nicsa | Diversity Project NORTH AMERICA

2025/2026

DPNA Perception Study

STAYING THE COURSE

Advancing a Future-Ready Asset & Wealth Management Industry

nicsa | Diversity Project NORTH AMERICA

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NICSA PRESIDENT'S LETTER

The conversation around diversity and inclusion continues to evolve—and so must our collective efforts. Since our last Perception Study in 2023, cultural and political landscapes have shifted. However, since we began our journey with the Diversity Project North America (DPNA) initiative over seven years ago, one truth remains constant:

Cultivating exceptional talent, fostering a culture of inclusion, and advancing diverse perspectives have been cornerstones of innovation, resilience, and long-term success for our industry.

With the unique ability to convene cross-industry collaboration, Nicsa's Diversity Project North America continues to demonstrate that by working together, we can drive meaningful change.

For over five years, the DPNA Perception Study has tracked industry sentiment and measured progress across key areas—including inclusive leadership, talent development, hiring and retention, and corporate culture. This year's results underscore both the progress achieved and the gaps that remain. While optimism and commitment persist, firms are grappling with the complexities of sustaining momentum in a rapidly changing environment.

That is why collaboration has never been more vital. The insights in this report reflect not only the voices of survey respondents but also the perspectives shared through roundtables, committees, and leadership dialogues. Together, these conversations highlight opportunities to recommit, reframe, and reinforce diversity and inclusion as enduring business imperatives.

I want to thank our founding firms, who have been instrumental in shaping this effort since the beginning; each member firm that remains actively engaged; and the volunteers on our DPNA Perception Study Committee, who distilled the key findings in this report.

As we look toward 2026, I am encouraged by the collective will of our community, the dedication of our leadership, and the energy of our countless volunteers. Each plays a role in ensuring our industry is future ready.

By continuing to learn from one another, embrace different perspectives, and champion inclusive workplaces, we can build an industry that is stronger, more innovative, and more responsive to the diverse needs of our industry and the investors we all serve.

With appreciation,

Jim Fitzpatrick
President & CEO, Nicsa

EXECUTIVE SUMMARY

In 2025, the wealth and asset management industry continues to navigate a landscape marked by economic headwinds, evolving workforce dynamics and challenging market conditions. At the same time, the broader environment for diversity and inclusion initiatives has become more complex. Recent political developments and executive actions at both the federal and state levels have introduced new scrutiny and regulatory considerations for these initiatives. These shifts have prompted many organizations to balance legal compliance with the ongoing imperative to advance equitable workplace practices.

Amid this uncertainty, this year's survey reveals significant perception gaps regarding the effectiveness of initiatives aimed at fostering belonging and inclusion. As organizations strive to maintain momentum in their efforts to cultivate an inclusive workplace culture, these disparate perceptions underscore the need for leaders to engage authentically with employees, translating their commitments into meaningful experiences.

The survey also uncovers several significant findings that reflect the current state of inclusion efforts as competition for top talent accelerates. Key among these are the importance of visible leadership in setting the tone for inclusion, the need for comprehensive career development opportunities, the imperative to evolve retention practices, and the critical role of fostering an inclusive corporate culture. These themes highlight the need for organizations to not only attract diverse talent but also to create an environment where all employees feel valued and empowered to thrive.

Our findings focus on four key takeaways:

1. **Industry leaders should set the tone from the top through visible leadership.**

   The survey indicates a significant perception gap, with executives feeling more successful in advancing inclusiveness initiatives than staff. In times of uncertainty, it is essential for leaders to reaffirm their commitment to fostering belonging and inclusion. To bridge this gap, leaders must engage in transparent communication and actively participate in employee resource groups (ERGs) to demonstrate their commitment.

2. **Career development should include a full spectrum of growth opportunities at every stage of the professional journey.**

   The survey reveals that only a third of respondents feel their organizations are successful in providing career development opportunities for diverse groups. Organizations must therefore reimagine career development beyond traditional upward mobility to empower employees at all levels. They should also consider offering alternative pathways for growth, including mentorship and sponsorship programs, to empower employees to navigate their careers with confidence.

3. **Attracting diverse talent isn't enough; the industry also needs to evolve its retention practices.**

   While the industry recognizes the importance of belonging and inclusion, retention remains a challenge. Our research shows that only half of respondents believe their organizations are successful in retaining diverse talent. To address this sentiment, firms must focus on creating inclusive environments that foster a sense of belonging and provide clear pathways for advancement, ensuring that diverse employees feel valued and supported.

4. **Fostering an inclusive corporate culture remains a differentiator in cultivating a sense of safety and belonging for employees from diverse backgrounds.**

   The commitment to creating a safe and inclusive workplace is more critical than ever. The survey indicates a decline in the perception of organizational commitment to psychological safety, with only a third of respondents feeling their organizations are very committed. To counter this trend, organizations should invest in employee-driven communities and allyship initiatives that empower employees to voice their experiences and contribute to a culture of inclusion.

1 INDUSTRY LEADERS SHOULD SET THE TONE FROM THE TOP THROUGH VISIBLE LEADERSHIP.

In times of uncertainty, it is more important than ever for industry leaders to reaffirm their commitment to fostering belonging, inclusion, and equal opportunity across diverse employee groups. Clear, transparent communication and meaningful engagement are essential to sustaining momentum and reinforcing the perception — and reality — of progress.

Forty-nine percent of this year's survey respondents indicate that the industry is "somewhat successful" in advancing initiatives related to belonging, inclusion, and equal opportunity for diverse groups of employees over the past year, while 28% felt that the industry was "not successful at all" in these endeavors **(fig a)**. Among the executive-level survey participants, the percentage of those who feel that the industry is "somewhat successful" rose from 63% in 2023 to 71% in 2025.

