



## CLOSING THE GENDER GAP IN FINTECH



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WOMEN HAVE ALWAYS BEEN UNDERREPRESENTED IN THE BANKING

and technology sectors. These industries in Britain have given us the luxuries of the modern world, yet they are still old-fashioned with their maledominated hierarchy. From startups to global banks and large technology firms, it is time for every player in this industry to address the serious gender gap problem, take collective action and act now to shape a world with greater gender equality.

Diversity campaigns are beginning to make an impact and companies are starting to take notice of the importance of women in the workforce. Lloyds Banking Group, for example, recently announced its plans to ensure 40 per cent of the businesses 5,000 senior staff are female within the next six years. Barclays and Credit Suisse have also begun to offer diversity initiatives as well. Women are considering careers in the sector. According to a recent Randstad financial survey, for the first time in history there are more women applying for financial services jobs than men.

The technology sector –with its so-called forward-thinking vision of the future– is stuck in a time warp when it comes to female representation in the workforce. In fact, the industry is grappling with an even bigger gender gap than the banking sector. Google has revealed in its first diversity report that only 30% of its employees are women –surprising for a progressive company. At least it is far better than the average 17% that you find in most tech firms. Another study by the Centre for Economics and Business Research shows how a paucity of skilled staff in the IT sector is causing a 15% drop in output, which could be resolved by balancing the gender gap that permeates the overall industry.

How can we address this issue so that we can get the talent we need to sustain these industries, but also to accelerate the growth of the fintech sector– which combines both banking and technology and is playing a crucial role in the future prosperity of our economy?

According to the latest figures, the alternative finance sector is now valued at over £1billion, a 90% rise from 2012. Behind this growth is the fintech innovation that is helping to create new services and products that are disrupting traditional ways of banking.



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Being the world's biggest financial services epicentre, London has taken a lead to support fintech, creating accelerator spaces that bring top talent together with established technology companies and banks to foster the innovation to make finance work for everyone. There's a lot of money being invested in the sector as well. Over \$1 billion US dollars have been invested into 34,000 tech firms in London this year- and a \$200 million sovereign fund from Singapore's Infocomm Investments has recently been extended to European fintech firms too.

What would make this ecosystem better and more exciting is if we had more women involved in the future of fintech.

A global movement in addressing the gender gap across the technology industry has been gathering momentum in recent years - with government, corporations and start-ups all keen to change the ratio. Studies repeatedly show that companies with founding female members increase long-term returns, by up to 30% on average. Given the clear commercial benefits, why has this not translated into a change in numbers?

The pressing problem to highlight is not just the lack of women in senior positions at tech firms, but it is also that female spearheaded technology success stories are lesser known. The fundamental lack of female Zuckerberg equivalent figures in the media is deterring young girls from entering into the tech industry in the first instance.

However, this is all set to change. New female faces are cropping up in London's booming fintech scene. Last month, chancellor George Osborne launched Innovate Finance at Canary Wharf's Level 39, a UK trade body association that will support the next generation fintech start-ups that are disrupting traditional forms of finance. If we are to encourage young girls to seriously consider a career in technology, we need to champion the likes of Clare Flynn Levy, former hedge fund manager and current CEO of Essentia Analytics, a platform that leverages behavioural economics to help fund managers examine historical trades and to improve portfolio performance. We need to cast a spotlight on women like Julia Groves, CEO of Trillion Fund, a hugely successful crowdfunding platform for renewable energy projects. And Jan Skoyles, the CEO of the Real Asset Co, an online platform that offers access to the bullion markets. By increasing the transparency and prominence of women in technology, only then can we create a long and lasting social and cultural shift in acceptance of women in technology.

Furthermore, more initiatives are necessary to increase the take up of technical, engineering and computer science studies amongst females. A number of coding clubs focusing on women has sprung up in the past few years with this precise mission. In particular, Alice Bentinck, founder of Code First Girls, provides free coding classes, career talks and hackathons at university campuses across the UK to foster the next generation of female developers. There is also Jess Erickson, founder of Geekettes in Berlin, a community which nurtures support between women in technology, development and leadership.

Finally, and perhaps crucially, we need to give women the flexibility they need to balance their careers with other priorities in life. Remote working, part-time hours, more equality at home, can do so much to support women in their careers.