

Investment Bankers and Inclusive Corporate Leadership

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ABSTRACT

Few major deals happen without the engagement and advice of investment bankers. Whether a company is undertaking an initial public offering or engaging in a large merger or acquisition deal, investment bankers play a central role in advising corporate executives. Successful investment bankers are devoted to cultivating relationships with executives. And these relationships place bankers in a position to earn tens of millions in fees for their advisory and service roles in connection with corporate dealmaking.

Investment bankers' constant endeavors to nurture relationships with executives, while also maximizing their own ability to enhance fees, commonly leads to allegations of double-dealing, self-dealing, and conflicts of interests. Beyond such conflicts, however, investment banking faces two additional issues as society grapples with rising expectations around diversity, equity, and inclusion (DEI). First, investment banking has a deeply rooted gender divide. Relying on hand-collected data, this Article reveals the dramatic gender gap at investment banks, including the most prominent boutique investment banks advising corporate executives. Second, the culture and accepted practices of investment banking reinforce masculine norms and bias against women in banking.

This Article argues that not only do these issues hinder gender equity in investment banking as a profession, but they also influence the relationship between bankers and corporate executives. Bankers often serve as one of the most crucial advisors to corporate executives, and the

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norms and divides of investment banking calibrate corporate cultures and values in the C-suite, thus enabling the continued gender gap in corporate America.

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INTRODUCTION

Investment bankers play a critical role in advising leaders in boardrooms and C-suites. When it comes to the most important financial decisions made by firms, including mergers and acquisitions (M&A) transactions and initial public offerings (IPOs), bankers are seen as essential. Bankers routinely cultivate and build a close advisory relationship with Chief Executive Officers (CEOs) and Chief Financial Officers (CFOs), in the hopes that such relationships lead to lucrative advisory and service roles in connection with corporate deal-making.¹ For example, a financial advisor can bring to the attention of a CEO or board a potential buyer for the company’s business. Or, “the investment banker may be scouting for potential acquisition candidates for one of its established corporate clients, either at the request of its client or, alternatively, as part of the banker’s ongoing professional relationship

1. See Andrew F. Tuch, *M&A Advisor Misconduct: A Wrong Without a Remedy*, 45 DEL. J. CORP. L. 177, 181 (2021) [hereinafter Tuch, *M&A Advisor Misconduct*].

with that particular corporate client.”² In other acquisitions, the deal might be instigated by company management, but eventually sellers, and often buyers, will commonly retain financial advisors. The success of major transactions influences the career trajectory of both the bankers and the corporate executives leading deals.

Investment bankers are vital advisors to corporate managers, yet few scholars have focused on the way the gender gap in investment banking and the masculine norms of the profession interact with the goal of inclusive corporate leadership.³ This Article begins to address the implications of the gendered makeup and culture of investment banking as companies face increasing pressure to diversify their leadership. Relying on hand-collected data, this Article reveals the dramatic gender gap at investment banks, including the most prominent boutique investment banks advising companies. It then examines how the culture and accepted practices of investment banking reinforce masculine norms and bias against women in the workplace, inhibiting women’s progress in leadership in investment banking.⁴ Not only do these issues impact investment banking as a profession, but given the deep relationships between bankers and corporate executives, they help preserve and enable masculinity norms in corporate cultures.

As aptly put by financial columnist Matt Levine, “Banking is about relationships.”⁵ Successful investment bankers are devoted to cultivating relationships with corporate executives—sometimes even working to cultivate relationships not only with their own clients on a deal, but also with executives on the other side of the deal, in the hopes of getting traction with those executives in future deals.⁶

2. THERESE H. MAYNARD, *MERGERS AND ACQUISITIONS: CASES, MATERIALS, AND PROBLEMS* 14 (2d ed. 2009).

3. Senior leadership roles at large banks are dominated by white men. See STAFF OF H.R. COMM. ON FIN. SERVS., 116TH CONG., *DIVERSITY AND INCLUSION: HOLDING AMERICA’S LARGE BANKS ACCOUNTABLE* 16, 19 (Comm. Print 2020), <https://docs.house.gov/meetings/BA/BA13/20200212/110498/HHRG-116-BA13-20200212-SD003-U1.pdf> [<https://perma.cc/2TAR-BPKV>]. For a historical account of women’s advancement on Wall Street, see generally MELISSA S. FISHER, *WALL STREET WOMEN* (2012). Investment banking and financial services also display a significant lack of racial diversity, particularly at the leadership level. See Brett Steenbarger, *Why Diversity Matters in the World of Finance*, FORBES (June 15, 2020), <https://www.forbes.com/sites/brettsteenbarger/2020/06/15/why-diversity-matters-in-the-world-of-finance/?sh=6b69ef127913> [<https://perma.cc/534Z-DFQP>].

4. See Terry Morehead Dworkin & Cindy A. Schipani, *The Role of Gender Diversity in Corporate Governance*, 21 U. PA. J. BUS. L. 105, 118 (2018).

5. Matt Levine, *Banking Is About Relationships*, BLOOMBERG (Feb. 11, 2020), <https://www.bloomberg.com/opinion/articles/2020-02-11/banking-is-about-relationships> [<https://perma.cc/FD5P-JWBM>].

6. See Sujeet Indap, *Should You Trust Your Investment Banker to Be Faithful?*, FIN. TIMES (Feb. 23, 2018), <https://www.ft.com/content/e3b9cab2-0eb5-3d69-9e5f-60b93b3888ad>

Building relationships is critical for success as an investment banker. But investment bankers' constant endeavors to nurture relationships with executives, while also maximizing their own ability to make money, commonly leads to allegations of banker "double-dealing," "self-dealing, blatant conflict of interests and other chicanery."⁷ Some have observed that "conflict is inevitable in investment banking."⁸ And bankers themselves admit to such tensions in their roles. For example, Robert A. Kindler, the former Vice Chairman for Investment Banking at Morgan Stanley, famously stated "We are totally conflicted—get used to it."⁹

Legal scholars have explored the implications of such conflicts.¹⁰ In a series of important work, Professor Andrew Tuch, for example, has made a compelling case for why, and how to address, self-interested conduct by investment bankers.¹¹ Others have explored efforts by regulators to promote a culture of ethics in banking as a means to address banker misconduct and conflicts.¹²

Beyond conflicts with client interest, investment bankers' self-interested behavior may also play a role in banker encouragement of CEO misbehavior. This Article's case study of disgraced former WeWork CEO,

[<https://perma.cc/TZV5-52H7>]; William W. Bratton & Michael L. Wachter, *Bankers and Chancellors*, 93 TEX. L. REV. 1, 21 (2014).

7. Andrew Ross Sorkin, *Conflicted, and Often Getting a Pass*, N.Y. TIMES: DEALBOOK (Mar. 12, 2012), <http://dealbook.nytimes.com/2012/03/12/conflicted-and-often-getting-a-pass/> [<https://perma.cc/7WGS-KR42>] [hereinafter Sorkin, *Conflicted*]; see also Afra Afsharipour & J. Travis Laster, *Enhanced Scrutiny on the Buy-Side*, 53 GA. L. REV. 443, 474–77 (2019). For an overview of examples of banker misconduct, see Tuch, *M&A Advisor Misconduct*, *supra* note 1, at 183–84.

8. See Alan D. Morrison & William J. Wilhelm Jr., *Trust, Reputation, and Law: The Evolution of Commitment in Investment Banking*, 7 J. LEGAL ANALYSIS 363, 407 (2015); see also Simonetti v. Margolis, C.A. No. 3694-VCN, 2008 WL 5048692, at *14 (Del. Ch. June 27, 2008) ("Perhaps it is unavoidable that financial advisors regularly seem to suffer from conflicts of one degree or another . . .").

9. Sorkin, *Conflicted*, *supra* note 7; see also Justin Fox, *Can There Be Investment Banks Without Conflicts?*, HARV. BUS. REV. (Feb 5, 2010), <https://hbr.org/2010/02/can-there-be-investment-banks> [<https://perma.cc/VJ96-4NQK>].

10. In addition to the legal literature, there is a rich body of empirical literature on the role and value of investment banks and bankers in corporate decision-making. See Thomas J. Chemmanur, Mine Ertugrul & Karthik Krishnan, *Is It the Investment Bank or the Investment Banker? A Study of the Role of Investment Banker Human Capital in Acquisitions*, 54 J. FIN. & QUANTITATIVE ANALYSIS 587, 587–88, 591–92 (2019).

11. See, e.g., Tuch, *M&A Advisor Misconduct*, *supra* note 1, at 177; Andrew F. Tuch, *The Weakening of Fiduciary Law*, RSCH. HANDBOOK ON FIDUCIARY L. 354, 354, 364–73 (D. Gordon Smith & Andrew S. Gold, eds., 2018) [hereinafter Tuch, *Weakening*]; Andrew F. Tuch, *Banker Loyalty in Mergers and Acquisitions*, 94 TEX. L. REV. 1079, 1141–50 (2016) [hereinafter Tuch, *Banker Loyalty*]; Andrew F. Tuch, *The Self-Regulation of Investment Bankers*, 83 GEO. WASH. L. REV. 101, 134–40 (2014); Andrew F. Tuch, *Financial Conglomerates and Information Barriers*, 39 J. CORP. L. 563, 600–10 (2014).

12. See generally Gwendolyn Gordon & David Zaring, *Ethical Bankers*, 42 J. CORP. L. 559 (2017).

Adam Neumann, illustrates how—driven by the prospects of large fees and continued engagement with the overvalued unicorn—investment bankers enabled and funded Neumann’s reckless conduct, self-interested behavior, and mismanagement of the company.¹³ The WeWork saga is emblematic of a less explored aspect of the relationship between investment bankers and corporate executives; namely, that bankers’ self-interested behavior advances toxic masculinity in the C-suite and relates to the gender gap both among bankers and at the top rung of the C-suite.¹⁴

Investment banking as a profession has long-been male-dominated.¹⁵ Even now, the financial sector generally “shows greater gender disparities than anywhere else.”¹⁶ While corporations face significant pressure to increase diversity in both boardrooms and C-suites, investment banking has faced much less pressure to increase the diversity of its leadership. A 2011 Reuters’ article noted that women made up only 15.3% of executive and senior level managers in U.S. investment banks.¹⁷ More than ten years later these numbers have only inched up to women accounting for almost 17% of senior leaders in investment banking.¹⁸

Even these low numbers may overstate women’s leadership at the top tiers of investment banking. The hand-collected data in this Article reveals an even grimmer reality. To illustrate, at Evercore, a leading elite boutique investment bank that often touts the independence of its advice,¹⁹ women constitute only three of the eighty-nine senior managing directors

13. See ELIOT BROWN & MAUREEN FARRELL, *THE CULT OF WE: Wework, Adam Neumann, and the Great Startup Delusions* 120–24 (2021).

14. See CLAIRE A. HILL & RICHARD W. PAINTER, *BETTER BANKERS, BETTER BANKS: PROMOTING GOOD BUSINESS THROUGH CONTRACTUAL COMMITMENT* 10, 99 (2015).

15. See generally FISHER, *supra* note 3; see also Julia Boorstin, *Survey: It’s Still Tough to Be a Woman on Wall Street—But Men Don’t Always Notice*, CNBC: CLOSING THE GAP (June 26, 2018), <https://www.cnbc.com/2018/06/25/surveyon-wall-street-workplace-biases-persist---but-men-dont-see-t.html> [<https://perma.cc/629X-L3H7>].

16. Naomi Cahn, June Carbone & Nancy Levit, *Gender and the Tournament: Reinventing Antidiscrimination Law in an Age of Inequality*, 96 TEX. L. REV. 425, 456 (2018) [hereinafter Cahn, Carbone & Levit, *Gender and the Tournament*]; see also Simon Mortlock, *J.P. Morgan M&A Head: Female Bankers Must Network Better, Be More Mobile, and Have “Initiative” to Reach the Top*, EFINANCIALCAREERS (May 30, 2018), <https://www.efinancialcareers.com/news/2018/05/ee-ching-tay-jpmorgan> [<https://perma.cc/X92L-QSTU>]; Megan Davies & Paritosh Bansal, *M&A Still Overwhelmingly a Man’s Game*, REUTERS (Apr. 12, 2011), <https://www.reuters.com/article/us-mergers-summit-women/ma-still-overwhelmingly-a-mans-game-idUSTR73A7NT20110412> [<https://perma.cc/MY9M-TFVK>]; Shama Hyder, *Why Investing in Women Investment Bankers Pays Off*, FORBES (July 8, 2014), <https://www.forbes.com/sites/yec/2014/07/08/why-investing-in-women-investment-bankers-pays-off/#1b480f9ff0b9> [<https://perma.cc/4NF2-PDDF>].