2025
49%
of respondents felt the industry was "somewhat successful" in advancing initiatives related to belonging, inclusion, and equal opportunity for diverse groups of employees over the last year

2023
58%
of respondents held the same sentiment of "somewhat successful"

2021
50%
of respondents held the same sentiment of "somewhat successful"

(FIG. A)

This response rate contrasts with that of the staff-level ranks, where sentiment has decreased with only 46% of staff respondents believing the industry was "somewhat successful" compared to 54% in 2023. This distinction highlights a gap in perception, with executives and staff often defining progress in different ways. In a challenging environment, leadership may be particularly likely to view success as sustaining momentum despite external pressures, preserving infrastructure such as employee resource groups (ERGs) while also safeguarding the organization and its people through risk management and compliance efforts. For employees, however, success is often measured by their perceptions and experiences. When organizations fail to demonstrate their commitment, what was once celebrated may feel lacking, and that silence can carry its own message.

To close this perception gap, **industry leaders need to communicate their commitment with intention, providing updates on the organization's strategic direction** regarding belonging, inclusion, and equal opportunity for diverse groups of employees. Clarifying what this means for employees is crucial. Additionally, industry leaders should **establish structured forums for employee feedback,** providing clear opportunities for staff to share insights on how leadership can enhance the overall employee experience. Leaders should seek to **actively communicate the progress** made toward advancing the organization's strategic goals and objectives, as closing the perception gap requires active monitoring and reporting of advancements.

Fifty-three percent of this year's survey respondents say that they are "very comfortable" with participating in initiatives related to belonging, inclusion, and equal opportunity for diverse groups of employees **(fig b).** This sentiment has improved since the 2023 survey, which saw 48% feeling "very comfortable." Among the ranks surveyed, executive-level employees have shown the most significant drop in comfort, with 48% being very comfortable in 2025 vs. 61% in 2023. This decline may stem from the increased pressure that executives and senior leaders face to balance compliance, accountability, and the protection of their organizations against potential risks in the current environment.

2025

53%
of respondents felt “very comfortable” participating in initiatives related to belonging, inclusion, and equal opportunity for diverse groups of employees

32%
say they are “comfortable”

2023

48%
of respondents held the same sentiment of “very comfortable”

33%
of respondents held the same sentiment of “comfortable”

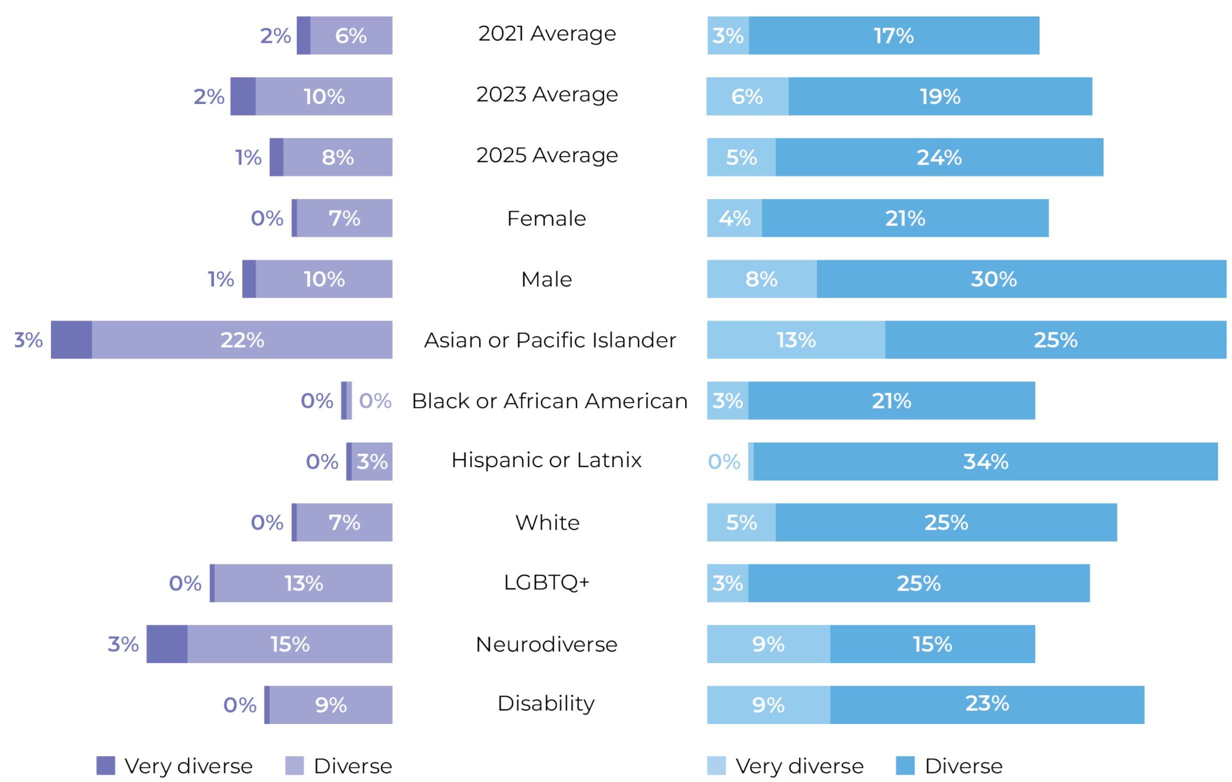
(FIG. B)

Despite these challenges, communicating authentically with employees can help companies convey that leadership is committed to advancing belonging, inclusion, and equal opportunity for diverse groups of employees. **It is essential for leadership to engage with and understand the day-to-day experiences of their employees.** For example, when executive leaders actively participate in ERG network events, it signals their commitment, builds confidence, and fosters psychological safety by demonstrating that they are true partners in advancing these values.

The survey also uncovered differences in perception when participants were asked how they would describe the diversity of leadership within today’s industry. Only 1% of respondents describe the industry’s current leadership as “very diverse,” and just 8% say it is “diverse” **(fig c)**. At 9%, this combined sentiment is 3% lower than that seen in 2023, when 12% of respondents indicated “very diverse” or “diverse.” Additionally, it is a 1% improvement from the 8% response rate in 2021.

