

Rich Thinking

*The sixth global study in the
Rich Thinking series*

How smart women are shaping the
future of the financial industry

WHITE PAPER

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About Barbara

Barbara Stewart, CFA; is a Partner and Portfolio Manager at *Cumberland Private Wealth Management*, where she works with high net worth investors, both individuals and families. At the same time, Barbara is also a researcher and writer on issues around women and financial literacy, and published the sixth installment of her *Rich Thinking* series on International Women's Day in March, 2016.

Barbara is a frequent keynote speaker at global events relating to women, money and financial literacy, participating in events across three continents: Istanbul, Toronto, Helsinki, Stockholm, Reykjavik, Luxembourg, Paris, Singapore; Copenhagen, Bucharest, Madrid, Vienna and Frankfurt. She speaks at both larger public conferences and at private corporate functions. Barbara is a frequent interview guest on TV, radio and print, both financial and general interest, as well as a former columnist both in print and online for Postmedia newspapers in Canada and the Mrs. R website.



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Welcome to the sixth white paper in the *Rich Thinking series* – I promise you are in for an exciting read!

Let's start with a quick review of the key findings from my previous years' research on women and money: 1) actions speak louder than words; 2) women learn through stories; 3) women invest in causes and concerns that matter to them; 4) smart women get started investing; and 5) women are risk aware, not risk averse.

The most important conclusion from my studies is that more women = more money! Research has proven that diversity on senior management teams and boards makes companies more profitable leading to higher share prices. Inspiring women to invest will not only lead to better liquidity, but reaching out to the increasingly influential and financially powerful female audience will equal more money across all industries.

For this year's research, I interviewed 60 female and male global leaders to uncover six themes about how smart women are shaping the future of the financial industry:

1. Finance is the new black.
2. Every industry is the financial industry.
3. Money still talks...but the conversation has changed.
4. Follow movement: behaviour drives financial outcomes.
5. The business of advice goes to extremes.
6. The joy of finance.

Some important things to keep in mind as you read the quotes...

On gender:

People use various terms when trying to talk about men and women and the differences between them: whether about their communication styles, their behaviours in the workplace or their personalities. As you read through the various quotes, I think it is important to remember that all men have at least some so-called feminine traits, and all women have at least some so-called masculine traits. On average, women tend to display more feminine behaviours and men more masculine, but all of us fit somewhere along a spectrum with a mixture of both. Everyone I spoke with acknowledged that society's categories for what are masculine and feminine qualities are broad generalizations.

In fact, as expert on gender and crime, Dr. Candace Kruttschnitt, Professor of Sociology at the University of Toronto told me, “There is more variation **within** each gender than **between** genders.” And perhaps even more importantly, “We may show different traits at different times.”

On risk tolerance and gender:

It is widely known that the broader female population tends to be underexposed to exchange-listed equities. But does under investing in equities mean that women are not financially educated, or are excessively risk averse?

NO. I can see why people might think that: there are a lot of badly designed surveys that perpetuate messages along the lines of “women don’t take risks” or “women don’t like to invest.” The surveys that lead them to those conclusions only measure risk tolerance by asking a single question: “do you have any investments in traditional equities?” The assumption is that the only reliable measure of risk tolerance (or even financial sophistication) is whether someone owns exchange traded equities instead of analysis of the overall portfolio of cash, bonds, real estate, private equity and aspirational business ventures.

To understand risk tolerance, we need to look beyond the traditional asset mix. My research has shown that women invest sizeable amounts of their investable assets outside of their portfolios because they want to invest in causes and concerns that matter to them, and think that they can’t do so through the usual stocks and bonds. The big opportunity for the financial industry is to somehow connect the dots and demonstrate to women that **a)** they understand these value preferences and then **b)** show them how they can allocate at least some of their ‘meaningful investments’ via traditional equity markets.

Given that the financial industry of today largely evolved in a time when male behaviours and traits were dominant, incorporating more behaviours and traits seen as female is both a challenge and an opportunity for financial service firms.

On diversity:

You will see this word used in many of the quotes contained in this white paper. What does diversity mean in the context of how smart women are shaping the future of the

financial industry? Some people almost look on the term in a negative way, and it has become politicised. The dictionary definition is that diversity means being composed of different elements. In a white paper on how women are changing the financial industry, it obviously is referring to gender diversity, but we might want to think about some other ways of looking at the word.