17. Davies & Bansal, *supra* note 16.

18. Boorstin, *supra* note 15.

19. See Peter Lee, *Old-Fashioned Evercore Makes It to the Major Leagues*, EUROMONEY (Oct. 10, 2017), <https://www.euromoney.com/article/b151w4mjnhn5h0/old-fashioned-evercore-makes-it-to-the-major-leagues> [<https://perma.cc/CU8L-KLNH>].

in the firm's strategic advisory group.²⁰ Similarly, at Centerview Partners, another elite boutique, only four out of sixty-one senior partners are women. Other elite boutiques exhibit similar gender gaps in their leadership.²¹

In short, not only does investment banking have a deeply rooted gender divide, but the culture and accepted practices of investment banking reinforce masculine norms and bias against women in banking. These issues hinder gender equity in investment banking as a profession. They also influence the relationship between bankers and corporate executives. Bankers often serve as one of the most crucial advisors to corporate executives, and the norms and divides of investment banking calibrate corporate cultures and values in the C-suite more generally.²²

This Article proceeds as follows: Part I describes the deeply entrenched domination of men in leadership roles at investment banks; Part II examines how investment banking's gender gap intersects with a culture of toxic masculinity at investment banks; Part III then addresses the implications of the gender gap and cultural practices of investment bankers for inclusive corporate leadership.

I. INVESTMENT BANKING'S GENDER GAP

Corporations have been under growing pressure to increase diversity on their board of directors and among their managers. However, gender disparities remain widespread in the leadership of the most prominent investment banks that advise corporate boards and executives on key transactions. This Part provides a brief overview of progress in diversity among corporate leaders at large companies, contrasting that progress with the much slower rate of change in the makeup of leadership at investment banks. Moreover, the hand-collected data presented in this Part shows that the gender gap in investment banking is particularly pronounced at the most elite boutique investment banks that have emerged as key players in the industry over the past decade.

A. Diversity in Corporate Leadership

Over the past decade, a variety of stakeholders have pressed companies to diversify their leadership. Much of this pressure initially focused on increasing gender diversity on corporate boards.²³ More

20. *See infra* Table 1.

21. *See id.*

22. *See generally* KAREN HO, LIQUIDATED: AN ETHNOGRAPHY OF WALL STREET (2009) (describing how Wall Street's hyper-competitive and volatile culture spread into corporate America and became a model for the workplace).

23. *See* Afra Afsharipour, *Women and M&A*, 12 U.C. IRVINE L. REV. 359, 371–78 (2022).

recently, the case for diversity has expanded to include racial and ethnic diversity, as well as diversity with respect to sexual orientation and gender identity.²⁴ Advocates argue that diversity on boards must be a priority for moral and social reasons as well as for instrumental reasons—i.e., the business case for board diversity.²⁵

In response to stakeholder advocacy, public company boards have begun a transformation in composition, with more women and minority directors added to boards each year.²⁶ To illustrate, significant advocacy on board gender diversity has resulted in substantial changes to the makeup of boards of the largest companies in the United States. While in 2008, only 16% of S&P 500 board seats were held by women,²⁷ by 2021 that number had increased to 30%.²⁸ While the progress on board diversity at the largest companies is encouraging, outside of the largest companies, board diversity is more elusive.²⁹ Overall, however, demands from investors, employees, and consumers, as well as the impacts of regulatory efforts, continue to advance board diversity.³⁰

Corporations are also facing greater demands for diversity in the C-suite.³¹ Some investors and investor advocacy groups now raise the issue

24. See Chris Brummer & Leo E. Strine, Jr., *Duty and Diversity*, 75 VAND. L. REV. 1, 53–54 (2022).

25. The business case for board diversity is a complex one that goes beyond considerations of financial performance to include its impacts on decision-making, effective risk management, and the establishment of egalitarian corporate cultures. See *id.* at 26–48; see also Naomi Cahn, June Carbone & Nancy Levit, *The Instrumental Case for Corporate Diversity*, 40 MINN. J. L. & INEQ. 117, 119 (2022) (suggesting that “diversity may also be useful in countering illegal or unethical practices that require a carefully selected crony network to stay hidden”) [hereinafter Cahn, Carbone & Levit, *Instrumental Case*].

26. See SPENCER STUART, 2021 U.S. SPENCER STUART BOARD INDEX 21–22 (2021).

27. David F. Larcker & Brian Tayan, *Diversity in the C-Suite: The Dismal State of Diversity Among Fortune 100 Senior Executives*, ROCK CTR. FOR CORP. GOVERNANCE: STAN. CLOSER LOOK SERIES—CGRP-82, at 5 (Apr. 1, 2020), <https://ssrn.com/abstract=3587498> [<https://perma.cc/TW5g-TM8H>].

28. SPENCER STUART, 2021 U.S. SPENCER STUART BOARD INDEX 4 (2021). Women continue to remain underrepresented in board leadership roles, an important element of what some scholars call “substantive gender diversity.” See Yaron Nili, *Beyond the Numbers: Substantive Gender Diversity in Boardrooms*, 94 IND. L.J. 145, 152 (2019).

29. See Kobi Kastiel & Yaron Nili, *The Corporate Governance Gap*, 131 YALE L.J. 782, 837 (2022); Lisa M. Fairfax, *Fall 2018 Symposium: All on Board? Board Diversity Trends Reflect Signs of Promise and Concern*, 87 GEO. WASH. L. REV. 1031, 1055–56 (2019). In addition to lagging diversity at small publicly traded companies, board diversity at private companies—even the largest ones—continues to lag. See Jennifer S. Fan, *Innovating Inclusion: The Impact of Women on Private Company Boards*, 46 FLA. ST. U. L. REV. 345, 374 (2019); Andrew Ross Sorkin, *The Missing Piece in the Push for Boardroom Diversity*, N.Y. TIMES: DEALBOOK (Sept. 7, 2021), <https://www.nytimes.com/2021/09/07/business/dealbook/board-diversity-private-companies.html> [<https://perma.cc/ARL2-KAM4>].

30. CONF. BD., CORPORATE BOARD PRACTICES IN THE RUSSELL 3000, S&P 500, AND S&P MIDCAP 400: 2021 EDITION 8 (Paul Hodgson ed., 2021).

31. See Afsharipour, *Women and M&A*, *supra* note 23, at 411–13.

of diversity at the executive level as a top engagement and stewardship priority.³² For example, BlackRock, a leading asset management firm, asked companies to include in their sustainability report their long-term plans to improve DEI, not only within the board of directors but also within the ranks of their employees and leadership.³³ Similarly, in 2020, the New York City Comptroller, on behalf of several public employee pension funds, asked S&P 100 companies to disclose publicly their EEO-1 reports, which are filed with the Equal Employment Opportunity Commission.³⁴ Other shareholders have similarly submitted diversity-oriented proposals that target corporate leadership. Some proposals focus on disclosure and transparency, such as a report on workforce diversity or a report on the company's strategic plan to increase diversity of its leadership and workforce.³⁵ Others seek action from the company. Examples include proposals to include diversity targets into senior executives' compensation packages.³⁶

Stakeholder pressure on corporations to increase the diversity of their leadership has led to change, especially at the largest companies. While the C-suite's long-standing gender disparities are well-documented, over the past few years there has been a notable change in the makeup of the C-suite.³⁷ By late 2020, the number of women CEOs of Fortune 500 companies hit an unprecedented high of forty-one CEOs, about 8%.³⁸ By

32. See Matteo Tonello, *2021 Proxy Season Preview and Shareholder Voting Trends (2017–2020)*, HARV. L. SCH. F. ON CORP. GOVERNANCE (Feb. 11, 2021), <https://corpgov.law.harvard.edu/2021/02/11/2021-proxy-season-preview-and-shareholder-voting-trends-2017-2020/> [<https://perma.cc/LYH8-M8AT>].

33. See BLACKROCK, INVESTMENT STEWARDSHIP: OUR APPROACH TO ENGAGEMENT ON HUMAN CAPITAL MANAGEMENT 2 (2022), <https://www.blackrock.com/corporate/literature/publication/blk-commentary-engagement-on-human-capital.pdf> [<https://perma.cc/2KDU-DS2B>]; Veronica Root Martinez & Gina-Gail S. Fletcher, *Equality Metrics*, 130 YALE L.J.F. 869, 893 (2021).

34. Press Release, Scott M. Stringer, N.Y.C. Comptroller, NYC Funds Escalate Campaign Calling on Major Companies to Publicly Disclose Workforce Demographics (Dec. 10, 2020), <https://comptroller.nyc.gov/newsroom/comptroller-stringer-nyc-funds-escalate-campaign-calling-on-major-companies-to-publicly-disclose-workforce-demographics/> [<https://perma.cc/EKV3-49LY>].

35. See Angelo Martinez, *Shedding Light on Diversity-Based Shareholder Proposals*, HARV. L. SCH. F. ON CORP. GOVERNANCE (Oct. 16, 2018), <https://corpgov.law.harvard.edu/2018/10/16/shedding-light-on-diversity-based-shareholder-proposals/> [<https://perma.cc/27G4-59LW>]; see also Stringer, *supra* note 34.

36. See, e.g., *Alphabet, Inc.—Senior Executive Diversity (2019)*, TRILLIUM ASSET MGMT. (Dec. 19, 2018), <https://archive.trilliuminvest.com/shareholder-proposal/alphabet-inc-senior-executive-diversity-2019/> [<https://perma.cc/D5YS-JMMB>].

37. See RACHEL THOMAS, MARIANNE COOPER, KATE MCSHANE URBAN, GINA CARDAZONE, ALI BOHRER, SONIA MAHAJAN, LAREINA YEE, ALEXIS KRIVKOVICH, JESS HUANG, ISHANAA RAMBACHAN, TIFFANY BURNS & TIJANA TRKULJA, *WOMEN IN THE WORKPLACE* 8 (McKinsey & Co. ed., 2021) [hereinafter *WOMEN IN THE WORKPLACE*].

38. Vanessa Fuhrmans, *There Are More Female CEOs than Ever, and Many of Them Are in Retail*, WALL ST. J. (Nov. 25, 2020), <https://www.wsj.com/articles/there-are-more-female-ceos-than-ever-and-many-of-them-are-in-retail-11606328235> [<https://perma.cc/89HX-T6SX>].

March of 2022, that number rose to a record of seventy-four CEOs, constituting about 15% of CEOs in the Fortune 500.³⁹ These numbers were a marked increase from just a few years prior, when the number of women CEOs in the Fortune 500, small to begin with, fell by 25% in one year.⁴⁰ Beyond the CEO role, women comprise almost a quarter of C-level executives.⁴¹

B. Gender Diversity and Leadership in Investment Banking

While diversity on corporate boards and the C-suite has accelerated, progress on diversity among leaders in investment banking has been sluggish. As compared to other advisors—such as law firms—there are relatively few systematic industry, firm, or deal-specific disclosures about diversity in leadership in investment banking.⁴² Instead, most reports focus on the financial services industry more generally. The limited information available regarding firm diversity reflects the male-dominated banking and finance industry.⁴³ Reports indicate that women hold about 24% of leadership roles at financial services firms generally.⁴⁴ Yet, such aggregate numbers may overstate women’s power in investment banking. Reports from the UK, where firms are required by law to disclose significant information on their gender pay gap, indicate that women constitute only

39. Katharina Buchholz, *How Has the Number of Female CEOs in Fortune 500 Companies Changed over the Last 20 Years?* WORLD ECON. F. (Mar. 10, 2022), <https://www.weforum.org/agenda/2022/03/ceos-fortune-500-companies-female/> [https://perma.cc/AT3Y-8HDB].

40. See Claire Cain Miller, *The Number of Female Chief Executives Is Falling*, N.Y. TIMES (May 23, 2018), <https://www.nytimes.com/2018/05/23/upshot/why-the-number-of-female-chief-executives-is-falling.html> [https://perma.cc/JT6G-4F5H].

41. WOMEN IN THE WORKPLACE, *supra* note 37, at 8. Overall, women have made progress, but the absence of women of color in the C-Suite is notable. Women of color account for about 20% of the U.S. population and make up about 17% of entry level workers at firms. *Women of Color in the United States (Quick Take)*, CATALYST (Feb. 1, 2021), <https://www.catalyst.org/research/women-of-color-in-the-united-states/> [https://perma.cc/23LD-N2W2]. Yet in 2021, few women of color held leadership positions at large corporations, making up only 4% of leaders in the C-Suite. WOMEN IN THE WORKPLACE, *supra* note 37, at 8.

42. For additional information on law firms, see NAT’L ASS’N FOR L. PLACEMENT, 2021 REPORT ON DIVERSITY IN U.S. LAW FIRMS (2022), <https://www.nalp.org/uploads/2021NALPReportonDiversity.pdf> [https://perma.cc/SWW8-22PW]; see also Afsharipour, *Women and M&A*, *supra* note 23, at 378–88.