There are also gaps in perception along gender lines, with 48% of women describing the industry’s leadership as “not diverse at all” compared to only 34% of men — a 14% discrepancy in perception. This difference may arise from the longstanding overrepresentation of men in the industry, which shapes perceptions that align more closely with the norms and lived experiences of that demographic. By contrast, women may be more attuned to the perception gap regarding industry diversity given their experiences navigating a male-dominated sector. As such, **leaders should recognize that perceptions can vary across the organization and take intentional steps to enhance workforce diversity.**

PERCEPTIONS OF DIVERSITY AMONG INDUSTRY (LEFT) AND ORGANIZATIONAL LEADERSHIP (RIGHT) CONTINUES TO DIFFER ACROSS DEMOGRAPHIC GROUPS



(FIG. C)

Gaps in perception also exist between executive-level respondents and those who work in middle management, with only 35% of executive respondents indicating that the industry's leadership is "not diverse at all" compared to 50% of middle management respondents. This difference constitutes a 15% discrepancy in perception and is perhaps due to the fact that middle management often has the closest view of the systemic bottlenecks that can hinder the advancement of diverse and underrepresented groups. Yet, employees at the middle management rank are often referred to as the "frozen middle," feeling unempowered to execute on top-down diversity and inclusion goals. To drive meaningful progress, these employees must be actively empowered, engaged, and accountable for supporting organizational initiatives. Without their involvement, efforts to promote belonging, inclusion, and equal opportunity may remain superficial — visible in policy but absent in daily practice. Serving as a vital conduit between executives who set strategy and staff who experience its impact, **middle managers can play a critical role in translating policies into lived realities.** Their power to influence change should not be underestimated.

2025
86%
of respondents feel that a diverse leadership team is "very important" or "important" to organizational performance

2023
82%
of respondents held the same sentiment of "very important" or "important"

2021
86%
of respondents held the same sentiment of "very important" or "important"

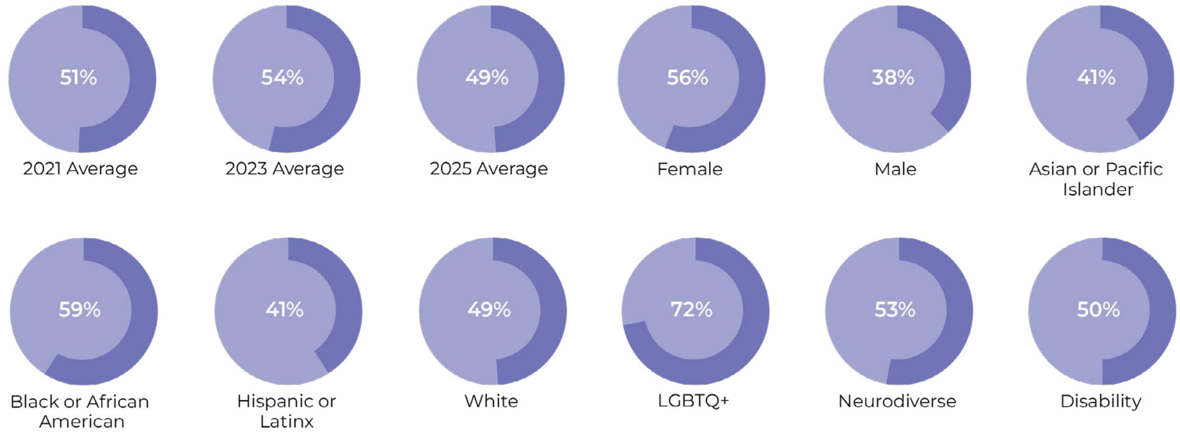
(FIG. D)

Despite these differing sentiments about the current diversity of industry leadership, 86% of this year's respondents say that a diverse leadership team is "very important" or "important" to organizational performance **(fig d)**. This perception increases to 94% among LGBTQ+ respondents, 91% among Black or African American respondents, and 90% for women respondents. Comparatively, 81% of the men we surveyed share the same sentiment, up from 73% in 2023 and 78% in 2021. These results reinforce the ongoing call from many for greater diversity in industry leadership and highlight the need for structural, sustainable progress in this area.

To achieve meaningful progress in diversifying its leadership, **the industry needs to make intentional investment in early-career pipelines** to establish a sustainable foundation for cultivating the next generation of leaders. For example, some companies are developing relationships on college and university campuses, including providing resources and insights to campus networks that serve underrepresented groups. Others have created early development pipelines through summer internships that enable students from diverse backgrounds to build crucial professional skills. To retain underrepresented talent, **the industry must provide a clear pathway to success in transitioning from internships to full-time roles**. By actively nurturing career progression, firms have the potential to build a sustainable pipeline of diverse talent.

Another leading strategy is establishing clear, transparent expectations for the promotion process so that candidates understand the requirements to succeed at the next level. **Companies should look to publish clear and measurable criteria for promotion expectations** for leadership roles. Providing these objective criteria can help mitigate the risk of unconscious bias in decision-making. In establishing promotion criteria, **organizations need to be mindful about broadening the definition of leadership success** at the highest levels to include traits that help elevate a wider range of candidates.

PERCEIVED IMPORTANCE OF DIVERSE LEADERSHIP ("VERY IMPORTANT") IN TALENT ATTRACTION AND RETENTION IS PREVALENT AMONG DIVERSE GROUPS



(FIG. E)

Building diverse representation in leadership may directly impact talent retention. This sentiment is especially prevalent among entry-level staff respondents (78%), LGBTQ+ respondents (72%), and Black or African American respondents (59%) who feel that a diverse leadership team is "very important" to attracting and retaining diverse talent. These response rates significantly exceed the average of 49% **(fig e)**. A diverse leadership team enhances underrepresented employees' sense of belonging and builds their confidence by conveying that leadership roles are attainable for them. As such, **industry leadership must continue to champion diverse perspectives within the highest levels of its workforce**, enabling underrepresented groups to feel empowered to shape the next generation of talent.