Jason Voss, Content Director for the CFA Institute in New York put it this way, “We’re talking about laws of nature here. This shouldn’t be at all controversial. When we look at an ecosystem (such as the plant and animal life in wetlands, or alpine, or desert) we consistently find that more diversity leads to a BETTER ecosystem. More diversity creates a biological environment which is more responsive, adaptive, and handles shocks or changes better. Those are great things in a habitat like the desert... they are also great things in our workplaces!

The diversity that we each have as part of our background and experience lends different perspectives and experiences and it is these differences that lead to more robust outcomes in business.”

On digital disruption across industries

This reality found a way of weaving itself into many of the interviews that I had this year across the globe. To offer a current perspective, I have included commentary courtesy of Duncan Stewart, my editor (and husband) who is a longtime expert on innovation and strategy as a venture capitalist and consultant.

As always, the most difficult part of my work is to try and capture the essence of an intense, dynamic conversation and distill it down into a static quote. Ideally you will approach reading this paper as you would enjoy a long bath. I hope that you will indulge yourself, take the time to drop into the experience and luxuriate in this year’s *Rich Thinking*.

Happy reading!

Barbara

Finance is the new black

Financial knowledge allows women to move towards meaningful work in any field that they choose. It gives them the high level view, but also allows them to drill down for deeper insights.

1

Emilia Bunea

Chief Executive Officer, Metropolitan Life
Bucharest, Romania



“My first exposure to financial education was during the time of communism. My great grandmother gave me my first ‘savings booklet’ when I was 8 or 9. Another important lesson was living through our change in regime in 2007 and a period of hyperinflation (200%.) I suddenly understood the idea that real value is different from nominal value.

My more serious interest in finance was sparked by reading the book Liar’s Poker just after the fall of communism. It was a very exciting time for me! I discovered that there are various levels of financial knowledge and each level will give you certain benefits. I was inspired to get my CFA Charter because it clearly offered a lot of advantages.

Finance has been beaten up a lot in recent years – our industry feels like the bad guys! But finance flows through the veins of most jobs and most businesses. When I am hiring for middle management jobs in my firm, we implicitly require financial knowledge. I will never accept an idea from our team that isn’t backed up by a business case. And I don’t expect people to ask for help from the finance department. You need to have a solid grasp of compounding and the basic structures of profitability.

In the future, FinTech will disrupt the existing models in our finance world. We will need players with strong financial knowledge to pair with the technology experts. Start-ups are becoming the norm and financial skills will be in great demand.”

Sharon Craggs

Managing Director, Bank ABC
Singapore



“Financial knowledge is a life skill for every person. It is particularly important for women because financial independence (which is an outcome of financial knowledge) nurtures mutual respect in a relationship. Lack of financial independence has resulted in much suffering and limited options for women. There is a saying: ‘optionality is positive.’ Acquiring financial independence allows us to create more options for ourselves, flourish and choose the life we want.

In terms of new frontiers in the financial industry, the marrying of finance with technology tools has the potential to radically disrupt the business model of established players. There is already a visible trend of fewer MBAs opting for investment banking jobs and instead being steered into the tech industry/Silicon Valley.

My advice is to acquire financial knowledge for the same reasons you would any other kind of knowledge: to learn and grow and equip yourself. So that you can manage yourself, your finances and pursue your dream career – whatever is of value to you.”

Anastasia Chodarczewicz Chief Financial Officer, Nymi Inc.
Toronto, Canada



“Even when I was quite young I was financially inclined. I thought I was an oddball in grade nine because I already knew I was going into business. At that point in my life, I didn’t ever think about the differences between men and women, most of the time I was just thinking “Screw it, I’m going to go and get what I want! ☺” To me, getting ahead meant getting what I wanted in the business world – sooner, and then being able to have the flexibility to do more of what I wanted with my life. I strongly encourage everyone to take at least one finance course because it will touch everything you do!

In most start-up businesses, there is usually only a single person on the management team who has more than a basic level of financial knowledge. And that person has a very different perspective from those in marketing, sales or other areas. We focus on the fact that we are in business to be making money. So, do we have more cash coming in or going out? Money makes the world go ‘round for both individuals and businesses – you may not need to be a financial expert but you do need to understand the basics about budgeting and managing money.”

Florentina Almajanu Director General, National Association of Insurance and Reinsurance Companies from Romania and also Managing Director of CFA Society Romania
Bucharest, Romania



“I started my career as an engineer but I decided to make the switch to the finance field twenty years ago because I was working daily with financial concepts. I strongly believe that financial studies are useful in all areas – not just in insurance. It is critical to have the ability to analyze as much as possible when making any kind of decisions in any industry.