43. See generally Cahn, Carbone & Levit, *Gender and the Tournament*, *supra* note 16; Mortlock, *supra* note 16; Davies & Bansal, *supra* note 16; Hyder, *supra* note 16.

44. See Desiree D’Souza, Neda Shemluck & Alison Rogish, *Leadership, Representation, and Gender Equity in Financial Services*, DELOITTE 2 (2021), <https://www2.deloitte.com/us/en/insights/industry/financial-services/women-in-the-finance-industry.html> [https://perma.cc/7PU4-8SJR]; see also Kweilin Ellingrud, Alexis Krivkovich, Marie-Claude Nadeau & Jill Zucker, *Closing the Gender and Race Gaps in North American Financial Services*, MCKINSEY & CO. 3 (Oct. 21, 2021), <https://www.mckinsey.com/industries/financial-services/our-insights/closing-the-gender-and-race-gaps-in-north-american-financial-services> [https://perma.cc/BTM5-VRYT].

a small fraction of top investment bankers in London—one of the world’s most important financial centers.⁴⁵

Over the past few years, there have been some signs of change in leadership at the largest financial services firms. Some experts argue that as greater numbers of women join boards and are promoted to the C-suite, there will be a “multiplier effect” of more women rising to senior leadership roles in investment banking.⁴⁶ The promotion of Jane Fraser as CEO of Citigroup in 2021,⁴⁷ along with the promotion of several other women at other leading financial institutions, are positive signs of change in the industry.⁴⁸ Nevertheless, while the number of women holding C-suite roles in the financial services industry has accelerated, this growth “is partly due to the growth of nontraditional C-titled roles, such as chief diversity and inclusion officer.”⁴⁹ These non-traditional positions rarely lead to the CEO role nor do they represent the mostly powerful and highly compensated positions at firms.⁵⁰ The chief diversity officer role in particular is “marked by high turnover” with many in such roles feeling disillusioned by “a lack of resources, unrealistic expectations and inadequate support from senior executives.”⁵¹

The prospects for women’s continued progress in the financial service industry remain unclear. Some of the largest bulge bracket firms now regularly report on advances in gender diversity among their managing directors generally, although they don’t differentiate among leaders in different practice areas.⁵² Despite some progress at the largest

45. See Paul Clarke, David Ricketts, Emily Nicolle & James Booth, *Banks and Law Firms Worst on Gender Pay Gap As ‘Old Boys’ Hiring Still Rampant*, FIN. NEWS (Oct. 5, 2021), <https://www.fn.london.com/articles/banks-and-law-firms-worst-on-gender-pay-gap-as-old-boys-hiring-still-rampant-20211005> [<https://perma.cc/6CQA-65LB>].

46. D’Souza, Shemluck & Rogish, *supra* note 44, at 2.

47. See Allison Morrow, *Citigroup’s Jane Fraser is Doing the Unthinkable on Wall Street*, CNN BUSINESS (Nov. 15, 2021) <https://www.cnn.com/2021/11/15/business/jane-fraser-citigroup-risk-takers/index.html> [<https://perma.cc/NQH9-XFSP>].

48. See Josie Cox, *The Face of Wall Street Is Changing but Gender Inequality Runs Deep*, FORBES (May 27, 2021), <https://www.forbes.com/sites/josiecox/2021/05/27/the-face-of-wall-street-is-changing-but-gender-inequality-runs-deep/?sh=43473327443a> [<https://perma.cc/F8HJ-C3C8>]; Kate Kelly, *Goldman Sachs Partners’ Exits Point to a Changing Culture at the Bank*, N.Y. TIMES (Mar. 5, 2021), <https://www.nytimes.com/2021/03/05/business/goldman-sachs-partner-exits.html> [<https://perma.cc/G2AS-3RD4>].

49. D’Souza, Shemluck & Rogish, *supra* note 44, at 6.

50. See Afra Afsharipour & Darren Rosenblum, *Power and Pay in the C-Suite*, MINN J. L. & INEQ.1, 2 (2021).

51. Chip Cutter & Lauren Weber, *Demand for Chief Diversity Officers Is High. So Is Turnover.*, WALL ST. J. (July 13, 2020), <https://www.wsj.com/articles/demand-for-chief-diversity-officers-is-high-so-is-turnover-11594638000> [<https://perma.cc/6S6D-CKGL>].

52. See, e.g., CITI, 2021 ENVIRONMENTAL, SOCIAL & GOVERNANCE REPORT 83–84 (2021), <https://www.citigroup.com/citi/about/esg/download/2021/Global-ESG-Report-2021.pdf?ieNocache=985> [<https://perma.cc/A6HC-T6CL>]; GOLDMAN SACHS, PEOPLE STRATEGY

firms, the industry “still struggles to retain and promote its talented female professionals.”⁵³ As a 2021 report by McKinsey indicated, the financial services sector suffers from “a leaky pipeline from which women are falling out in greater numbers as they progress up the career ladder.”⁵⁴ For instance, reports indicate that there is a 9% gap between women in the C-suites of financial institutions and women in senior leadership roles at large financial institutions, and that without “intentional, strategic actions” “this gap may widen to as much as 14% by 2030.”⁵⁵ Moreover, women leaders report greater burnout as they undertake “additional responsibilities of supporting employees and investing in diversity and inclusion during the COVID-19 pandemic.”⁵⁶ This type of critical office management work is typically devalued and unrewarded. In addition, while corporations have faced significant pressure to diversify their own leadership, there is little evidence that companies have demanded similar diversity from their investment bankers.⁵⁷

C. The Gender Gap at Elite Boutique Banks

1. The Rise of Elite Boutique Banks

In addition to the involvement of the largest investment banks—firms such as Goldman Sachs, JP Morgan and Morgan Stanley—major corporate transactions now often include advisory work by boutique investment banks.⁵⁸ The rise of boutique investment banks is often attributed to the 2008 global finance crisis, as large banks came to face stricter regulations and “pay and perks [became] more tightly controlled.”⁵⁹ Accordingly, many rainmakers and key players at bulge bracket banks left to start new smaller investment groups that provided

REPORT 12 (2021), <https://www.goldmansachs.com/our-commitments/sustainability/2021-people-strategy-report/multimedia/report.pdf> [<https://perma.cc/YUQ3-ALJB>].

53. Cox, *supra* note 48 (quoting Hephzi Pemberton).

54. Ellingrud, Krivkovich, Nadeau & Zucker, *supra* note 44, at 2.

55. D’Souza, Shemluck & Rogish, *supra* note 44, at 2.

56. Ellingrud, Krivkovich, Nadeau & Zucker, *supra* note 44, at 2.

57. Outside of investment banking, companies have placed significant pressure on other advisors, such as law firms, to add diversity to the teams advising the company. *See Afsharipour, Women and M&A, supra* note 23, at 414–15.

58. *See* Jennifer Cummings, *Recent M&A Burst Showcases Rise of the Boutiques*, WALL ST. J. (Sept. 8, 2010), <https://www.wsj.com/articles/BL-DLB-26645> [<https://perma.cc/QW2L-8DDR>].

59. Baker McKenzie, *Rise of the Boutique Banks*, FIN. TIMES (Apr. 18, 2019), <https://channels.ft.com/en/bigdeal/rise-of-the-boutique-banks/> [<https://perma.cc/KYW3-CQUL>].

more focused services to their clients⁶⁰ and bigger payouts to their partners.⁶¹

Elite boutiques have become seen as indispensable advisers for corporate boards and C-suites.⁶² Boutiques are regularly lauded for their ability to provide less conflicted and more independent advice.⁶³ Accordingly, over the last decade, boutiques have gained a higher share of advisory fees in transactional advisory work.⁶⁴ For example, by 2013, boutique and independent investment banks represented almost one third of the billions in fees that were paid by companies to investment banks in connection with M&A transactions, despite being much smaller than the bulge bracket firms.⁶⁵ In 2021, elite boutique investment banks Evercore and Centerview Partners each appeared in the top ten list of the Wall Street Journal's Investment Banking scorecard.⁶⁶

Most of the news stories documenting the rise of elite boutique investment banks focus on the star bankers—almost exclusively men—

60. See Christopher Alessi, *Investment Banking Boutiques Are on the Rise*, INSTITUTIONAL INV. (May 24, 2011), <https://www.institutionalinvestor.com/article/b150y9z8jplvtv/investment-banking-boutiques-are-on-the-rise> [<https://perma.cc/828C-EWFG>]; see also David Gelles, *Running with the Big Dogs: A Personal Touch Gives Boutique Banks a Competitive Edge in Deal-Making*, N.Y. TIMES, Jan. 6, 2016, at B1, B5, <https://www.proquest.com/docview/2309974227/fulltextPDF/D0EF43C571054F4FPQ/1?accountid=28598&forcedol=true> [<https://perma.cc/6E5D-VER6>]

(explaining that boutiques are “unburdened by larger trading and financing operations that can create conflicts of interest” and that “[t]heir smaller staffs mean deals have a better chance of staying secret”).

61. See, e.g., Baker McKenzie, *supra* note 59 (explaining how bankers could make more than double their fees at a boutique firm compared to a big bank). For more on bulge bracket firms, see *Financial Services Companies*, CFI (Sept. 26, 2022), <https://corporatefinanceinstitute.com/resources/careers/companies/bulge-bracket-investment-banks-list/> [<https://perma.cc/8CM2-HJPK>].

62. See Michael J. de la Merced, *Boutique Investment Banks Gain Prestige*, N.Y. TIMES: DEALBOOK (Dec. 9, 2014), <https://dealbook.nytimes.com/2014/12/09/boutique-investment-banks-gain-prestige/> [<https://perma.cc/8F5T-CC9E>].

63. See Alberto Zara, *The Rise of Investment Banking Boutiques*, BOCCONI STUDENTS CAP. MKTS., <https://www.bscapitalmarkets.com/the-rise-of-investment-banking-boutiques.html> [<https://perma.cc/U3XC-DTND>]; Gelles, *supra* note 60, at B1, B6.

64. See DELOITTE CTR. FOR FIN. SERVS., *Battle for Dominance in the M&A Advisory Business: Bulge-Brackets vs. the Boutiques* 3–5 (2013), <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/financial-services/us-fsi-Battlefordominance-09302014.pdf> [<https://perma.cc/Y76N-XKT4>].

65. David Gelles, *30% of M.&A. Advisory Fees Went to Smaller Firms in 2013*, N.Y. TIMES, Jan. 8, 2014, at B4, <https://archive.nytimes.com/dealbook.nytimes.com/2014/01/08/a-banner-year-for-boutique-investment-banks/> [<https://perma.cc/UB3U-59XJ>]; Anita Raghavan, *Former Morgan Stanley Deal Makers Reunite on Exchange Merger*, N.Y. TIMES: DEALBOOK (June 2, 2016), <https://www.nytimes.com/2016/06/03/business/dealbook/former-morgan-stanley-deal-makers-reunite-on-exchange-merger.html> [<https://perma.cc/X38L-DD6J>]; see also *Trading Places*, THE ECONOMIST (Dec. 4, 2014), <https://www.economist.com/finance-and-economics/2014/12/04/trading-places> [<https://perma.cc/337R-9V3Q>].

66. *Investment Banking Scorecard*, WALL ST. J.: MONEYBEAT, <http://graphics.wsj.com/investment-banking-scorecard/> [<https://perma.cc/4VW3-VS4M>].

that are at the center of the rise of the boutiques.⁶⁷ Yet, little commentary has examined how such boutique firms perpetuate and reinforce the significant gender gap in investment banking.

Over the past few years, several leading boutique investment banks have acknowledged the importance of diversity and inclusion in the workplace. For example, Moelis & Company dedicates a webpage to the firm's diversity and inclusion efforts, although it does not include quantifiable measures on the diversity of its leadership.⁶⁸ Other firms have stressed the importance of diversity in communications to employees and in their programming efforts.⁶⁹ Firms typically tout their diversity and anti-bias training.⁷⁰ However, some firms have focused on building recruitment-focused diversity programs.⁷¹ Moreover, new boutiques have arisen to address the diversity gap in investment banking. For instance, 2021 saw the launch of Independence Point Advisors, the first woman-owned investment bank and C-suite advisory on Wall Street.⁷² As its founder, Anne Clarke Wolff, a Wall Street veteran, explained, "Without women at the table . . . clients were missing an essential, different set of voices when they're confronting some of the most complex challenges that they've ever encountered."⁷³

67. See, e.g., David Gelles, *Big Banks Miss Out; Boutiques Seal Deal*, N.Y. TIMES, Mar. 26, 2015, at B3; Raghavan, *supra* note 65; Evelyn M. Rusli, *Amid Wall Street Giants, a Firm Thinks Small and Exclusive*, N.Y. TIMES, Mar. 20, 2012, at B4; de la Merced, *supra* note 62; Michael J. de la Merced, *In Latest Deals, Big Roles for Boutique Investment Banks*, N.Y. TIMES, Aug. 23, 2011, at B7.