SUPPORTING QUOTES

"We're demonstrating leadership, commitment, and accountability—by giving teams the time and space to focus on it."
Industry Leader

"… we've gone into a bit of a stealth mode, where we are still doing the actions but not speaking about it as much."
Industry Leader

"This specific topic doesn't operate in a vacuum. It is operating within a larger ecosystem of sector trends — retention rates are at an all-time high, attrition is at all-time lows. As a result, everyone's HR plans are upside down."
Survey Respondent

"For organizations that were in the mushy middle, [this year] was a great opportunity for them to retreat."
Industry Leader

2 CAREER DEVELOPMENT SHOULD INCLUDE A FULL SPECTRUM OF GROWTH OPPORTUNITIES AT EVERY STAGE OF THE PROFESSIONAL JOURNEY.

Reimagining career development beyond traditional upward movement on the corporate ladder is critical to empowering employees at all stages of their careers to have meaningful experiences that support professional growth. In an environment where technological disruption and economic headwinds may limit promotion pathways, it is critical for organizations to offer alternative avenues for career development. These efforts help employees build agility to prepare for a future where roles will be reshaped and skills will be redefined.

Only 34% of this year's survey respondents report feeling that their organization is either "very successful" or "successful" at providing career development opportunities for diverse groups of employees. This response rate was the same in 2023, is a 1% increase from 2021, and represents a significant decrease from the 79% captured in 2020 **(fig f).**

2025 — **34%** of respondents felt that their organization was "successful" or "very successful" at providing career development opportunities for diverse employee

2023 — **34%** of respondents held the same sentiment of "successful" or "very successful"

2021 — **33%** of respondents held the same sentiment of "successful" or "very successful"

2020 — **79%** of respondents felt that their organizations were "successful" or "very successful" at providing these opportunities

(FIG. F)

Forty-eight percent of respondents in the 20–29 age group believe that their organization is "somewhat successful" in providing career development opportunities to employees from diverse backgrounds. This result represents an 18% increase from the 30% we recorded in 2023. At the same time, only 38% of respondents in the 30–39 age group feel the same, representing a 10% decline in perception among slightly older respondents. This decrease suggests that while development programs aimed at early career professionals are well supported, **it is also important to invest in career development for more tenured professionals within the organization** — particularly those who are navigating career plateaus and a limited number of available senior leadership roles when turnover is low. **It is important to empower mid-career professionals to upskill and reskill** as the future needs of the industry and their organization evolve.

Companies can support mid-career growth by providing opportunities that broaden skills and perspectives, such as encouraging internal mobility across departments, offering temporary cross-border assignments to build global strategic thinking, and creating tailored learning pathways that focus on upskilling and reskilling in response to emerging technologies and artificial intelligence. Above all, it is essential that employees at every level feel empowered and motivated to continue learning.

Purposeful sponsorship and mentorship programs that connect employees with senior leadership also play a key role, with mentorship programs remaining the most prominent pathway to career development opportunities. For instance, 84% of this year's survey respondents report having an opportunity to be mentored either formally or informally within their organizations, which is an increase from 80% in 2023, 81% in 2021, and 66% in 2020. This positive trending demonstrates the continued success of these programs. Asian or Pacific Islander respondents are most likely to report having opportunities to be mentored, at 97%. Additionally, 83% of respondents who identify as Black or African American, as well as 83% of those who are Hispanic or Latinx, say their organization has provided formal or informal opportunities for mentees — just one percentage point lower than the average. At 86%, female respondents came in just above the 84% average, signaling organizations' continued focus on providing opportunities for advancing female representation within the workplace.

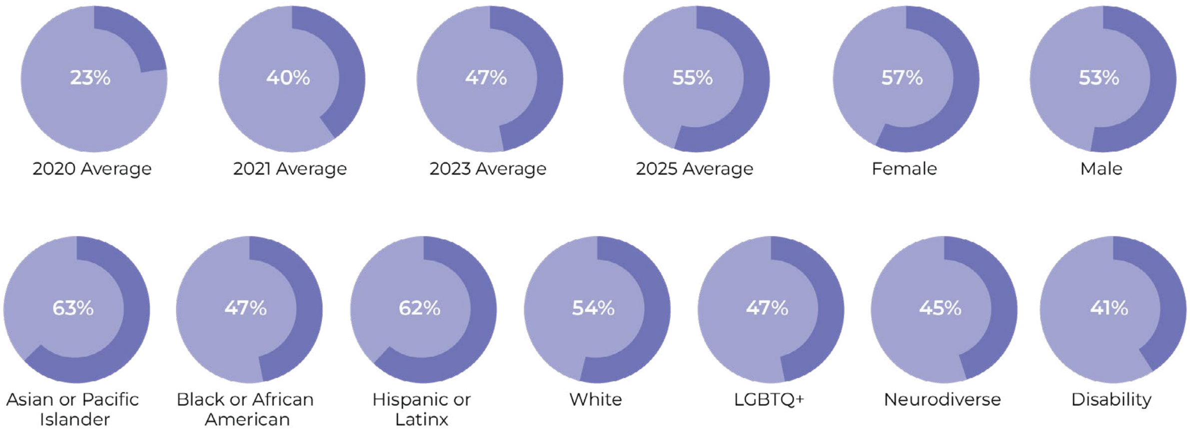
Differences in mentorship response rates across demographic groups often stem from factors such as the amount of access to mentors with shared backgrounds or experiences, as well as the availability of programming tailored to specific populations. Structural and cultural barriers can also limit the ability of historically underrepresented groups to build meaningful mentor-mentee relationships. To address these disparities, **organizations should proactively evaluate whether mentorship opportunities are equitably distributed and provide additional resources or support where needed** so that all employees can fully benefit.

When respondents were asked if they have had opportunities to serve as a mentor within their organizations, 54% answered in the affirmative in 2024, with 56% and 55% responding in kind in 2023 and 2021, respectively. Respondents who are neurodiverse (74%), respondents with disabilities (73%), and LGBTQ+ respondents (69%) all report having fewer opportunities to fill the role of mentor. These results are consistent with those seen in 2023 and 2021. They also highlight why **the industry must continue to create and expand opportunities for individuals from underrepresented groups to serve as mentors,** especially among underrepresented groups. Mentors from these diverse backgrounds can offer unique insights and perspectives, particularly for mentees who have similar lived experiences. Diverse representation in mentorship roles also conveys that leadership and influence are accessible to all groups of employees, can contribute to breaking down systemic barriers, and can reinforce a sense of belonging and inclusion for everyone.