For example, if I need to renew my mortgage, I don’t simply ask two or three banks for their best offer on a mortgage rate. Having financial knowledge allows me to think about this in a different way. I put forward a lot of questions to my banker (e.g. what is your commission embedded in this calculation?), then I go away and consider all of the costs before making my final choice.

I feel now at age 50 that it is my time to ‘give back’ to others, especially young people. I enjoy sharing my knowledge and advising others around me. I am involved with the CFA Society Romania because I consider the charterholders I have met to be very professional and ethical. It is important for our society to have such people as role models for good behaviour. I advise women to obtain a professional financial designation.”

Dafna Lorincz

Chief Operating Officer, GreenIQ
Tel Aviv, Israel



“Growing up I absorbed a lot of ‘business sense’ – my father is an industrial engineer and business man with an entrepreneurial soul. My mother drove me to be creative, independent and ambitious. We were educated to value money. We were told that money doesn’t come easily; you need to work for it and plan ahead. As a child, one of my goals was to buy myself my own TV: I worked every week and I would count my savings and think ‘you are only this far away.’ The day I bought it, I was so proud it was embarrassing! Achieving things by yourself builds ambition.

I decided to become an industrial engineer and then went on to take an MBA. I always wanted to be an entrepreneur and I felt it was important to have a basic finance education to have a good start. Then as I progressed, I realized that I needed to know as much as possible. I still don’t feel like I know enough – there are a lot of details and a lot of complexity in the worlds of investing and finance.

There are not enough women in the fields of technology or investment banking, and I wish this would change. It’s up to us (women) to change it. Starting with our children, community and we should spread it around us as much as possible. It is up to us to change how we are perceived. People think we are too critical, maybe even mean. In technology and investment banking, women appear very strong...sometimes even tough. I believe it seems that way because we look into the smallest details. I think it is in our nature – women always plan ahead and try to have ‘everything covered.’ Some say we don’t take risks because we ask so many questions whereas men are more inclined to just dive in. But women take calculated risks. Is that being too cautious? Not for me. I hate having regrets – I’d rather take my time and think things through before I make up my mind. I am confident in my decisions and I work hard not to regret my decisions and I don’t!”

Gabrielle Madé

Digital Development Lead, Attraction Images
Montreal, Canada



“I have been working in digital media since 2012, and everything has been going well... in fact, I was named one of the ‘30 under 30’ leaders of the future in Quebec by Infopresse! And I did it all with minimal financial knowledge! But as a result of my success so far, I will soon manage a small team and lead a whole project in the business I work for. I recently came to the conclusion that I don’t know much about finance; and I think I will want to acquire financial knowledge in the years to come. Being smart about digital has taken me this far, but I need financial knowledge to go further.”

Jane Barratt

Founder & Chief Executive Officer, GoldBean
New York City, USA



"I studied accounting and finance as part of my undergraduate business degree, but I only acquired real financial knowledge the hard way: both through mistakes at work and at home, and by reading until I understood key concepts. I am 100% sure that this knowledge helped me get ahead in my career in advertising. So much of our work performance is subjective, but the numbers are not. Understanding big picture numbers (such as economic data, competitive intelligence and share price fluctuations) helped enormously with contextualizing issues within the workplace (falling margins, need for layoffs, or budget restrictions) especially during the challenging years.

Even more instructive was the work I did with Fortune 500 companies and their brands. I used what I saw to build my own investment portfolio, and came full circle to then taking security exams and becoming an investment advisor.

With the benefit of hindsight, I now see finance as a core skill that ANY career person should have in their toolkit. From entrepreneur to marketer or therapist to artist: understanding how money flows through your own wallet and in the world at large is critical to long term security and success. Having said that, with the advances in digital currencies and identities there are huge opportunities for people who can understand the current landscape well enough to disrupt it for future generations."

Fern Glowinsky

Chief Operating Officer, Moneris Solutions
Toronto, Canada



"I am fortunate to have parents who encouraged and empowered me from a very young age to pursue a career path of my choice. There were never any limitations placed on me, gender based or otherwise. I was drawn to mathematics and numbers early on, no matter how complex the problem, there was always a right or wrong answer. Over time, I developed an interest in economics and how markets work. In doing my JD/MBA, I continued to evolve my business knowledge and my financial acumen, including the ability to really understand financial statements, as I recognized that was necessary to be successful in the business world. In my role today I have a broad scope of responsibility, driving transformational change and that is extremely gratifying. Of course I have had challenges along the way, yet being driven and having a positive outlook and the desire to continue learning and growing has benefitted me greatly, both personally and professionally."