68. See *Diversity & Inclusion*, MOELIS & CO., <https://www.moelis.com/diversity-and-inclusion/> [<https://perma.cc/C8ME-6GG2>] [hereinafter *Moelis Diversity & Inclusion*].

69. See, e.g., Derek Loosvelt, *Which Wall Street Firms Are Best for Racial and Ethnic Diversity?*, FIRSTHAND (Feb. 1, 2021), <https://firsthand.co/blogs/in-the-black-vaults-finance-careers-blog/which-wall-street-firms-are-best-for-racial-diversity> [<https://perma.cc/548V-F32A>]

(highlighting investment banking firms that rated highest in a Vault/Firsthand survey for racial and ethnic diversity—including Evercore, Moelis & Co., and Centerview Partners).

70. Research indicates that anti-bias training frequently falls short in changing culture or behavior. See Frank Dobbin & Alexandra Kalev, *Why Doesn't Diversity Training Work?: The Challenge for Industry and Academia*, 10 ANTHROPOLOGY NOW 48, 49 (2018); see also Alexandra Kalev & Frank Dobbin, *Companies Need to Think Bigger Than Diversity Training*, HARV. BUS. REV. (Oct. 20, 2020), <https://hbr.org/2020/10/companies-need-to-think-bigger-than-diversity-training> [<https://perma.cc/4Y66-K7A5>] (noting that "[d]iversity training has borne too much of the burden of addressing inequality at work").

71. See Sarah Butcher, *Diversity Programs at Top Investment Banks, and How to Access Them*, EFINANCIALCAREERS (July 24, 2020), <https://www.efinancialcareers.com/news/2012/10/ten-programmes-that-help-minority-students-into-investment-banking-and-how-to-access-them> [<https://perma.cc/Y5FK-J3JN>].

72. See Karen Walker, *Modernizing Wall Street: Anne Clarke Wolff, CEO of Independence Point Advisors*, FORBES (July 13, 2022), <https://www.forbes.com/sites/karenwalker/2022/07/13/modernizing-wall-street-anne-clark-wolff-ceo-of-independence-point-advisors/?sh=79dd62ba1333> [<https://perma.cc/88ZE-WQKF>].

73. *Id.* For an overview of the literature on the value of diversity for decision-making, see Afsharipour, *Women and M&A*, *supra* note 23, at 399–403.

Nevertheless, few investment banks are transparent about the gender or racial makeup of their senior leaders. The *Financial News's* 2019 analysis of some of the leading boutique banks including Evercore, Lazard, Rothschild, and Moelis & Company, found that men account for more than 90% of the senior staff at smaller and independent banks.⁷⁴

2. The Leadership Gap at Elite Boutique Investment Banks: Empirical Findings

For purposes of this Article, the author hand-collected data on the makeup of senior investment bankers at ten leading boutique investment banks based in the United States. Of the ten firms surveyed, only one, Lazard, reported representation of women at the vice president and above levels in 2021, alongside aspirational targets for 2026.⁷⁵ Otherwise, firms' claimed emphasis on diversity and inclusion in the workplace often lacked either transparent reporting of the firm's demographic data, particularly at senior levels, or lacked their progress toward any meaningful or quantifiable diversity goals.⁷⁶ For example, Moelis & Company dedicates a webpage to the firm's diversity and inclusion efforts but fails to mention quantifiable progress toward increasing diversity.⁷⁷ Similarly, Guggenheim Partners produces a report about their approach to diversity and inclusion at the firm, but the report had not been updated since 2016 and does not include any firm-specific demographic data.⁷⁸

74. See Nell Mackenzie, *Independent Investment Banks Slammed for Dearth of Senior Women*, FIN. NEWS (June 4, 2019), <https://www.fn london.com/articles/boutique-banks-slammed-for-dearth-of-senior-women-20190603> [<https://perma.cc/C86U-7UZG>]; see also Paul Clarke, *Under 10% of Top City Dealmakers Are Women: "It's Still Very Testosterone-Fuelled"*, FIN. NEWS (Aug. 10, 2020), <https://www.fn london.com/articles/under-10-of-top-city-dealmakers-are-women-its-still-very-testosterone-fuelled-20200810> [<https://perma.cc/G7SZ-2ZKX>].

75. LAZARD, 2021 CORPORATE SUSTAINABILITY REPORT: CREATING VALUE RESPONSIBLY 13, <https://lazardltd.gcs-web.com/static-files/ca07f183-10ce-4d11-bfc2-64303146dd6f> [<https://perma.cc/JF8D-Z5TJ>] [hereinafter LAZARD CORPORATE SUSTAINABILITY REPORT].

76. See, e.g., *Moelis Diversity & Inclusion*, *supra* note 68; *Diversity and Inclusion*, GUGGENHEIM, <https://www.guggenheimpartners.com/firm/diversity-and-inclusion> [<https://perma.cc/6585-77KE?type=image>] [hereinafter *Guggenheim Diversity & Inclusion*]. Greenhill & Co.'s Corporate Sustainability Report 2022 highlights how the firm is an equal opportunity employer and focuses on the firm's meritocratic business culture rather than diversity metrics. GREENHILL, CORPORATE SUSTAINABILITY REPORT 2022, at 6, https://www.greenhill.com/sites/default/files/esg_report.pdf [<https://perma.cc/JXQ2-DK7U>].

77. *Moelis Diversity & Inclusion*, *supra* note 68.

78. *Guggenheim Diversity & Inclusion*, *supra* note 76. Similarly, the company's 2020–2021 impact report does not include any demographic data. GUGGENHEIM, IMPACT REPORT 2020 & 2021, <https://fd-impactreport2021-prd.azurefd.net/index.html> [<https://perma.cc/EGU8-2WWE>] [hereinafter GUGGENHEIM IMPACT REPORT].

a. Methodology

The data presented in this Article represents an original dataset that the author, and a team of researchers, hand-collected in April 2022. The firms surveyed were Evercore Group LLC, Qatalyst Partners, Moelis & Company, Perella Weinberg Partners LP, Centerview Partners, PJT Partners, Lazard Financial Advisory, Guggenheim Partners, Greenhill & Company, and Houlihan Lokey, Inc. Despite a lack of consistency regarding the leading boutique investment banks, the investment banks examined in this Article are typically included in various rankings of the most elite boutiques based in the United States.⁷⁹

To collect data, we drew information from each firm's website. For firms with multiple groups, we first identified which groups would be appropriate to survey focusing on the firm's M&A or strategic advisory teams, then identified the senior financial advisor positions based on advisors' profiles. We collected information about the group that each advisor was in, their title, and whether they identified as a woman, man, or non-binary. Additionally, pronouns, personal titles, and profile pictures in firm bios or LinkedIn pages were used as indicators of an advisor's gender.

Because each firm has different titles for their advisors, we analyzed the role of each title in leading M&A deals to help identify which positions were considered senior financial advisor positions. One such factor analyzed was how a title compared to other titles. For example, we only surveyed those who held a "Senior Managing Director" position in Evercore's Strategic Advisory team under the firm's Global Advisory business because they focused on M&A work and hold seniority over a person in the "Managing Director" position. One advisory firm, Qatalyst Partners, does not list official titles for its team members, but we identified senior financial advisors by profile descriptions of their role as a lead for a practice, group, or team.⁸⁰ Some firms already identified certain groups

79. See, e.g., *2022 Most Prestigious Banking Firms*, VAULT, <https://legacy.vault.com/best-companies-to-work-for/banking/most-prestigious-banking-companies> [<https://perma.cc/8F5W-AXXT>]; Brian DeChesare, *The Elite Boutique Investment Banks: The Rising Upstarts That Disrupted the Old Guard?*, MERGERS & INQUISITIONS, <https://mergersandinquisitions.com/elite-boutique-investment-banks> [<https://perma.cc/F2N4-HJSY>]; *The Top 10 Boutique Investment Banks*, INT'L FIN. INST., <http://www.financeinstitute.com/blog/the-top-10-boutique-investment-banks> [<https://perma.cc/4H8D-WUKE>].

80. The Qatalyst Partners' team members described as someone who "heads up the Semiconductor and Semiconductor Equipment Group," "leads its Internet and FinTech practices," "leads the firm's Activism and Shareholder Advisory practice," "leads the firm's coverage of the communications technology, storage and systems sectors," or serves as the firm's "co-head of its Enterprise Software Group" or "head of its European team" were counted as senior financial advisors.

as the senior team⁸¹ while others identified members of their executive leadership.⁸² The discrepancies in advisors' titles and the number of team members disclosed on firm websites were typically attributed to a firm's size and whether a firm is private or public.⁸³

b. Findings

Hand-collected data reviewing the make-up of senior advisors at leading elite boutique banks shows that the percentage of women in senior financial advisor positions remains very low. Cumulatively, seventy-one women represented 10.6% of the total 666 senior financial advisor positions accounted in this survey. This finding likely overstates the representation of women as senior investment bankers since three of the surveyed firms (Guggenheim Partners, Houlihan Lokey and Lazard Financial Advisory) had limited information regarding their partners or other senior investment bankers, and instead only identified their officers and directors, or executive leadership team.

81. See, e.g., *Senior Team*, MOELIS & CO., <https://www.moelis.com/our-team> [<https://perma.cc/B28L-HKWE>].

82. See, e.g., *Leadership*, LAZARD, <https://www.lazard.com/our-firm/leadership/> [<https://perma.cc/5WDR-NUQR>] [hereinafter *Lazard Leadership*].

83. Six of the ten investment banks surveyed are publicly traded: Greenhill & Co., Houlihan Lokey, Inc., Lazard Financial Advisory, Moelis & Co., Perella Weinberg Partners L.P., and PJT Partners. See *Trading Places*, *supra* note 65.

Table 1: Women as Senior Financial Advisors at Elite Boutiques
(as of March 2022)

Investment Firm	Women Senior Financial Advisors	Total Senior Financial Advisors	Percentage of Women
Centerview Partners	4	61	6.60%
Evercore Group LLC	3	89	3.40%
Greenhill & Co.	6	95	6.30%
Guggenheim Partners ⁸⁴	6	30	20%
Houlihan Lokey, Inc. ⁸⁵	3	13	23.10%
Lazard Financial Advisory ⁸⁶	5	15	33.30%
Moelis & Company	20	181	11%
Perella Weinberg Partners LP	6	66	9.10%
PJT Partners	16	103	15.50%
Qatalyst Partners	2	13	15.40%
Cumulative Total	71	666	10.6%

As Table 1 shows Evercore Group—often identified as *the* leading boutique investment bank—had the lowest representation of women (3.4%) in senior financial advisor positions, with only three women as senior managing directors in the firm’s Strategic Advisory team within the firm’s Global Advisory business. At Centerview Partners—which, like Evercore, appeared in the top ten list of the Wall Street Journal’s 2021 Investment Banking scorecard—four women make up only 6.6% of the

84. Guggenheim Partners’ website only discloses members of their “Executive Leadership.” See *Executive Leadership*, GUGGENHEIM, <https://www.guggenheimpartners.com/firm/executive-leadership> [<https://perma.cc/RQ3R-T3HL?type=image>] [hereinafter *Guggenheim Executive Leadership*]. The company’s 2020–2021 impact report does not include any demographic data. See GUGGENHEIM IMPACT REPORT, *supra* note 78.

85. Houlihan Lokey’s website only lists their “Officers & Directors.” *Officers & Directors*, HOULIHAN LOKEY, <https://investors.hl.com/corporate-overview/officers-and-directors/default.aspx> [<https://perma.cc/2KCN-F5X9>] [hereinafter *Houlihan Lokey Officers & Directors*]. The firm’s 2022 ESG Sustainability Report does not disclose what percentage of its 289 Managing Directors are women. See *generally* HOULIHAN LOKEY, ESG SUSTAINABILITY REPORT (2022), https://s201.q4cdn.com/762092546/files/doc_downloads/CompanyDocuments/2022-Houlihan-Lokey-Sustainability-ESG-Report.pdf [<https://perma.cc/G6ZR-UJNB>].

86. Lazard Financial Advisory only identifies their “Leadership” on their website. *Lazard Leadership*, *supra* note 82. Lazard’s Corporate Sustainability Report disclosed that globally, women represented 28% of Vice President and above levels in 2021. LAZARD CORPORATE SUSTAINABILITY REPORT, *supra* note 75, at 13.

firm's sixty-one partners.⁸⁷ Six women were identified as part of Greenhill & Company's ninety-five-person senior financial advisor team.⁸⁸ Four of the women were noted as part of the firm's Management & Board and represent 33% of the group. The two other women were listed under Client Advisory Managing Directors, representing 2.6% of the group. Four men were listed under both the firm's Management & Board and Client Advisory Managing Directors, while none of the four women on the firm's Management & Board team were a part of other senior teams.