Examples of formalized mentorship opportunities include structured programs that leverage survey data to match participants based on backgrounds, career aspirations, and areas of interest. Some firms assign junior employees a career counselor to serve as a point person for advocacy, performance, and promotion discussions. ERGs can also provide useful examples of informal mentorship programs. Oftentimes, when individuals participate in ERGs, they are able to form bonds with like-minded colleagues, which often lead the way to informal mentorship opportunities. ERGs can also provide mentorship at scale to a broader audience through activities such as career development events and panel discussions that offer unique perspectives and career advice.

At the same time, sponsorship continues to pose a greater challenge than mentorship in creating career development opportunities for diverse groups of employees. However, these opportunities seem to be improving over time. For instance, fifty-five percent of this year's survey respondents report having had an opportunity, either formally or informally, to be sponsored within their organizations. This response rate is up from 47% in 2023, 40% in 2021, and 23% in 2020 **(fig. g)**, signaling that progress has been made in this space. However, Black or African American respondents (47%), LGBTQ+ respondents (47%), neurodiverse respondents (45%), and respondents with disabilities (41%) all have lower response rates than the average. **It is critical for organizations to create and expand sponsorship pathways with intentionality** to be inclusive of high-performing talent from underrepresented groups.

SPONSORSHIP OPPORTUNITIES IMPROVED OVERALL, BUT LAG FOR SOME UNDERREPRESENTED GROUPS



(FIG. G)

Sponsorship requires influence, advocacy, and action to create career advancement opportunities for select individuals. Sponsors are often involved in staffing decisions for high-visibility initiatives and thus have the opportunity to advocate on behalf of specific individuals in performance and promotion discussions. On the other hand, mentorship is more widely available, as its focus is on providing overall career guidance and support. Sponsorship is inherently more selective due to the higher level of personal investment required and is often influenced by personal biases, such as favoring individuals from similar backgrounds with whom sponsors share affinities. Sponsorship also develops more informally from trust that has been built over time and exemplified through the successful delivery of assignments. **It is important for organizations to be cognizant of inherent bias that may be prevalent in the development of sponsorship opportunities**, as employees from underrepresented backgrounds may have fewer chances to build the relationships that lead to sponsorship. It is critical for firms to be intentional in affording underrepresented groups the same level of exposure and visibility compared to their counterparts from other groups.

It is essential for companies to support advancement opportunities that are driven by merit and performance so that sponsorship processes are equitable in nature. Examples include leveraging performance data to determine eligibility for high-visibility assignments, continuing to train leaders on unconscious bias and inclusive leadership, and creating networking opportunities that enable underrepresented groups to build relationships with potential sponsors.

By way of example, Nicsa's Diversity Project North America's Rising Star Program enables emerging diverse leaders to experience mentorship, networking, and career development opportunities. Such initiatives offer meaningful and high-profile ways for the industry to continue to celebrate and cultivate the next generation of diverse leaders, which remains instrumental to retaining top talent.

SUPPORTING QUOTES

"We need to make sure we are creating opportunity for not just top performers, but people who are curious and have a gap and are looking for a bit of an advantage. Starting with the basics of communication, networking, and engaging with others."
Industry Leader

3 ATTRACTING DIVERSE TALENT ISN'T ENOUGH; THE INDUSTRY ALSO NEEDS TO EVOLVE ITS RETENTION PRACTICES.

As organizations in the asset and wealth management industry continue to operate in an increasingly global landscape, it is a business imperative for firms to represent and reflect the diversity of the client base they serve. The industry's perceptions on this topic continue to vary widely, with 47% of this year's survey respondents indicating that a diverse workforce is "very important" to organizational performance. This response rate is lower than the 50% seen in 2023 and 53% from 2021. **(fig. h)** While most demographic groups we surveyed in 2025 place less importance on having a diverse workforce compared to 2023 and 2021, a few groups responded "very important" this year. These groups include entry-level staff (67%), Hispanic or Latinx (66%), LGBTQ+ (63%), and Black or African American (62%) respondents. White and male respondents continue to have lower response rates for "very important" compared with the average, registering at 49%, 43%, and 25% across 2021, 2023, and 2025, respectively.

2025
47% of respondents felt that a diverse workforce is "very important" to organizational performance

2023
50% of respondents held the same sentiment of "very important"

2021
53% of respondents held the same sentiment of "very important"

(FIG. H)

Similarly poor perceptions regarding organizational diversity also remain among the overall group surveyed. For example, 53% of this year's respondents report that their organization is "somewhat diverse" across all levels. This figure is identical to the 2023 response rate, a 4% decrease from the 57% we observed in 2021, and a 15% increase compared to 38% in 2020. At 14%, non-white respondents were more likely to respond "not diverse at all" when compared with the overall survey average of 8% for this response. **(fig. i)**

PERCEPTIONS OF ORGANIZATIONAL DIVERSITY ACROSS ALL LEVELS (LEFT) VS. SPECIALIZED ROLES (RIGHT)

All Levels, Somewhat diverse		Investment and Portfolio Management, Somewhat diverse
57%	2021 Average	38%
53%	2023 Average	40%
53%	2025 Average	40%
57%	Female	44%
49%	Male	34%
31%	Asian or Pacific Islander	41%
76%	Black or African American	50%
38%	Hispanic or Latnix	28%
56%	White	41%
50%	LGBTQ+	28%
53%	Neurodiverse	38%
41%	Disability	32%

(FIG. I)

When asked in 2025 about their organization's diversity across investment and portfolio management roles, 22% of respondents say it is "not diverse at all." This rate of response is a sharp increase from the 8% registered in 2023 across all levels of the workforce — a 14% gap. This difference may indicate that progress in the industry is concentrated in non-investment and non-front office functions. **It is therefore critical for firms to evaluate the makeup of their front office employees to determine whether there is an opportunity to create pathways for diverse candidates in these areas.**