“The finance industry is already developing in the FinTech direction, and will continue doing so for the immediate future. A recent example for this trend is Israel’s IBI, one of the country’s largest independent investment houses, which just announced it had raised more than NIS 200 million (US\$51 million) for a consumer credit fund based on a peer-to-peer (P2P) platform technology. This investment is just one example of how traditional financial institutions realize the need to shift towards FinTech.

Looking at these shifts, every finance graduate should keep her options open: consider FinTech as your next cool job, and invest some time and creativity in learning to code – this will help you understand the industry better. On a more personal note, my advice to students is simple: if you are talented, the sky is the limit. Be smart and open-minded and you can do anything. School is the mind- and door-opener, but never forget to be creative and think about what’s interesting for you. Today’s fast-changing financial markets are hungry for multi-skilled, creative minds.

The financial industry, just like every other industry (and some will say that every industry is the financial industry!) needs to hold on to its entrepreneurial existence. No matter how established a business is, it should never stop exploring, re-inventing, and keeping up with technology. And in such an ever-changing financial climate, women have a clear advantage. Naturally born multi-taskers, women inspire peers and businesses in their ability to juggle, learn new skills and make the most of their time.

The most inspiring example I could think of is Sheryl Sandberg. Her book and movement, Lean In, are bringing forward women from all four corners of the world. Sandberg’s experience as a business leader and an entrepreneur – combined with the daily need to juggle between work and family– created the movement which now inspires millions of women to create, learn and lead.”

Every industry is the financial industry

In 2016, every business is a digital business, every industry is the financial industry, and every job requires financial knowledge. This is especially true as employees become more senior: once you need to manage teams, projects and budgets, financial skills are needed in every industry.

S. Siobhan McCarthy

Executive Producer/ Filmmaker, red trike media inc.
Vancouver, Canada



"I acquired my financial knowledge through the school of hard knocks. I now tell my son not to buy into any Disney notions about how relationships work: the number one priority for anyone should be financial independence. Most of the women in my circle in the film industry that are independent producers don't usually have the ability to rely on home equity loans or the like. If I need to find gap financing or cash flow, I need to get creative. I have had to train my (female) banker to really understand how my industry works and I meet with her quarterly to update her with my business plans.

Smart women are shaping the future of the film industry by being transparent. Within my generation we are banding together – there are a lot more women trying to champion each other and share information – and we are helping the next generation become more educated and informed. When it comes to financing films, there is the union rate and the going rate and there is always some wiggle room around that. You need to do your due diligence to find out what the 'real' budget should be ... what is the going rate? What has been funded before? Who can help you? My job is to find money and resources to make my content. This requires what I call the three Bs: begging, bartering, and borrowing. To make an independent film, it takes a team of independent contractors to get the job done. My network is my net worth."

Therese Wettergren

Partner Business Evangelist, Microsoft
Stockholm, Sweden



"Although my formal area of study was computer science, I recently took a course in financial acumen. I wanted to be able to look at a company's financial statement and know what it means in the context of my job as a tech business evangelist (sales). To give proper advice and direction in my role as advisor, I need to fully understand a company as a whole: my job is to take their business to the next level. It is for my own sake that I decided to increase my financial acumen, so that I can talk directly to the C-level executives. I'm still young and I might not be the person they expect to see represent Microsoft. I need to have financial knowledge. I need to be the best!

Every business is now a digital business. Thirty years ago you had to study forever to learn how to use large mainframe computers. Now you don't need to understand very much at all about the machine you are using – the business side is way more important – you have to understand what to do with the technology. You can have the most brilliant software but you need to know how to make money from it. The big tech firms see that financial knowledge is a key part of understanding how to make customers happy."

Candace Kruttschnitt

Professor, Department of Sociology, University of Toronto
Toronto, Canada



Former President of the American Society of Criminology

“The salience of gender in any given context can be linked to stereotypes about the ability of one gender or the other to perform in that context. If we were to wave a magic wand and remove the stereotypical thinking in the world of finance, we may find that women offer a real comparative advantage with skillsets that include risk management and strategic perspective.