Similarly, Moelis & Company listed 181 members of its Senior Team, of which twenty advisors, representing 11%, are women. Focusing on the firm's managing directors on the Senior Team, only fourteen (representing 9%) out of 155 managing directors are women. Examining the representation of women among Perella Weinberg Partners' partners is not any better than that of Moelis & Company's Senior Team. Six of Perella Weinberg Partners' sixty-six partners are women, representing 9.1% of the firm's partners. Sixteen women (representing 15.5%) were identified as part of the 103 partners at PJT Partners. This percentage is significantly lower than PJT Partners' published *2021 Corporate Sustainability Report* which touts the firm's "commitment to diversity, equity and inclusion."⁸⁹ The report shares that the firm has 50% women executive officers,⁹⁰ 34% women employees, 43% diverse Board members, and 30% racially diverse employees.⁹¹ In the same vein, Qatalyst Partners, a leading boutique in the technology sector, listed fifty-six team members on its website. Thirteen were identified as senior financial advisors. Of these thirteen, two are women, the firm's general counsel and the firm's chief compliance officer.

Moreover, three of the firms—two of which are publicly traded—only disclose directors and officers, or other senior leaders, on their public websites, but do not disclose information on their partners or other senior investment bankers, making it difficult to ascertain the degree to which women are excluded from these senior positions in those firms.⁹² Thirty

87. *Investment Banking Scorecard*, *supra* note 66.

88. Senior financial advisors included advisors listed as a part of the firm's Management & Board, Client Advisory Managing Directors, and Senior Advisors. See *Our People*, GREENHILL, <https://www.greenhill.com/en/firm/people> [<https://perma.cc/6RZU-XC9P>].

89. PJT PARTNERS, 2021 CORPORATE SUSTAINABILITY REPORT 10, https://s2.q4cdn.com/989764468/files/doc_downloads/2021/PJT-Corporate-Sustainability-Report.pdf [<https://perma.cc/5YFK-BHYN>].

90. *Id.* PJT Partners' corporate governance disclosure indicates that there are four executive officers. *Corporate Governance*, PJT PARTNERS, <https://ir.pjtpartners.com/investor-relations/corporate-governance/default.aspx> [<https://perma.cc/CUY3-XRTS>].

91. *Id.*

92. Houlihan Lokey and Lazard Financial Advisory are publicly traded companies. See *Investor FAQs*, HOULIHAN LOKEY, <https://investors.hl.com/additional-information/faqs/default.aspx>

percent of Lazard Financial Advisory's Leadership team, for example, were identified as women; 23.1% of Houlihan Lokey's Officers & Directors were women; and 20% of Guggenheim Partners' Executive Leadership were women. When compared to the other seven firms, those three firms lead with the highest percentages in terms of women representation. However, their statistics are likely skewed by their limited disclosures, considering all three investment banks had limited information about advisors beyond their executive leadership teams.⁹³ For example, all three women represented in Houlihan Lokey's executive leadership are outside board directors.⁹⁴ Similarly, four of the five women listed as part of Lazard Financial Advisory's executive leadership team are also outside directors, and the fifth woman is an officer in charge of human resources.⁹⁵ Additionally, one report from Lazard Financial Advisory provided supplemental information about the firm's gender diversity. A 2021 sustainability report by Lazard Financial Advisory revealed that globally only 28% of its employees at the VP and above levels in 2021 were women but noted the company's goal to increase representation to 35% by 2026.⁹⁶

II. THE INTERSECTION OF INVESTMENT BANKING CULTURE AND THE GENDER GAP

The gap in women's leadership in the financial services industry reflects the deeply-entrenched culture of investment banking.⁹⁷ Investment banking has long been recognized and accepted as a male-dominated

[<https://perma.cc/SGU3-NPAX>]; *Investor FAQs*, LAZARD, <https://lazardltd.gcs-web.com/investor-faqs> [<https://perma.cc/T93K-B3Y8>].

93. Houlihan Lokey's website lists the firm's officers and directors but no other senior financial advisors. See *Houlihan Lokey Officers & Directors*, *supra* note 85. Lazard has limited information on its website about its leadership beyond directors and senior officers. See *Lazard Leadership*, *supra* note 82. Guggenheim's website only contains information about their executive leadership, such as the firm's CEO, managing partners, senior leadership committee members, financial and planning committee members, and human advisory committee members. See *Guggenheim Executive Leadership*, *supra* note 84.

94. Ekpedeme M. Bassey (board director), Jacqueline B. Kosecoff (board director), and Gillian B. Zucker (board director). *Houlihan Lokey Officers & Directors*, *supra* note 85.

95. The specific title for the officer is "Group Executive, Human Capital and Workplace Innovation, and COO of Financial Advisory." *Lazard Leadership*, *supra* note 82.

96. LAZARD CORPORATE SUSTAINABILITY REPORT, *supra* note 75, at 13.

97. In many ways those entering investment banking are conditioned from the earliest points in their careers, including in MBA programs, to conform to masculine cultures. See generally Aaron S. Wallen, Michael W. Morris, Beth A. Devine & Jackson G. Lu, *Understanding the MBA Gender Gap: Women Respond to Gender Norms by Reducing Public Assertiveness but Not Private Effort*, 43 PERSONALITY & SOC. PSYCH. BULL. 1150 (2017). For more on investment banking culture and the socialization process in banking, see generally HO, *supra* note 22.

industry.⁹⁸ Though the gender divide at corporations has shrunk in recent years, interviews with women investment bankers continue to include statements such as “I am often the only woman in the room” or “women represent a shockingly small portion of the workforce.”⁹⁹ Research by gender theorists suggests that such homogeneity in firms can lead to “masculinity contest cultures” which make “winning at all cost[s] the test of success,” and encourage “self-interested, unethical, and counterproductive behavior.”¹⁰⁰

The culture of investment banking has long been criticized as promoting toxic masculinity.¹⁰¹ Both academic research and the popular press portray the industry as a “testosterone-fueled” and competitive environment where performance of masculinities is the norm.¹⁰² Investment banking culture is rife with “particularly aggressive macho

98. See Boorstin, *supra* note 15. More recently, there has been a greater focus on diversity beyond gender, focusing on the important role of race and colonialism in banking. See, e.g., Ajnesh Prasad & Tanvir Qureshi, *Race and Racism in an Elite Postcolonial Context: Reflections from Investment Banking*, 31 WORK EMP. & SOC’Y 352, 352 (2017). Such studies indicate that concepts of masculinity in the financial services industry are mainly promulgated by white ideas of masculinity. *Id.*

99. Tyler Gallagher, *Meet the Female Leaders of Finance: “Chances of Promotion Come with Performance and Visibility”*, AUTH. MAG. (July 17, 2019), <https://medium.com/authority-magazine/meet-the-female-leaders-of-finance-chances-of-promotion-come-with-performance-and-visibility-d2c6ab05b75b> [<https://perma.cc/NT59-M6S2>].

100. June Carbone & William K. Black, *The Problem with Predators*, 43 SEATTLE U. L. REV. 441, 478 (2020). Studies find that lack of diversity is often associated with negative workplace environments. See Kenneth Matos, Olivia O’Neill & Xue Lei, *Toxic Leadership and the Masculinity Contest Culture: How “Win or Die” Cultures Breed Abusive Leadership*, 74 J. SOC. ISSUES 500, 502–03 (2018).

101. See June Carbone, Naomi Cahn & Nancy Levit, *Women, Rule-Breaking, and the Triple Bind*, 87 GEO. WASH. L. REV. 1105, 1141–43 [hereinafter Carbone, Cahn & Levit, *Triple Bind*]; see also Kristin N. Johnson, *Banking on Diversity: Does Gender Diversity Improve Financial Firms’ Risk Oversight?*, 70 SMU L. REV. 327, 329, 331 (2017); Christine Sgarlata Chung, *From Lily Bart to the Boom-Boom Room: How Wall Street’s Social and Cultural Response to Women Has Shaped Securities Regulation*, 33 HARV. J. L. & GENDER 175, 177 (2010). For more on masculinity norms and how they inhibit inclusion at work and promote ineffective leadership, see Jennifer L. Berdahl, Marianne Cooper, Peter Glick, Robert W. Livingston & Joan C. Williams, *Work as a Masculinity Contest*, 74 J. SOC. ISSUES 422, 422 (2018). For an overview of legal literature on masculinities, see Katharine T. Bartlett, *Gender Law: After Twenty-Five Years*, 27 DUKE J. GENDER L. & POL’Y 1, 16–19 (2020). For an overview of masculinities theories and the construction of gender in the workplace, see Leticia M. Saucedo, *Three Theories of Discrimination in the Brown Collar Workplace*, 2009 U. CHI. LEGAL F. 345, 362–64 (2009).

102. Carbone, Cahn & Levit, *Triple Bind*, *supra* note 101, at 1111; see Cahn, Carbone & Levit, *Gender and the Tournament*, *supra* note 16, at 459, 465. Michal Lewis’ Liar’s Poker “documented the reckless, frat-guy culture of investment banking in the 1980s.” Andrew Ross Sorkin, *Michael Lewis Revisits “Liar’s Poker”*, N.Y. TIMES: DEALBOOK (Feb. 5, 2022), <https://www.nytimes.com/2022/02/05/business/dealbook/michael-lewis-revisits-liars-poker.html> [<https://perma.cc/9PUD-89GX>].

competitiveness” and a “preoccupation with financial reward.”¹⁰³ Sallie Krawcheck, once referred to as “the most powerful woman on wall street,” described her experience working at a leading investment bank as a “boys’ club” where her male coworkers “contributed to a toxic masculine culture by communicating that she wasn’t wanted there.”¹⁰⁴ Moreover, even successful women bankers are treated more poorly than men, regardless of whether they go along with banking culture or not.¹⁰⁵ As Professors Carbone, Cahn, and Levit aptly observed, “In a world where some men make enormous sums by breaking the rules and getting away with it, most women are at a disadvantage if they do not play on the same terms as men and are perhaps at a greater disadvantage if they do.”¹⁰⁶

Similarly, other scholars, such as Knights and Tullberg, contend that “homosociality” is prevalent among men in the financial sector, contributing to “material and symbolic security” and “a form of mutual masculinity.”¹⁰⁷ Knights and Tullberg further argue that the strong norms of the financial sector are “embodied in the uniform style of dressing, in the language, and in the codes of behavior” as well as in “masculine performances” that promote men’s power and privilege in the sector.¹⁰⁸ At most investment banking firms, the workplace culture resembles a masculinity contest: “[a] zero-sum competition played according to rules defined by masculine norms (e.g., displaying strength, showing no weakness or doubt).”¹⁰⁹ Moreover, bankers report a culture of “bro talk” where women are casually demeaned and objectified.¹¹⁰ This “boys’ club” culture is particularly pronounced in Wall Street trading, but as the data in

103. David Knights & Maria Tullberg, *Masculinity in the Financial Sector*, in THE OXFORD HANDBOOK OF GENDER IN ORGANIZATIONS 499, 499 (Savita Kumra, Ruth Simpson & Ronald J. Burke, eds., 2014); see also Kate Maclean, *Gender, Risk, and the Wall Street Alpha Male*, 25 J. GENDER STUDS. 427 (2015) (describing the performance of hyper-masculinity in the financial services sector).

104. Sherin Shibu, *Sallie Krawcheck, Once the “Most Powerful Woman on Wall Street,” Shares How an MBA Helped Her Escape the Finance World’s Toxic Culture of the ‘80s*, BUS. INSIDER: INDIA (Nov. 22, 2019), <https://www.businessinsider.in/finance/news/sallie-krawcheck-once-the-most-powerful-woman-on-wall-street-shares-how-an-mba-helped-her-escape-the-finance-worlds-toxic-culture-of-the-80s/articleshow/72190412.cms> [<https://perma.cc/6ZP5-XAGC>].

105. See Carbone, Cahn & Levit, *Triple Bind*, *supra* note 101, at 1106–09.

106. *Id.* at 1109.

107. Knights & Tullberg, *supra* note 103, at 511.

108. *Id.*; see also GRACE LORDAN, THE GOOD FINANCE FRAMEWORK 23 (2021), <https://www.lse.ac.uk/tii/assets/documents/WIBF-ACT-Good-Finance-Framework-Report.pdf> [<https://perma.cc/A55U-LLMU>].

109. Berdahl, Cooper, Glick, Livingston & Williams, *supra* note 101, at 424; see also Corina Sheerin & Margaret Linehan, *Gender Performativity and Hegemonic Masculinity in Investment Management*, 33 GENDER MGMT. 561, 561 (2018).

110. See Sam Polk, *How Wall Street Bro Talk Keeps Women Down*, N.Y. TIMES (July 7, 2016), <https://www.nytimes.com/2016/07/10/opinion/sunday/how-wall-street-bro-talk-keeps-women-down.html> [<https://perma.cc/4FXR-EBAX>].

