Bankers fully understand the value of data in generating business insights and making informed decisions, yet, many banks struggle to disaggregate their data by sex. Without this data, banks are missing out on key insights to assess customer behavior or measure business performance more effectively. GBA members are acutely aware of the power of Women’s Market Data and its importance in measuring program successes and improvement areas. This In Brief was compiled based on the experiences of 11 GBA members and partners as a practical guide to support banks that are looking to start disaggregating their data by sex, or those looking to improve their current practices.

This how-to guide was based on the learnings and best practices shared by GBA Women’s Market Data Working Group members. Monthly group and individual calls were held in 2015 to discuss challenges, opportunities and lessons learned around the collection and use of banking data. The GBA is grateful for the time and commitment of the Working Group members: Banco Pichincha (Ecuador), BHD León (Dominican Republic), BLC Bank (Lebanon), Banco Nacional de Costa Rica (BNCR), Centenary Bank (Uganda), Chase Bank Kenya, HBL (Pakistan), Itaú Unibanco (Brazil), TEB (Turkey), the Multilateral Investment Fund (MIF) of the Inter-American Bank (IDB) and the International Finance Corporation (IFC).

**GETTING STARTED:** Women’s Market data includes data that is disaggregated by a customer’s sex and provides meaningful insights on how a bank is serving its women customers. Many banks that have existing Women’s Market programs use this data to measure the success of the program as well as the impact the program is having on the bank’s overall standing. This data can also be helpful to those banks that do not yet have a program, as it can provide great insights on overall customer behavior and attitudes for both men and women.

Starting to capture sex-disaggregated information can seem like a big task; however, breaking down the effort into smaller steps can make this more manageable. GBA developed a 5-step process that forms a basis of a data strategy for banks to develop or strengthen their Women’s Market data.

1. **IDENTIFY NEEDS AND SET DEFINITIONS**

   Most banks begin the data process by identifying the data points that will best measure program objectives (data needs). To do this, they perform a gap analysis to understand which data is currently tracked, and where there are gaps in measurement and why.

   Based on the collective experience of its members, GBA developed a Women’s Market scorecard that includes several key areas that
holistically measure the success of a Women’s Market program. Mapping a bank’s data availability in each of these areas is a good starting point to measure gaps. Overall GBA member data availability is highlighted above as reported to the Women’s Market Data Working Group.

Once gaps are determined, banks must then work on establishing definitions of what constitutes a woman customer. Setting a definition for an individual woman customer may seem simple, but there are a few complications that banks need to consider. For instance, many banks are only able to tag data by product and not by customer. Hence, sex information can only be analyzed by account, and double counting of customers may occur if, for example, customers with two products or more are not recognized as the same customer.

Joint accounts add complexity, as it is difficult to determine who ultimately uses the account. Westpac in Australia includes only female primary account holders when measuring their Women’s Market program, but in some contexts, ensuring that the primary account owner actually has control of the account can be a challenge. HBL in Pakistan conducts audits of a random sample of customers to verify ultimate control and ownership.

The most complex task can be in defining women-owned small and medium enterprises (SMEs). Given the differences in markets and cultural contexts, there is currently no established global definition for women-owned businesses or what constitutes an SME. The IFC has developed a definition for its Banking on Women program that is increasingly accepted as the industry standard for “women owned.” The IFC defines a women-owned enterprise as a firm with:

- $\geq 51.0$ percent ownership/stake by a woman/women or
- $\geq 20.0$ percent ownership by a woman/women AND $\geq 1$ woman in senior

<table>
<thead>
<tr>
<th>Area</th>
<th>Definition</th>
<th>% member availability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Access</td>
<td>The reach of the program, program uptake and customer acquisition across time</td>
<td>Day 1 metric</td>
</tr>
<tr>
<td>Usage</td>
<td>The actual credit, savings, insurance, and other product uptake by women customers</td>
<td>Day 1 metric</td>
</tr>
<tr>
<td>Profitability</td>
<td>The revenue and profit generated by women customers</td>
<td>40%</td>
</tr>
<tr>
<td>Risk</td>
<td>The rate of non-performing loans among women customers</td>
<td>90%</td>
</tr>
<tr>
<td>Engagement</td>
<td>The level of loyalty, brand awareness, and/or engagement with the bank of women customers</td>
<td>40%</td>
</tr>
<tr>
<td>Non Financial Services</td>
<td>The performance and impact of engagement events or services for women</td>
<td>50%</td>
</tr>
<tr>
<td>Internal Diversity</td>
<td>The internal gender diversity within the bank</td>
<td>100%</td>
</tr>
</tbody>
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The Power of Women’s Market Data: A How-to Guide
management, with \( \geq 30.0 \) percent of the board of directors being women (where a board exists).

