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The majority of men in fintech think it's a diverse industry. There are 2x more men than women.

A joint Innovate Finance and EY report showed there are still "significant disparities" in perceptions of diversity and inclusion in the industry.

Amelia Isaacs • 09 Jun 2022



Janine Hirt & Anita Kimber.

It comes as no surprise to see that the number of men in fintech far outweighs the number of women.

Maybe it's not even surprising to see that more women than men see the industry's current diversity and inclusion (D&I) as an issue.

According to new research conducted by [Innovate Finance](#) and consulting firm EY, there are still "significant disparities" in perceptions of diversity and inclusion within the fintech sector.

The two organisations spoke to more than 250 people from UK fintech start-ups, scale-ups, investment firms and other relevant organisations last year for its report on gender diversity and equality in the industry.

According to Tech Nation, there are currently twice as many men in the industry as there are women.

Perhaps a bigger issue though is that fintech somehow has the perception of being even more male-dominated than it actually is.

Misperceptions of the gender split

On average, survey respondents for the EY and [Innovate Finance](#) report estimated the gender split in UK fintechs to be 72 per cent men and 28 per cent women, suggesting women are not as visible as their male counterparts.

Despite this disconnect, and the perception that not even a third of the industry is made up of women, the majority of men were positive about the industry's diversity and inclusion performance to date.

This perception may make achieving gender equality more difficult, the report said.

70 per cent of male leaders think the industry is inclusive, but only 25 per cent of female leaders said the same.

Similarly, 58 per cent of male leaders said UK fintechs are diverse, whereas only 12 per cent of female leaders thought that.

There was also a potentially optimistic divide of opinions by age, with more junior female workers feeling positive about the industry's D&I efforts than senior females, and senior men being the only cohort in which over half thought fintech had achieved gender equality.

Perhaps with more aware junior men in the industry that can acknowledge the challenges facing their female counterparts, there is room for change and improvement.

"We have both felt personally inspired by the impressive female leaders we have encountered at all levels of seniority and all types of financial services organisations," [Innovate Finance](#) CEO [Janine Hirt](#) and EY EMEA business transformation leader Anita Kimber said.

"Boosting gender equality will inspire more people and prompt bolder innovation.

"Fundamentally, we believe that more women thriving in fintech will help the industry itself thrive in the future."

Diversity breeds diversity

The report found that female-founded and female-led fintechs attract a higher proportion of female workers than those that are male-founded.

It warned of the dangers of a 'leaky pipeline', however, when high potential women stop progressing in their careers.

"Positive female leaders have a powerful impact as role models and in ensuring organisations take gender equality more seriously," it said.

"Female leaders are also perceived by the survey respondents to champion more inclusive working environments."

There is a barrier for women in fintech though when it comes to capital.

Only 10 per cent of venture capital goes to female-driven fintechs in the UK, according to the 2021 Investment Landscape Report by [Innovate Finance](#).

This is despite the fact that through covid, female-founded fintechs proved to be in a better position, on average, than those founded by men — 78 per cent of female-founded fintechs had more than 18 months of cash reserves compared with just 50 per cent of their male counterparts.

Moving forward

The report concluded that the UK has a lot of work left to do to improve gender equality, but optimistically there is a solid base to work from.

They laid out suggestions for companies, including supporting female founders as they grow their businesses, and creating more inclusive working environments.

"Fintech in the UK has been an incredible success story and is vital to the future growth of the financial services sector," Hirt and Kimber said.

"While tech-enabled innovation grabs the headlines, human talent is at the heart of FinTech's astounding growth.

"Yet two years after the global pandemic, talent is scarcer than ever.

"That's why it's critical for fintechs to attract workers of all types.

"Indeed, equipping and empowering individuals to reach their full potential is precisely how the industry will fully meet its own growth potential."

With both male and female leaders citing attracting talent as their biggest management challenge, it doesn't make sense for fintechs not to be hiring more women, and to broaden their talent pool.

Despite being a burgeoning sector, fintech still has less gender diversity than the finance industry as a whole.

Hopefully, these findings are a step in the right direction towards rectifying that.

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