Section I.C reveals, even M&A advisory and underwriting work exhibit significant gender gaps and a culture that disadvantages women.¹¹¹

Unsurprisingly, this behavior does not go unnoticed by women, and is shown to have alienating effects. Surveys of women in the financial services industry indicate that women experience “environments that are biased against them.”¹¹² This bias and the “cut-throat” competitive atmosphere of banking are significant contributing factors to the gender gap in banking, and are exacerbated by the bonus-driven compensation regime of the industry.¹¹³ Worse yet, women on Wall Street frequently report facing sexual discrimination and harassment in the workplace.¹¹⁴ Leading investment banks are no exception; many have faced large discrimination suits by women employees.¹¹⁵ Goldman Sachs, for example, faces a large class action gender discrimination case that is slated for trial in 2023.¹¹⁶ Still, some women remain reluctant to use sexual harassment/diversity policies because they believe it is more harmful to their careers to report harassment than to keep quiet.¹¹⁷ Others report

111. See Anna Irrera, *Wall Street Wants More Female Traders, but Old Perceptions Die Hard*, REUTERS (June 13, 2018), <https://www.reuters.com/article/us-banks-trading-gender/wall-street-wants-more-female-traders-but-old-perceptions-die-hard-idUSKBN1JA0DF> [<https://perma.cc/BTJ5-E986>]. See generally ALICIA RIOLINO, SARAH KAPLAN & CAMILLA SUTTON, CAPITAL MARKETS: WHY SO FEW WOMEN? (Inst. for Gender and the Econ. ed., 2019), https://www.gendereconomy.org/wp-content/uploads/2019/08/Capital_Markets_CaseStudyGATE-002.pdf [<https://perma.cc/E678-XWFG>].

112. Boorstin, *supra* note 15.

113. See Marianne Bertrand, *New Perspectives on Gender*, 4 HANDBOOK LAB. ECON. 1543, 1580–81 (2011). See generally Jeffrey A. Flory, Andreas Leibbrandt & John A. List, *Do Competitive Workplaces Deter Female Workers? A Large-Scale Natural Field Experiment on Job Entry Decisions*, 82 REV. ECON. STUDS. 122 (2015). For more on Wall Street as a “compensation scheme”, see HO, *supra* note 22, at 284.

114. See Maureen Sherry, *A Colleague Drank My Breast Milk and Other Wall Street Tales*, N.Y. TIMES (Jan. 23, 2016), <https://www.nytimes.com/2016/01/24/opinion/a-colleague-drank-my-breast-milk-and-other-wall-street-tales.html> [<https://perma.cc/6DHM-2U37>]. Scholars argue that in cultures like those of investment banking, “sexual harassment, and demoralization increase—and diversity may be harder to maintain.” Cahn, Carbone & Levit, *Instrumental Case*, *supra* note 25, at 129.

115. See, e.g., Jonathan Stempel, *Morgan Stanley Settles Sex Bias Case for \$46 Mln*, REUTERS (Apr. 24, 2007), <https://www.reuters.com/article/us-morganstanley-bias-lawsuit-idUSN2441554120070424> [<https://perma.cc/45JP-S2SZ>]; Jonathan Stempel, *Bank of America, Merrill in \$39 Million Gender Bias Settlement*, REUTERS (Sept. 6, 2013), <https://www.reuters.com/article/us-bankofamerica-bias-settlement/bank-of-america-merrill-in-39-million-gender-bias-settlement-idUSBRE98512720130906> [<https://perma.cc/B6LF-JDAN>]; Sheelah Kolhatkar, *A Lawsuit Peeks Inside the Goldman Sachs “Boys’ Club”*, BLOOMBERG (July 2, 2014), <https://www.bloomberg.com/news/articles/2014-07-02/a-lawsuit-peeks-inside-the-goldman-sachs-boys-club> [<https://perma.cc/Q5HL-3M2D>].

116. See Susan Antilla, *Goldman Sachs Bombshell: Details of Alleged Sex Discrimination Set to Be Revealed in Legal Agreement*, FAST CO. (July 27, 2022), <https://www.fastcompany.com/90772492/goldman-sachs-bombshell-details-of-alleged-sex-discrimination-lawsuit-agreement> [<https://perma.cc/CBF4-YGNT>].

117. See Louise Marie Roth, *Women on Wall Street: Despite Diversity Measures, Wall Street Remains Vulnerable to Sex Discrimination Charges*, 21 ACAD. MGMT. PERSPS. 24, 32–34 (2007).

simply accepting a culture of “brutal conformity” that is rampant with misogyny.¹¹⁸

The culture and norms of investment banking often inhibit women’s promotion and advancement.¹¹⁹ Women in finance report that “mediocre” men are more easily promoted than women with comparable or even superior capabilities due to a variety of factors including: men belonging to exclusive social groups where women are not invited, the perception that men have a more constant presence—as compared to women, who are more likely to have to take parental leave—and companies’ reluctance to “manage out” men because of dated perceptions of men as familial breadwinners.¹²⁰ Studies have long found that Wall Street’s culture of “around-the-clock devotion” disadvantages women, leading managers to offer more advancement opportunities to workers who either did not have or were not expected to have caretaking responsibilities.¹²¹ Such cultural assumptions negatively affect women’s advancement whether or not they actually had such outside obligations.¹²² Furthermore, when women use parental leave or work-family policies, they risk severe negative career consequences.¹²³ A multitude of studies confirm research findings which suggest that tournament-like cultures prevalent in investment banking acutely disadvantage women.¹²⁴

118. Polk, *supra* note 110.

119. See Mary King, Malin Ortenblad & Jamie J. Ladge, *What Will It Take to Make Finance More Gender-Balanced?*, HARV. BUS. REV. (Dec. 10, 2018), <https://hbr.org/2018/12/what-will-it-take-to-make-finance-more-gender-balanced> [<https://perma.cc/7T6L-HVUA>].

120. Sarah Kessler, “Mediocre” Men Get Ahead in Finance More Easily, *Say Women in the Industry*, N.Y. TIMES (June 17, 2021), <https://www.nytimes.com/2021/06/17/business/gender-equality-finance-industry.html> [<https://perma.cc/SD9P-DWPH>].

121. Roth, *supra* note 117, at 26–28; see also Joan C. Williams, *The End of Men?: Gender Flux in the Face of Precarious Masculinity*, 93 B.U. L. REV. 699, 705–06 (2013) (discussing the link between long hours and the performance of masculinity).

122. See Roth, *supra* note 117, at 28. Over the last few years, there have been renewed concerns about investment banking’s “toxic” work culture. See Ginia Bellafante, *Why Wall Street Is Suddenly Bullish on Work-Life Balance*, N.Y. TIMES (Feb. 4, 2022), <https://www.nytimes.com/2022/02/04/nyregion/wall-street-toxic-work-place-culture.html> [<https://perma.cc/JPK7-TZ52>].

123. See Roth, *supra* note 117, at 29–32. It remains to be seen whether recent changes to permit more flexible work schedules will have a significant impact on women’s career experiences in banking. See Lananh Nguyen, *Wall Street’s Rigid Culture Bends to Demands for Flexibility at Work*, N.Y. TIMES (Apr. 4, 2022), <https://www.nytimes.com/2022/04/04/business/wall-street-remote-work.html> [<https://perma.cc/6HLS-3JDH>].

124. See Olivia A. O’Neill & Charles A. O’Reilly, *Careers as Tournaments: The Impact of Sex and Gendered Organizational Culture Preferences on MBAs’ Income Attainment*, 31 J. ORG. BEHAV. 856, 856 (2010); see also Afsharipour & Rosenblum, *supra* note 50, at 12–13; Cahn, Carbone & Levit, *Instrumental Case*, *supra* note 25, at 120–21 (“tournament-like workplaces make it harder to maintain diversity”).

III. IMPLICATIONS OF INVESTMENT BANKING'S GENDER GAP AND MASCULINE CULTURE FOR INCLUSIVE CORPORATE LEADERSHIP

The impacts of the hyper-masculine investment banking culture on women investment bankers, while serious and pervasive, are far from the only issue facing the industry. The culture of investment banking also affects the services and practices of bankers with respect to clients. In their work, authors Claire Hill and Richard Painter recount that “a distorted vision of masculinity in banking” has contributed to problematic practices in the banking profession.¹²⁵ Such practices include widespread conflicts of interest that potentially harm clients. Yet, the culture of banking does not just lead to conflicts with client interests. Just as significantly, investment banking culture facilitates banker tolerance, if not outright enablement, of sexist corporate leaders and helps perpetuate gender imbalances at the top of the C-suite.

A. The Advisory Role of Investment Bankers & Conflicts of Interest

Investment bankers are key advisors to corporate leaders, and they often provide crucial support for companies doing deals or going public.¹²⁶ In many transactions involving public companies, bankers assist the company through a myriad of roles. Not only can they locate potential mergers or sales counterparties, but they are also critical in the valuation process for pricing a transaction. Often bankers provide fairness opinion letters that set forth the advisor's judgment regarding whether the consideration to be paid or received in a deal is “fair” from a financial point of view to shareholders.¹²⁷ Bankers also assist in negotiations and often help close the deal.¹²⁸

Corporate law, and in particular Delaware law,¹²⁹ has long recognized the critical and varied roles that bankers can play in transactions. Corporate directors are allowed to rely, in good faith, on advisors when managing the firm.¹³⁰ Investment bankers have at times

125. HILL & PAINTER, *supra* note 14, at 10.

126. Empirical studies suggest that investment bankers add value in initial public offering. See Johannes Kolb, *Do Investment Banks Create Value for Their Clients? Empirical Evidence from European Acquisitions*, 25 EUR. FIN. MGMT. 80, 84 (2019).

127. Steven M. Davidoff Solomon, *Fairness Opinions*, 55 AM. U. L. REV. 1557, 1558 (2006); see also Bernard Black & Reinier Kraakman, *Delaware's Takeover Law: The Uncertain Search for Hidden Value*, 96 NW. U. L. REV. 521, 555–57 (2002) (criticizing both banker opinions for their “doubtful” value).

128. See Marsha Lewis, *The Ultimate Guide to Investment Banking M&A*, DEALROOM (Nov. 13, 2021), <https://dealroom.net/blog/faq-investment-banking-m-a> [<https://perma.cc/AN99-EF79>].

129. Delaware is the leading state for U.S. corporate law and has been recognized as the national leader for new and existing companies. See ROBERTA ROMANO, *THE GENIUS OF AMERICAN CORPORATE LAW* 6–8 (1993).

130. Section 141(e) of the Delaware General Corporation Law provides that directors are

played a celebrated role in Delaware case law,¹³¹ with language from the courts that suggests that boards of directors and executives would be best served by retaining financial advisors to help them evaluate transaction values.¹³²

Despite their prevalence in the corporate transactional landscape, the role and value of financial advisors is not without controversy. Conflicts appear to be intertwined with the services provided by investment banks.¹³³ For example, scholars have argued that for M&A deals the fairness opinion process is inherently conflicted since the vast bulk of an advisor's compensation for the fairness opinion depends on completion of the transaction.¹³⁴ Not only may banker advice be tainted by contingent compensation, but also banker competitiveness—including investment banking rankings on league tables—may negatively affect the quality of banker services to clients.¹³⁵ Moreover, especially in situations where management stands to benefit from doing a deal,¹³⁶ the often close relationship between company management and financial advisors can induce advisors to recommend transactions in order to “avoid displeasing management.”¹³⁷ In addition, bankers can at times have a conflict of

fully protected in relying in good faith . . . upon such information, opinions, reports or statements presented to the corporation by any of the corporation's officers or employees . . . or by any other person as to matters the member reasonably believes are within such other person's professional or expert competence.

DEL. CODE ANN. tit. 8, § 141(e) (2020).

131. The Delaware courts are widely recognized as having an experienced and sophisticated judiciary along with well-developed corporate case law. See Matthew D. Cain & Steven M. Davidoff Solomon, *Delaware's Competitive Reach*, 9 J. EMPIRICAL L. STUD. 92, 92 (2012); William J. Moon, *Delaware's Global Competitiveness*, 106 IOWA L. REV. 1683, 1694 (2021).

132. See Davidoff Solomon, *supra* note 127, at 1598–1601.

133. See Andrew Ross Sorkin, *When a Bank Works Both Sides*, N.Y. TIMES: DEALBOOK (Apr. 8, 2007), <http://www.nytimes.com/2007/04/08/business/yourmoney/08deal.html> [<https://perma.cc/P9XN-L7XE>]; see also Andrew Tuch, *Investment Banks as Fiduciaries: Implications for Conflicts of Interest*, 29 MELB. U. L. REV. 478, 487 (2005); Bratton & Wachter, *supra* note 6, at 20–25; Tuch, *Banker Loyalty*, *supra* note 11, 1080–81, 1090–91. Even when aware of banker conflicts, clients rarely pursue legal action against their investment bankers. See Tuch, *M&A Advisor Misconduct*, *supra* note 1, at 181–82.