Many GBA Data Practitioner Group members use this definition, in some cases in a modified form. BNCR, for example, considers a business woman owned if it is both more than 50 percent owned by a woman and is managed by a woman. BHD León looks at the sex of the owner with the largest number of shares, as it is possible to have less than 50 percent ownership but still have majority control over a company. Ultimately, it is important that the definition a bank decides on is applied consistently across the organization.

**BHD León found that a majority of its individual customers were actually informal businesses.** Because most of those businesses were not allocated a dedicated Relationship Manager, as they did not fit a strict SME definition, it was difficult to determine whether the businesses were actually women owned. BHD developed an algorithm based on a number of external and internal variables, such as earnings, transactions, and loans with other institutions. The algorithm allows BHD to segment individuals (consumers) and businesses (business owners) more accurately and to categorize them as women customers or not.

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### 2. DATA PLANNING

Once data needs are established and definitions agreed upon, a data plan must be developed to design key metrics. The data plan must go hand-in-hand with an internal alignment strategy to ensure there is buy-in across the organization — and in particular at the senior level.

Many banks do not spend much time thinking about the intent of a particular metric, but only use them based on convention. It is important to design metrics that are not only feasible to collect, but also meaningful and relevant for decision-making.

GBA banks found that a two-phased approach was helpful in designing metrics: first identifying the minimum necessary metrics that are needed to be tracked from day 1, and then “nice-to-have” metrics that will enhance efforts but are not immediately necessary. Each organization needs to determine which metrics fall under each level, depending on program objectives.
and/or system challenges. Below are sample metrics that are considered critical from Day 1 by many of our members:

- # of men and women customers
- # of credit accounts, credit portfolio by sex
- # of savings accounts, total deposits by sex
- Non-performing loans, by sex
- % of staff and management that are women

Many institutions may also be required to report their data to external stakeholders like International Finance Institutions (IFIs), or government authorities. These requirements can vary widely from organization to organization, and should be taken into account when determining which metrics to use and what to measure.

The GBA scorecard includes the main metrics GBA members use to measure the success of their programs.

A second consideration in the data planning stage is ensuring key bank stakeholders across the organization are onboard. It is essential to include senior management in this process and build their buy-in from the start. Senior-level managers set the tone for the entire organization; their backing of a women’s program can inspire staff at every level of an institution to champion it, making a program easier to embed in an organization. Bank executives need to understand the value of Women’s Market data in providing key insights on customer behavior and helping a bank become a customer-centric institution.
3. SYSTEMS AND PROCESSES INTEGRATION

The results of the gap analysis and data plan will determine the adaptations that are necessary in the bank’s systems and internal processes. Working closely with the IT department is critical in ensuring the right modifications are implemented. Some banks in the Working Group were able to repurpose fields that were not in use in their existing Management Information Systems (MIS), while others could fairly easily add additional fields to collect data on the sex of the individual or business owner. Some banks integrate Customer Relationship Management (CRM) systems with the core banking system, which greatly facilitates the extraction and use of sex-disaggregated data. However, for many, adapting the MIS has been more difficult and costly, requiring an overhaul of the system.

Processes for classifying, verifying and monitoring sex-disaggregated data should also be adapted. Collecting data on new individual accounts will be fairly straightforward in most cases; however, the process for classifying the sex of new customers should fit within existing bank procedures for account opening (for instance, ensuring that the information from a loan application is consistent with the fields in the MIS). Quality controls are also essential. Banks can establish a customer verification policy requiring staff to explicitly document the sex of any new account holder and/or provide the national ID number. GBA members report that more stringent Know Your Customer (KYC) requirements have ensured stronger quality of demographic information; however, at the same time, KYC requirements may disproportionately affect women’s ability to open accounts, as they may not have the documentation that is required. This is something that must be considered, particularly if the institution is seeking to bank the unbanked.