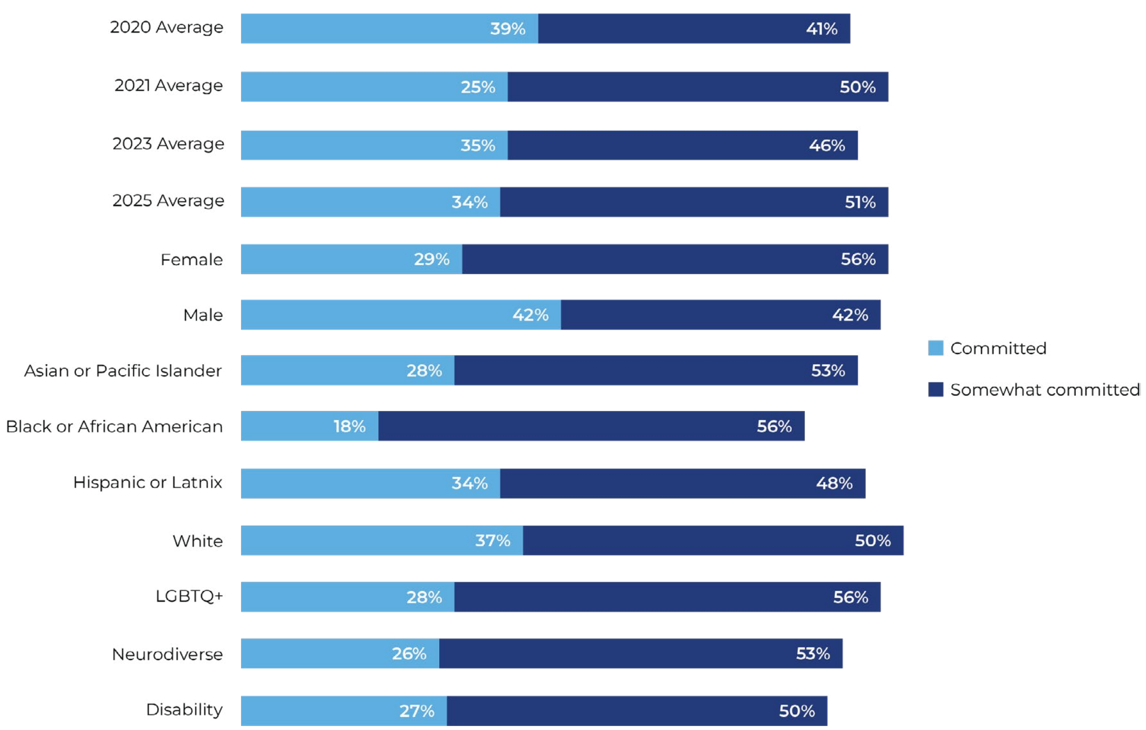
Roles in investment and portfolio management are often seen as less accessible to all talent because they are highly coveted positions with long-tenured employees and limited turnover. For some professionals from underrepresented backgrounds, access may be further limited by the lack of robust industry connections or networks that can provide early guidance on competitive career paths. To broaden access, **firms must actively work to identify and remove structural barriers that restrict entry into specialized roles (fig. i).**

Perceptions of the industry's commitment to attracting and retaining diverse talent have improved modestly in this year's survey results. When asked how committed the industry is to attracting and retaining diverse talent, 85% of respondents say that the industry is "committed" or "somewhat committed," up from 81% in 2023, 75% in 2021, and 80% in 2020 **(fig. j)**. In contrast, when asked how successful their own organization is at attracting and retaining diverse talent, only 51% of participants indicate "somewhat successful." This response rate is slightly lower than the 55% reported in 2023 and the 52% reported in 2021, but it still remains much higher than the 35% reported in 2020.

Challenges with filling leadership positions still remain, with 21% of this year's respondents feeling that their organization is "very successful" or "successful" at finding a diverse pool of candidates to fill these roles. These response rates remain relatively unchanged compared to 2021 and 2023.

Another noteworthy takeaway from this year's survey is that many respondents believe a lack of opportunities for advancement and mobility is the primary barrier to career progression not only for diverse leaders (23%) but also for other employees from diverse backgrounds (25%).

PERCEIVED COMMITMENT TO ATTRACTING AND RETAINING DIVERSE TALENT HAS IMPROVED, BUT SUCCESS IN THIS AREA LAGS



(FIG. J)

In periods of uncertainty and challenging market conditions, employees are more likely to engage in "career hugging" (i.e., holding tightly to their current roles to avoid transitions). This behavior, observed across all levels of the organization, creates bottlenecks in career advancement. For executives and senior leaders, it can result in delayed retirements and stalled succession planning, reducing the number of leadership opportunities available. For early- and mid-career professionals, it can make promotions harder to attain, especially in an environment of record-low attrition. When career progression stalls, employees may feel undervalued, which risks lowering morale, overall engagement and performance. **Amid a lack of opportunity for progression, it is important for firms to be intentional about creating pathways that don't rely solely on upward career progression**.

Key examples of this effort include developing mobility programs that allow for lateral moves across the organization to enable robust skill building, or even offering alternative career pathways for specialists and individual contributors. Similarly, providing alternatives to traditional career progression can help firms address the tendency for diverse high performers to leave the organization before reaching senior or executive roles. While organizations may succeed in hiring diverse talent at the entry level, systemic barriers often drive attrition over time. To counter this phenomenon, **firms must go beyond recruitment and place equal emphasis on retention.** Building a culture where all employees can thrive over the long term is essential, and fostering an inclusive environment is no longer optional — it is foundational to retaining top talent from diverse backgrounds.

SUPPORTING QUOTES

"Word spreads ... employees are the best marketing tool."
Industry Leader

"Retention is going to be hard if there is bias in the culture."
Industry Leader

"Expanding where talent is sourced has been instrumental in reaching broader audiences and attracting talent with more varied backgrounds."
Industry Leader

4 FOSTERING AN INCLUSIVE CORPORATE CULTURE REMAINS A DIFFERENTIATOR IN CULTIVATING A SENSE OF SAFETY AND BELONGING FOR EMPLOYEES FROM DIVERSE BACKGROUNDS.