134. See Davidoff Solomon, *supra* note 127, at 1586–87. For an overview of banks' contingent compensation in M&A, see Afsharipour & Laster, *supra* note 7, at 456–57.

135. See Francois Derrien & Olivier Dessaint, *The Effects of Investment Bank Rankings: Evidence from M&A League Tables*, 22 REV. FINANCE 1375, 1376–79 (2018).

136. For discussion of the incentives of buyer management to enter into M&A transactions, see generally Afra Afsharipour, *A Shareholders' Put Option: Counteracting the Acquirer Overpayment Problem*, 96 MINN. L. REV. 1018, 1034–42 (2012); Afsharipour & Laster, *supra* note 7, at 453–55.

137. Tamar Frankel, *The Influence of Investment Banks on Corporate Governance*, in RESEARCH HANDBOOK ON THE ECONOMICS OF CORPORATE LAW 352, 357–58 (Claire A. Hill & Brett H. McDonnell eds., 2012); see also Anup Agrawal, Tommy Cooper, Qin Lian & Qiming Wang, *Common Advisers in Mergers and Acquisitions: Determinants and Consequences*, 56 J. L. & ECON. 691, 692 (2013) (stating that advisors have an incentive to complete deals and “deal quality can take a back seat”).

interest, with financial incentives to push corporate leaders to undertake particular decisions.¹³⁸

Recognizing these conflicts, over the last decade, the courts, particularly the influential Delaware Court of Chancery,¹³⁹ have questioned the policies, practices, and work products of investment bankers.¹⁴⁰ In case after case, courts have persistently examined the role and value of bankers, at times subjecting them to harsh criticism.¹⁴¹ For example, in *Del Monte*, the Delaware Chancery Court strongly criticized a leading investment bank for acting both as adviser to the seller and financier to the buyer, stating that the bank “secretly and selfishly manipulated the sale process to engineer a transaction that would permit [it] to obtain lucrative buy-side financing fees.”¹⁴² Similarly in *Aruba*, the Chancery Court described the various machinations of the seller’s two investment banks to get into the good graces of the buyer—the bankers “catered” to the buyer and approached “the sale process as an extended audition for [the buyer’s] business.”¹⁴³ In a few cases, investment banks have even faced shareholder claims that they have aided and abetted directors’ breach of their fiduciary duties.¹⁴⁴ Still, as Professor Tuch has explained, investment banker liability for aiding and abetting is “a narrow and highly attenuated mechanism for deterring misconduct by M&A

138. See Frankel, *supra* note 137, at 358; Tuch, *Weakening*, *supra* note 11, at 356–61. For an overview of how investment banker incentives can lead to disloyal conduct by M&A advisors, see Tuch, *M&A Advisor Misconduct*, *supra* note 1, at 183–84.

139. The Delaware Court of Chancery is at the forefront of corporate law in the United States. See generally Jill E. Fisch, *The Peculiar Role of the Delaware Courts in the Competition for Corporate Charters*, 68 U. CIN. L. REV. 1061 (2000).

140. See, e.g., *In re Del Monte Foods Co. S’holders Litig.*, 25 A.3d 813, 832 (Del. Ch. 2011) (citations omitted) (“Because of the central role played by investment banks in the evaluation, exploration, selection, and implementation of strategic alternatives, this Court has required full disclosure of investment banker compensation and potential conflicts. This Court has not stopped at disclosure, but rather has examined banker conflicts closely to determine whether they tainted the directors’ process.”).

141. See, e.g., *In re El Paso Corp. S’holder Litig.*, No. 6949-CS, 2012 WL 6057331 (Del. Ch. Dec. 3, 2012); *In re S. Peru Copper Corp. S’holder Derivative Litig.*, 30 A.3d 60 (Del. Ch. 2011); *In re Del Monte Foods Co. S’holder Litig.*, No. 6027–VCL, 2011 WL 6008590 (Del. Ch. Dec. 1, 2011); *In re Atheros Commc’ns, Inc.*, C.A. No. 6124–VCN, 2011 WL 864928 (Del. Ch. Mar. 4, 2011); *In re J.Crew Grp., Inc. S’holders Litig.*, C.A. No. 6043-CS, 2011 Del. Ch. LEXIS 207 (Del. Ch. Dec. 14, 2011).

142. *Del Monte*, 25 A.3d at 817.

143. *Verition Partners Master Fund Ltd. v. Aruba Networks, Inc.*, C.A. No. 11448-VCL, 2018 WL 922139, at *43 (Del. Ch. Feb. 15, 2018); see also Indap, *supra* note 6 (“Bankers who should have been solely focused on selling their client’s company at the highest price were instead trying to be friends with the other side, which may have led them to leave money on the table that belonged to their client.”).

144. See, e.g., *In re Rural/Metro Corp. S’holders Litig.*, 102 A.3d 205 (Del. Ch. 2014), *aff’d*, 129 A.3d 816 (Del. 2015); *Morrison v. Berry*, C.A. No. 12808-VCG, 2020 WL 2843514 (Del. Ch. June 1, 2020). For an excellent examination of banker misconduct in M&A deals and the potential for aiding and abetting claims, see Tuch, *M&A Advisor Misconduct*, *supra* note 1, at 199–210.

advisors.”¹⁴⁵ Thus, the harsh criticism from the Delaware Chancery courts provides little dissuasion for bankers to discontinue these practices.

In addition to admonishment from the courts, commentators and regulators have promoted reforms to attempt to strengthen ethical conduct by investment bankers.¹⁴⁶ Yet, changing the culture of investment banks is admittedly a daunting task. As David Zaring has noted, culture is “amorphous” and “depends on industry cooperation.”¹⁴⁷

The pervasiveness of conflicts of interest in investment banking is connected with the masculine culture of the industry. Masculinity norms influence the culture of hyper-competitive workplaces such as investment banks, impacting the power structure and hierarchies at these firms and undermining the success of women.¹⁴⁸ For example, the same financial incentives at banking that contribute to conflicts of interest, also contribute to a tournament culture that exacerbates gender disparities.¹⁴⁹ Not only do masculinity norms feed into a culture of conflicts at investment banks, but research indicates that women are punished whether they conform or refuse to adhere to such norms.¹⁵⁰ As explained by Professors Carbone, Cahn, and Levit, women face a “triple bind” where they “lose if they do not play by the same terms as the men,” but also face disproportionate punishment if they engage in the same conflicted behavior as men, and “over time become less likely to apply for such positions and thus more likely, individually and as a group, to be perceived as lacking what it takes to succeed in such environments.”¹⁵¹

B. Investment Banking’s Effects on the C-Suite

Conflicts with client interests and a culture of toxic masculinity that inhibits women’s advancement permeate investment banking. Yet there also remains a less explored aspect of the relationship between investment bankers and corporate executives—namely that banker’s self-interested

145. Tuch, *M&A Advisor Misconduct*, *supra* note 1, at 211.

146. *See, e.g., id.* at 216–18 (proposing greater industry self-regulation of banker conflicts); David Zaring, *Regulating Banking Ethics: A Toolkit*, 43 SEATTLE U. L. REV. 555, 559–60 (2020) (examining initiatives by regulators to improve the ethics of the financial industry); Gwendolyn Gordon & David Zaring, *Ethical Bankers*, 42 J. CORP. L. 559, 559 (2017) (examining efforts to develop a common set of ethical standards for bankers).

147. Zaring, *supra* note 146, at 555.

148. *See, e.g.,* Cahn, Carbone & Levit, *Gender and the Tournament*, *supra* note 16, at 445–59.

149. *See id.* at 449–72; *see also* Carbone & Black, *supra* note 100, at 478.

150. *See* Andrea C. Vial, Jaime L. Napier & Victoria L. Brescoll, *A Bed of Thorns: Female Leaders and the Self-Reinforcing Cycle of Illegitimacy*, 27 LEADERSHIP Q. 400, 400 (2016). Role congruity theory, as coined by leading social psychologist Alice Eagly, supports the notion of how masculine norms define who rises to the top of tournament like cultures. *See* Alice H. Eagly & Steven J. Karau, *Role Congruity Theory of Prejudice Toward Female Leaders*, 109 PSYCH. REV. 573, 573 (2002).

151. Carbone, Cahn & Levit, *Triple Bind*, *supra* note 101, at 1126–27.

behavior advances toxic masculinity in the C-suite and undermines inclusive corporate leadership. The WeWork saga¹⁵² is emblematic of this. Not only did WeWork's CEO, Adam Neumann, engage in unethical business conduct, but there were numerous reports—and eventually lawsuits—alleging sexism and discrimination by WeWork's senior management, including Neumann. The company's "making-the-world-a-better-place rhetoric" masked a culture in which women and people of color were marginalized, harassed, and demeaned.¹⁵³

In their book, Eliot Brown and Maureen Farrell's colorful account of Neumann's fall illustrates how investment bankers—chasing large fees and continued business with the overvalued unicorn—both enabled and funded his reckless conduct, self-interested behavior, and mismanagement of the company.¹⁵⁴ Although SoftBank Group Corporation was the biggest and most notable investor in WeWork, banking giant JPMorgan Chase ("JPMorgan") was one of Neumann's most ardent enablers.¹⁵⁵ JPMorgan, amongst other bankers, "supercharged WeWork's visions of grandeur."¹⁵⁶ For instance, JPMorgan told WeWork executives that the company's valuation could be worth between \$46 billion and \$63 billion,¹⁵⁷ painting an immensely optimistic picture and giving Neumann more confidence in his "growth-heavy, loss-heavy strategy."¹⁵⁸ Other banks, including Goldman Sachs and Morgan Stanley, served up even more astronomical valuations.¹⁵⁹ Bankers stroked Neumann's ego and Neumann himself relished having "the *top* people fawning over him."¹⁶⁰ "JPMorgan Chase,

152. For a thorough recounting of the WeWork saga, see generally Donald C. Langevoort & Hillary A. Sale, *Corporate Adolescence: Why Did "We" Not Work?*, 99 TEX. L. REV. 1347 (2021); Amy Deen Westbrook, *We(re) Working on Corporate Governance: Stakeholder Vulnerability in Unicorn Companies*, 23 U. PA. J. BUS. L. 505 (2021).

153. See BROWN & FARRELL, *supra* note 13, at 255–58; Chelsia Rose Marcius, *WeWork Employee Says She Was Demoted and Her Pay Cut Because She's a Black Woman: Suit*, N.Y. DAILY NEWS (Feb. 28, 2020), <https://www.nydailynews.com/new-york/ny-wework-employee-sues-over-racial-and-gender-discrimination-20200229-r5lmwoef6fhunkjxceddefs4-story.html> [<https://perma.cc/3WTG-YDSW>].

154. See, e.g., BROWN & FARRELL, *supra* note 13, at 120–24.

155. Andrew Ross Sorkin, *Behind WeWork Leader's Rise and Fall: A Wall St. Bank Playing Many Angles*, N.Y. TIMES: DEALBOOK (Sept. 25, 2019), <https://www.nytimes.com/2019/09/25/business/wework-jpmorgan.html> [<https://perma.cc/DE5Y-WCZ8>].

156. See Maureen Farrell & Eliot Brown, *The Money Men Who Enabled Adam Neumann and the WeWork Debacle*, WALL ST. J. (Dec. 14, 2019), <https://www.wsj.com/articles/the-money-men-who-enabled-adam-neumann-and-the-wework-debacle-11576299616> [<https://perma.cc/EY74-PF24>].

157. Eric Platt, Andrew Edgecliffe-Johnson, James Fontanella-Khan & Laura Noonan, *WeWork Turmoil Puts Spotlight on JPMorgan Chase and Goldman Sachs*, FIN. TIMES (Sept. 24, 2019), <https://www.ft.com/content/272d408e-de40-11e9-b112-9624ec9edc59> [<https://perma.cc/5UWR-Y6MC>].

158. See Farrell & Brown, *supra* note 156.

159. See Langevoort & Sale, *supra* note 152, at 1372.

160. See BROWN & FARRELL, *supra* note 13, at 123; see also Platt, Edgecliffe-Johnson, Fontanella-Khan & Noonan, *supra* note 157.

for instance, provided seemingly unconditional support for WeWork for several years, lending Neumann money and providing him with a whopping \$500-million personal credit line, along with fellow banking majors UBS and Credit Suisse.”¹⁶¹ Competition among bankers fed into the “mania” around WeWork and Neumann, as bankers vied “to win the lead role for [WeWork’s] high-profile initial public offering and earn part of the estimated \$100 million in fees.”¹⁶² Instead of curbing Neumann’s excesses and hubris, senior leaders at leading investment banks served to embolden Neumann.¹⁶³

WeWork’s executive team was dominated by a mentality that exacerbated masculinity contests. Neumann encouraged “bravado” and “executives seemed to be constantly ‘peacocking’” to impress him.¹⁶⁴ Moreover, “[n]early every top executive at the company was a man, and executive activities that involved being around Neumann tended to appeal to men, too.”¹⁶⁵ Male-bonding activities such as surfing and sitting in a sauna or an ice bath with him were consistently proposed, leaving little room for women to ascertain valuable less-formal time with Neumann outside of the office.¹⁶⁶ Women employees, including the few women executives at WeWork, were marginalized and those who complained were pushed out.

