset includes all credit unions, regardless of if they were a state or federally chartered institution. The provided salutation (Mr., Mrs., Ms.) was used to determine the gender of each board member, and those who listed Dr. or no salutation were removed from the analysis.

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¹¹ Blevins, Cameron, and Lincoln A. Mullen, "Jane, John ... Leslie? A Historical Method for Algorithmic Gender Prediction," *Digital Humanities Quarterly* 9, no. 3 (2015). <http://www.digitalhumanities.org/dhq/vol/9/3/000223/000223.html>