At a time when many initiatives aimed at advancing belonging, inclusion, and equal opportunity are being scaled back, it is essential that employees continue to feel a genuine sense of psychological safety and belonging in the workplace. Now more than ever, employees from underrepresented groups need clear reassurance of their organization's steadfast commitment to inclusive values.

When asked about their organization's commitment to creating a safe environment where employees feel a sense of belonging and trust, 34% of respondents say the company is "very committed," a 4% decline from 38% in 2023 and a 16% decline from 50% in 2021 **(fig. k)**. Responses to this question varied significantly by rank. For instance, an average 45% of executive and senior leadership respondents indicate "very committed," while the response rate for middle management and staff-level employees is 28%. This 17% perception gap highlights a disconnect between how executives and senior leaders believe they are fostering a safe environment and how that commitment is actually experienced in day-to-day interactions by middle management and staff. **While leadership may have strong intentions behind their policies, practices, and initiatives, it is critical to measure their real impact and identify where adjustments are needed to close this perception gap.**

2025
34%
of respondents feel that their organization is "very committed" to creating an environment where employees feel a sense of belonging and trust

2023
38%
of respondents held the same sentiment of their organization being "very committed"

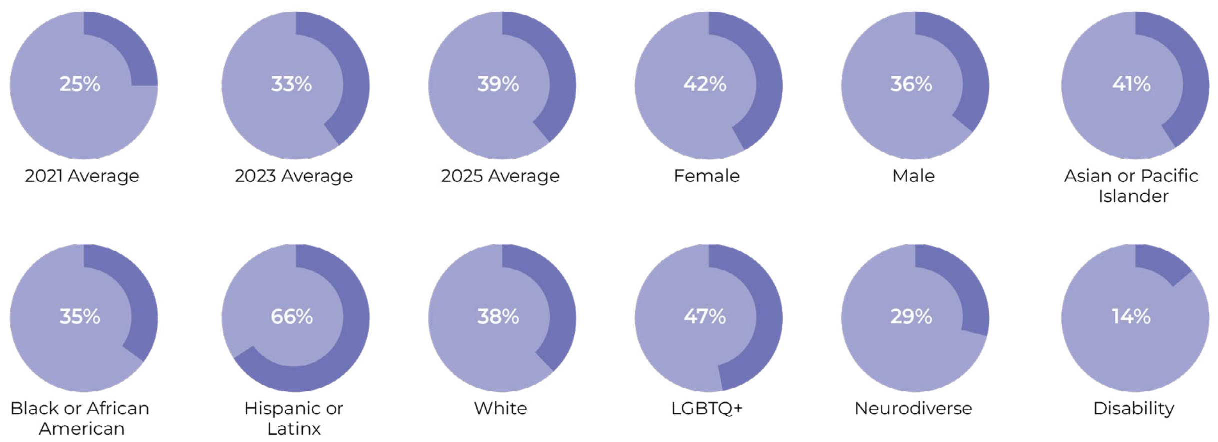
2021
50%
of respondents held the same sentiment of their organization being "very committed"

(FIG. K)

One effective strategy for fostering engagement and belonging is supporting employee-driven communities or ERGs built around shared identities, experiences, and allyship. These groups provide employees with opportunities to connect, participate, and feel welcomed by peers who understand their lived experience. When organizations invest in these communities, belonging and inclusion shift from a top-down mandate to an employee-empowered movement, where individuals take shared ownership and leadership in elevating the issues that matter most to them. Over time, these communities become trusted spaces where employees can openly express themselves, offering valuable insights that can inform organizational strategy. They also serve as networks for mentorship and sponsorship, creating authentic connections that strengthen trust, promote inclusion, and ultimately drive stronger business outcomes.

Allyship is also critically important in helping lift up and amplify the voices of those from underrepresented groups. Firms have started expanding employee-driven communities to include allies, such as networks that welcome both women and their allies. When this year's survey respondents were asked how committed their organization is to allyship, 39% of respondents indicate "committed," a 5% increase from 33% in 2023 and a 14% increase from 25% in 2021 **(fig. l)**. Encouraging a commitment to allyship fosters authentic, empathy-driven relationships, as allies actively advocate for members of underrepresented communities. **Those in positions of influence can leverage their platforms to amplify the voices and perspectives of these groups, translating grassroots initiatives into organizational actions that drive meaningful, long-term change.**