Throughout 2018—months before the company began to embark on its failed initial public offering process—several lawsuits by women executives at WeWork shed light on the company’s “frat-boy” culture.¹⁶⁷ In June 2018, Lisa Bridges, a former senior vice president at the company, filed a lawsuit in New York state court claiming she experienced gender discrimination, gender-based pay disparities, and retaliation.¹⁶⁸ Bridges

161. Samantha Barnes, *WeWork: A Precipitous Fall from Grace*, INT’L BANKER (Dec. 10, 2019), <https://internationalbanker.com/brokerage/wework-a-precipitous-fall-from-grace/> [https://perma.cc/2DCJ-LBVQ].

162. Sorkin, *supra* note 155.

163. Similarly, both investors in WeWork and members of WeWork’s board of directors created a culture that prized performances of masculinity that focused on protecting Neumann’s ego and interests and impeded effective corporate governance. See BROWN & FARRELL, *supra* note 13, at 86–89, 291–92, 315. As with most large venture-backed companies, WeWork’s board was composed exclusively of men. See Westbrook, *supra* note 152, at 533–34.

164. BROWN & FARRELL, *supra* note 13, at 254–55.

165. *Id.* at 258.

166. *Id.*

167. Shirin Ghaffary, *A Former WeWork Employee Is Suing the Company over Alleged Sexual Assaults Fueled by ‘Frat-boy Culture’*, VOX (Oct. 12, 2018), <https://www.vox.com/2018/10/12/17968668/wework-employee-sexual-assaults-lawsuit> [https://perma.cc/SQZ3-SDTV]; see also Elana Lyn Gross, *A Former WeWork Executive’s Complaint Alleges a Pattern of Gender Discrimination*, FORBES (Nov. 7, 2019) <https://www.forbes.com/sites/elanagross/2019/11/07/a-former-wework-executives-complaint-alleges-a-pattern-of-gender-discrimination/?sh=41785b75110a> [https://perma.cc/U8QV-XM59].

168. See *id.*

coordinated a study in October 2018 that revealed the stark pay gap between men and women at WeWork.¹⁶⁹ Bridges' study found that when fifty-eight WeWork executives were given generous new compensation packages, the recipients were almost exclusively men.¹⁷⁰ When Bridges raised the issue, she was eventually put on leave and then fired.¹⁷¹ In October 2018, Ruby Anaya, the former director of culture and then-present director of product management, also filed a lawsuit against WeWork and its cofounder in New York state court.¹⁷² Anaya claimed that she was sexually assaulted on two occasions by male WeWork employees and that she experienced retaliation when she took issue with the company's response.¹⁷³ Not only was Anaya fired, but she was also harassed by executive-level employees after news of her lawsuit became public.¹⁷⁴ Neumann personally urged WeWork's cofounder to send a decisive message in response to Anaya's filing, which resulted in the co-founder circulating a letter to all the company's employees, attacking Anaya.¹⁷⁵

Neumann himself also faced claims of gender discrimination.¹⁷⁶ In October 2019, soon after WeWork filed its IPO documents, Medina Bardhi, Neumann's previous chief of staff, filed a complaint with the Equal Employment Opportunity Commission, alleging that she experienced pregnancy and gender discrimination at WeWork.¹⁷⁷ The complaint claims this treatment began before her employment, when Neumann asked her "invasive and unlawful questions" during her interview, such as when she would get married and become pregnant.¹⁷⁸ Consequently, when Bardhi first became pregnant, she was nervous to tell Neumann due to his pointed interview questions.¹⁷⁹ Nonetheless, she felt "forced" to announce her pregnancy after just one month because she no

169. *See id.*

170. Troy Wolverton, *WeWork Gave Out 58 Stock Awards Worth at Least \$1 Million Each in February, and 94% of Them Went to Men, According to a Lawsuit*, BUS. INSIDER (Aug. 27, 2019), <https://www.businessinsider.com/wework-most-big-stock-grants-went-to-men-internal-study-2019-8> [<https://perma.cc/9G7W-3D7E>].

171. *See* Gross, *supra* note 167.

172. *See* Ghaffary, *supra* note 167.

173. *See* Gross, *supra* note 167.

174. *See* BROWN & FARRELL, *supra* note 13, at 257.

175. *Id.*

176. *See* Gross, *supra* note 167. Venture capital investors appear unfazed by the many reports of Neumann's conduct and debacle at WeWork. In August 2022, Andreessen Horowitz, a prominent Silicon Valley venture capital firm, reportedly invested \$350 million in Neuman's newest business venture. *See* Andrew Ross Sorkin, *Adam Neumann's New Company Gets a Big Check from Andreessen Horowitz*, N.Y. TIMES: DEALBOOK (Aug. 15, 2022), <https://www.nytimes.com/2022/08/15/business/dealbook/adam-neumann-wework-startup.html> [<https://perma.cc/3AWC-6UUJ>].

177. Gross, *supra* note 167.

178. *Id.*

179. *Id.*

longer felt comfortable accompanying Neumann on business trips “due to his penchant for bringing marijuana on chartered flights and smoking it throughout the flight while in the enclosed cabin.”¹⁸⁰ What followed was a pattern of discrimination.¹⁸¹ Neumann and the other executives referred to Bardhi’s parental leave as a “‘retirement,’ a ‘vacation’ and a ‘problem.’”¹⁸² Ultimately, Bardhi was terminated just over six months after her return from her second pregnancy.¹⁸³

Like Bridges and Anaya, Bardhi described a toxic work environment “in which female employees are demeaned for taking maternity leave, excessive alcohol consumption fuels offensive sexual conduct towards women, and where it is common for women to be paid less than their male colleagues in the same or similar roles (despite often being more qualified).”¹⁸⁴

There is little indication that bankers—who likely during their due diligence process in connection with the IPO were made aware of the suits alleging gender discrimination at the highest levels of the company—expressed any concern about WeWork and Neumann’s treatment of women.¹⁸⁵ And when—facing a collapsing IPO—Neumann’s bankers did begin to express concerns with Neumann’s excessive partying at work, no concern was directed towards the company’s gender discrimination or how Neumann’s excesses perpetuated a toxic environment for women at WeWork.¹⁸⁶

Shockingly, WeWork’s investment bankers were not functioning in a manner atypical to others in the industry. Bankers had similarly indulged other founder CEOs known for having created a culture rife with discrimination and sexual harassment.¹⁸⁷ So long as the prospects of large

180. See Letter from Douglas H. Wigdor to Electra Yourke, Equal Employment Opportunity Commission 9 (Oct. 13, 2019), <http://www.wigdorlaw.com/wp-content/uploads/2019/10/Bardhi-v.-WeWork-Filed.pdf> [<https://perma.cc/KC78-QG2S>] [hereinafter Wigdor Letter].

181. See David Yaffe-Bellany, *WeWork’s Ousted C.E.O. Adam Neumann Is Accused of Pregnancy Discrimination*, N.Y. TIMES (Oct. 31, 2019), <https://www.nytimes.com/2019/10/31/business/wework-neumann-discrimination-complaint.html> [<https://perma.cc/W4WJ-2BZW>].

182. Sarah Green Carmichael, *News Analysis: Gender Bias Turned Out to Be a Wonderful Indicator of WeWork’s Incompetence*, L.A. TIMES (Nov. 5, 2019), <https://www.latimes.com/business/story/2019-11-05/gender-bias-is-a-canary-in-wes-coal-mine> [<https://perma.cc/A3FJ-3WAE>].

183. Gross, *supra* note 167.

184. See Wigdor Letter, *supra* note 180, at 5.

185. Bankers and their legal counsel are frequently engaged in significant due diligence in connection with securities offerings. See generally Sung Hui Kim, *Do Lawyers Make Good Gatekeepers?*, in THE CAMBRIDGE HANDBOOK OF INVESTOR PROTECTION 283 (Arthur Laby ed., 2022).

186. For example, bankers advised Neumann to “stop smoking so much pot with WeWork’s IPO on the horizon.” REEVES WIEDEMAN, BILLION DOLLAR LOSER: THE EPIC RISE AND SPECTACULAR FALL OF ADAM NEUMANN AND WERK 297 (2020).

187. See Sridhar Natarajan, “A Lot of People Thought This Wasn’t a Good Investment”: Uber Gamble Could Result in \$858m Windfall, SYDNEY MORNING HERALD (May 7, 2019),

fees seemed imminent, Neumann’s investment bankers tolerated his well-documented “party boy” persona.¹⁸⁸ Accustomed to an industry in which sexism is common-place, WeWork’s bankers failed to see “sexual harassment, pay gaps and pregnancy discrimination as your canaries in the coal mine.”¹⁸⁹

CONCLUSION

Investment banking faces two key issues that are only recently becoming more widely recognized as society is shifting to become more conscious of the importance DEI. The first issue investment banking faces is a widely acknowledged and deeply rooted gender divide. However, disclosure and transparency remain low for investment banks. An examination of leadership at investment banks, including at the most prominent boutique investment banks, indicates that women’s success in banking remains elusive. As the hand-collected data presented in this Article shows, investment banking’s gender gap is larger than what is suggested by the industry’s public pronouncements about the value of DEI. The second issue investment banking faces is a culture and set of practices that reinforce masculine norms and perpetuate biases against women in banking. Investment banking is an industry rife with environments hostile to women, and the industry has been slow to recognize and ameliorate its gender divide issues.

These two issues have led to a lack of DEI in investment banking leadership, but they also have serious implications for the companies that rely on investment bankers as advisors in navigating important strategic decisions. Investment bankers often serve as one of the most crucial advisors to corporate executives, and the norms and divides of investment banking calibrate corporate cultures and values in the C-suite, thus enabling the continued gender gap in corporate America. Accustomed to a culture that tolerates—and even promotes—toxic masculinity, bankers

<https://www.smh.com.au/business/markets/a-lot-of-people-thought-this-wasn-t-a-good-investment-uber-gamble-could-result-in-858m-windfall-20190507-p51kpc.html> [<https://perma.cc/77BU-76MU>]; Eric Newcomer & Brad Stone, *The Fall of Travis Kalanick Was a Lot Weirder and Darker Than You Thought*, BLOOMBERG (Jan. 18, 2018), <https://www.bloomberg.com/news/features/2018-01-18/the-fall-of-travis-kalanick-was-a-lot-weirder-and-darker-than-you-thought> [<https://perma.cc/SCU7-GBBJ>]; Mike Isaac, *Inside Uber’s Aggressive, Unrestrained Workplace Culture*, N.Y. TIMES (Feb. 22, 2017), <https://www.nytimes.com/2017/02/22/technology/uber-workplace-culture.html> [<https://perma.cc/DU59-9KJU>]; Steve Blank, *When Founders Go Too Far*, HARV. BUS. REV. (Nov.–Dec. 2017), <https://hbr.org/2017/11/when-founders-go-too-far> [<https://perma.cc/JN4D-ARV2>].

188. See Allison Stewart, *The Details of WeWork’s Unraveling Are Stranger Than Fiction*, WASH. POST (July 22, 2021), https://www.washingtonpost.com/entertainment/books/wework-adam-neumann-cult-of-we-review/2021/07/22/769ea784-eaf5-11eb-8950-d73b3e93ff7f_story.html [<https://perma.cc/7XJL-ZNZA>].

189. Carmichael, *supra* note 182.

themselves may ignore and enable corporate leaders that are similarly hostile to women.

Disclosure and transparency are critical to understanding gender disparities in investment banking, and associated barriers and incentives.¹⁹⁰ For example, without accurate diversity data, stakeholders have limited opportunity to pressure investment banks to invest in fostering diversity among their leaders, and firms have fewer incentives to prioritize inclusion. Moreover, consistent discussions about the inequities that women face in investment banking, as well as how such inequities affect the services investment bankers provide to their clients, must continue to occur for meaningful change to be enacted. Without meaningful client focus on the culture, practices and makeup of the industry, investment banks face little pressure to increase the diversity of their leadership. As companies face greater pressures to address diversity in their own leadership, they should think hard about who is advising those leaders.

190. As Professor Jamillah Bowman Williams has argued, “Without information and data on workplace representation, pay equity, and best practices for promoting inclusion, it is difficult to know what problems exist and how to create effective strategies moving forward.” Jamillah Bowman Williams, *Diversity as a Trade Secret*, 107 GEO. L.J. 1685, 1723–24 (2019).