Extracting gender information for more than 40 million customers could pose a significant challenge. Itaú Unibanco, however, found it fairly easy to determine the sex of account holders by using their government-issued ID number, which is required to open an account. However, the bank has a separate system for business banking, and collecting sex-disaggregated data across all segments of the bank on a consistent basis has proven a challenge. As part of the bank’s customer-centric strategy, there are current efforts to aggregate all customer data from different areas of the bank, including sex, to create individual profiles of all customers across products.

TEB found that due to a 1960s law promoting multi-shareholder companies, many business accounts’ registered shareholders included female family members who were not necessarily involved in or had no control over the company. This made verifying the actual ownership of the business very difficult. Ensuring that the branch sales force understood the importance of verifying account ownership and management was key.
Business account classification is more complex. Specific ownership share may not be required to be input into the system, which may result in limited ability to verify. Moreover, all businesses are subject to changes in ownership — particularly as they grow.

Controls must be in place to validate the accuracy of initial data collected and then to track any changes in business ownership or control over time. Banks can require that formal business registration documents listing all business owners and the share owned be provided to the bank on an annual or bi-annual basis. In many cases, bank relationship managers are required to assess whether the business is actually run by a woman in practice and not just on paper.

**4. DATA CAPTURE**

The data collection process can be divided into two phases: first, a baseline must be established to determine the current state of women customers at the bank. Identifying the sex of existing account holders can be time consuming, particularly so for business accounts, if this has not been done in the past. GBA banks in the Data Practitioner Working Group have used a variety of methods to mine existing data to establish a customer’s sex. In some countries, national ID cards are required to open accounts at financial institutions, which can be used to determine the sex of the primary account holder — whether a business or individual account. Where this is not the case, banks may be able to tag accounts as male or female based on the first name or the appellation or title of the primary account holder, or leverage relationship managers’
knowledge of their customers. Where there is limited time or budget, banks can also take a sample of primary account holder data to determine the sex split of customers and extrapolate from this.

The second phase is collecting the data going forward. As there will inevitably be new fields that need to be tagged (e.g. ownership of a small business by sex), a cultural change that normalizes the need for gender data across the organization is important. Ongoing staff training, provision of materials to employees on the value of Women’s Market data, and specific guidance on definitions to support the consistent interpretation of data points are methods GBA member banks have found useful. Setting targets and/or incentive systems that tie staff performance to targets for the Women’s Market program can also help in facilitating buy-in.

Many GBA banks also support their Women’s Market data initiatives with regular visits from program champions to branches to promote the potential of the Women’s Market and reinforce the importance of increasing female accounts at the bank.

HBL incentivized its field staff by implementing a Key Performance Indicator (KPI) structure that doubled the points earned when a woman opens an account (1 woman-owned account = 2 KPIs). The bank also assigned 19 Business Development Managers across 19 regions as Women Champions, who coordinate with branches country-wide on this initiative.

5. DATA ANALYSIS AND USE

Data is not the ultimate goal of this process — information is. Mining, analyzing and using the data to inform decision making is a key last step that is sometimes overlooked. Many Working Group members considered this one of the primary challenges in the data process. Although the data is available, in many cases extraction has to be done manually, and getting it on a consistent basis can be burdensome. Ensuring the automation of data extraction can be helpful, as can be establishing a regular schedule with the IT department for its production.

Some GBA members have established dashboards that aggregate Women’s Market datasets into an easily accessible platform. These Scorecards can be produced on a monthly or quarterly basis, aggregating data from individual RMs up to a branch and regional level, as well as by product and segment to measure performance versus targets. Just under half of GBA Data Working Group member banks also use the data to estimate the Return on Investment of the program as well as the portfolio Return on Assets, which yield powerful figures to build the business case.
The Power of Women’s Market Data: A How-to Guide

Sex disaggregating customer data is the first step to building a solid business case for a Women’s Market program. Women’s Market data measures program strengths and improvement areas, deepens the understanding of women’s behavior, and makes clearer what a bank can do to drive uptake. Banks that have been able to successfully embed a culture of gender data and consistently generate this data are also those that have driven success of their programs.

DOS AND DON’TS

Do: Sex-disaggregate data from day one of program implementation
Do: Set minimum essential indicators to measure
Do: Establish a baseline

Don’t: Ignore the need to get staff on board with the program
Don’t: Underestimate the time and effort required to update IT systems
Don’t: Forget that data is only as good as what you do with it

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For information on joining the Global Banking Alliance for Women, including downloadable application forms, please visit gbaforwomen.org

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540 President Street | Brooklyn NY 11215