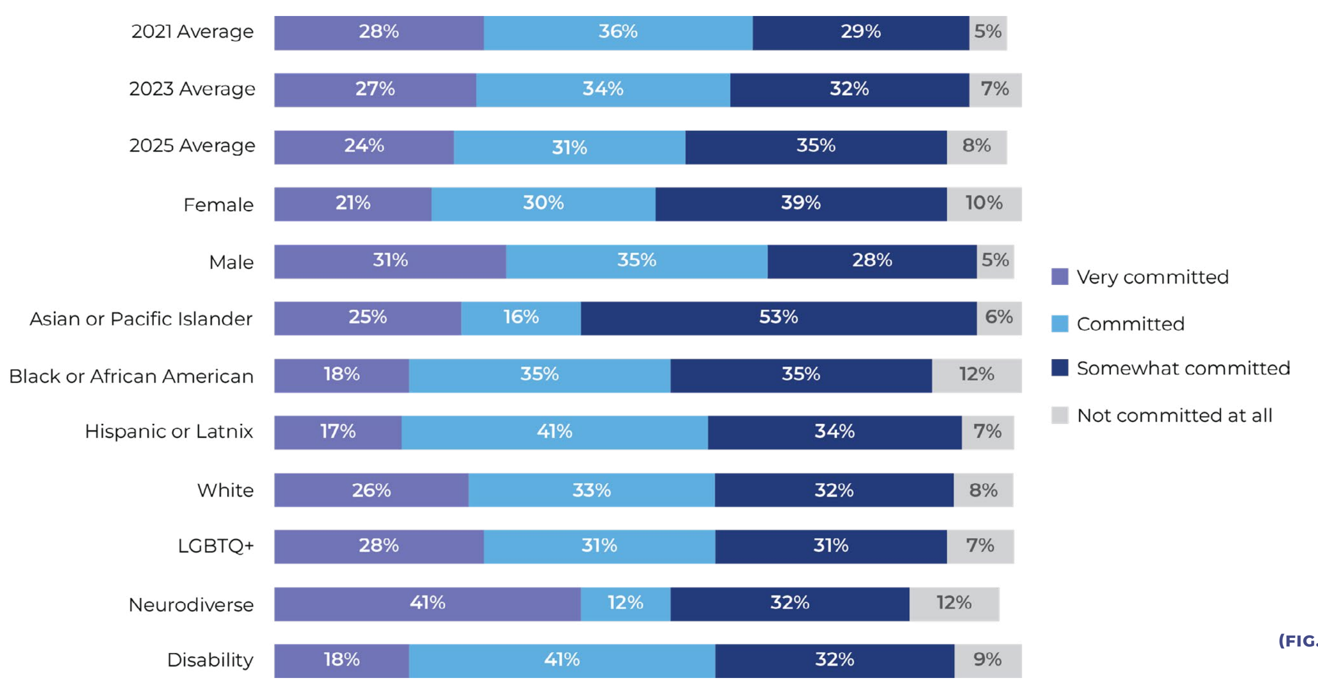
COMMITMENT TO ALLYSHIP IMPROVED OVERALL



(FIG. L)

The COVID-19 pandemic reshaped workplace flexibility norms, and its impacts continue to be felt today. When this year's survey respondents were asked about their organization's commitment to enabling a flexible working environment, only 55% indicate that their organization is "very committed" or "committed," representing a 6% decline from 61% in 2023 and a 9% decline from 64% in 2021 **(fig. m)**. There is a stark contrast between executive-level and middle management sentiment on this issue. Namely, 35% of executive-level respondents report that their company is "very committed" (well above the survey average of 24%) while just 17% of middle management respondents (18% below the survey average) respond in kind. This trend is not surprising, given that most firms in the industry have now implemented strict return-to-office policies. Companies have also begun monitoring in-office attendance and linking it to performance reviews, with non-compliance resulting in tangible consequences for employees who fail to work in-office for the requisite number of days.

ORGANIZATIONAL COMMITMENT TO ENABLING FLEXIBLE WORKING ENVIRONMENT HAS SLIGHTLY WORSENED



(FIG. M)

Workplace flexibility also yields disparate responses along gender lines. While just 51% of female respondents say their organization is “very committed” or “committed” to enabling a flexible working environment, 66% of male respondents agree — a 15% gap in perception. These responses indicate that systemic barriers can hinder the career progression of certain groups when workplace flexibility is limited. Vulnerable groups include primary caregivers, individuals with disabilities or chronic conditions, and employees facing geographic constraints. **It is therefore important for firms to assess their support and accommodation offerings to provide equal opportunities for success for all employees.**

SUPPORTING QUOTES

“The focus is on psychological safety this year because of the narrative being seen in the media around certain demographic groups … there was baggage people were bringing into the office, and so there was a desire to talk about psychological safety, being empathetic to what is happening outside the four walls of our organization.”

Industry Leader

METHODOLOGY

Nicsa's 2025 DPNA Perception Survey of the asset and wealth management industry was launched in collaboration with the Diversity Project North America Perception Study Committee. It went live in May 2025 and closed in August 2025 following Nicsa's Fearless Leadership Symposium—an annual event focused on future-proofing businesses by advancing workplace culture, championing opportunity, and empowering talent.

Data was collected from 348 respondents representing multiple firms and organization types within the industry. The survey measured the perceptions of respondents on 38 core questions across key themes such as leadership; workforce; metrics and performance; talent, hiring, and work environment; training, mentorship, and sponsorship; response and commitment. Most responses were collected based on a four-point scale (e.g., very important, important, somewhat important, or not important at all).

Additional questions gathered personal demographic data from respondents on areas such as age, racial or ethnic identity, gender identity, highest educational attainment, LGBTQ+, neurodiversity, geographic region, type of organization employed by, business unit or group within the organization, and level within the organization. Several were focused on personal demographic data related to disability, veteran status, and years of experience within the industry and current organization. At the end of the survey, respondents were given the opportunity to provide free-text commentary, some of which is featured anonymously throughout this report.

Nicsa also hosted a series of virtual roundtable sessions to gather reactions and insights from industry leaders on the perceptions captured in the survey data. Business leaders and HR executives from Nicsa DPNA member firms participated in these interactive dialogues, with anonymized quotes and examples from the discussions included throughout this report. The quantitative data collected through the survey is interpreted within the context of relevant qualitative factors, such as the roundtable commentary and other industry insights. Note that demographic segments with counts of less than 5 were deemed not statistically significant andwere omitted from the graphics and numerical result references provided within this report. However, the responses of these groups were included in analysisand were considered when determining trends and key takeaways.

Where applicable, data from our previous Perception Surveys (2020, 2021, 2023) have been provided alongside the results from 2025 for benchmarking purposes. For any questions or to receive a deeper dive into the full results set, please contact Nicsa.

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ABOUT NICSA

Nicsa is a not-for-profit trade association striving to connect all facets of the global asset and wealth management industry in order to develop, share, implement, and advance leading practices.

Member firms include asset and wealth managers, broker-dealers, custodians, and a range of professional service providers such as legal, audit, tax, tech, and compliance firms.

We serve a diverse set of professionals focused on an array of business lines including product, distribution, technology, operations, risk management, and fund and investor services.

ABOUT DPNA

In 2018, Nicsa launched the Diversity Project North America. DPNA's mission is to advance a cross-company and future-ready asset and wealth management industry by cultivating exceptional talent, fostering a culture of inclusion, and driving meaningful business results.

We offer engagement pathways through strategic **committees** that drive meaningful initiatives.

- Executive Steering Committee (Governance)
- ERG Impact Committee
- Fearless Leadership Symposium Committee (Events)
- Government & Legislative Affairs
- "Next" Practices Committee
- Perception Study Committee
- Rising Stars Committee

For more information about the Diversity Project North America,
please visit nicsa.org/dpna.