I can tell you that crime is certainly a financial industry. And a lot of people think “Oh yeah, crime – men do it.” But speaking from my experience doing research on inmates for the last 20 years, women use a lot more smarts when committing a crime. They know very well how to strategically pick their targets and minimize risk. Did you know that women are actually quite good at the illegal drug market?

I’m pretty sure that the broader financial industry could use more strategic thinkers.”

¹ Dr. Kruttschnitt drew on *Unpacking the Gender System: A Theoretical Perspective on Gender Beliefs and Social Relations*, by Cecilia L. Ridgeway and Shelley J. Correll, published in *Gender and Society*, Vol. 18, No. 4 (Aug., 2004), pp. 510-531

Andreea Folea

Application Manager, Maersk Oil Trading
Copenhagen, Denmark



“I started learning finance because I was passionate about the financial landscape and its institutions, while having a keen interest in mathematics and programming. Finance seemed like the perfect combination of analytics, intuitive thinking, and creativity and I definitely think I have made the right choice. During my studies, I was working as an analyst for a power trading company and I had the opportunity to gain awareness about the energy markets. After graduation, I started my career in an oil trading company, working as an Application Manager in charge of CTRM (Commodity Training and Risk Management) systems. I got this job because I had the financial knowledge needed to understand the complexity of the trading business and I had in depth expertise in the risk landscape (VaR, P&L calculations, etc.) That, together with my capacity to understand the technical specifications of systems made me a very strong candidate. Nowadays, financial knowledge is a versatile skill that can be applied to a number of different fields, like IT, business, law, you name it!”

Louise de Grandpré

Co-Founder, Merit Travel Group Inc.
Toronto, Canada



“I’ve been in the travel business for over 25 years and I run the company the same way I ran my budget when I was 16 years old. We don’t spend what we don’t need to spend. Financial discipline is critical to personal and business success.

The internet has changed our industry in ways that you might not expect. Although millennials do more research online than older generations, they also place a high value on the advice from our travel consultants. It is a bit of an oxymoron because you would think that younger people are so digital but they are interested in asking a real person if a trip makes sense and if they can trust what they have read online. They also seem to have a different perception of travel – it is more about the overall experience rather than just checking places off their list.

The internet has raised the bar for our industry: we need to be better at our jobs; we need to actually add value to the customer experience. Everyone is more educated now by the time they get to us. And more of our female customers are the ones making the decisions.”

Tom Hart

Shareholder, Winthrop & Weinstine, P.A.
Minneapolis, USA



“Being a lawyer isn’t just about knowing the law; it is also a business. We put a lot of stress on legal knowledge, but financial knowledge is important too. One important decision for any young lawyer, whether male or female, is the choice of an area of the law in which to specialize. Both litigation and transactional lawyers need a combination of hard work, good judgment and constant advocacy.

Litigation, however, is by definition an adversarial process. One needs to stake out a position and defend it vigorously. Ultimately, one needs to “win” to be seen as a success. On the transactional side, the goal is a little different: get the deal done, on a fair and equitable basis. I sometimes think of a commercial negotiation as similar to a family dispute, where the ultimate goals are both to resolve the problem and find a solution that protects the family as a whole. There is, of course, a huge range of negotiating styles among successful lawyers, but my own experience tells me that women tend to be a bit less concerned with the notion of “winning,” but focus, instead, a bit more on “getting to yes.”“

Dr. Irene Fialka

Chief Executive Officer, INITS Universitäres Gründerservice Wien GmbH.
Vienna, Austria



INITS is ranked 3rd best academic incubator in Europe and 11th best worldwide.

“Just looking at my business incubator’s small ecosystem of start-ups, I see that they definitely need people with financial acumen on their team. Whether they are working on an app to help society better manage diabetes, or a 3D printer company to disrupt the supply chain, every business needs a financial person. It is a series of critical roles: to be able to read financial statements, understand what it takes to make a profit, know how to judge the quality of a business and how to put together a business plan. It is never just about finance, you can combine your knowledge with whatever you feel as a person is a good thing to work on. If you want to move the world in a new direction, finance will help you move whatever you want to move.”

Ulrika Saxon

Chief Executive Officer, Bonnier Growth Media
Stockholm, Sweden



“I can’t see any other education being more important than finance – whatever you want to do! It gives you the language that is the backbone of any industry and any society. In addition, finance has a dual role – you can either use it to get a helicopter view of how companies work and cross-function, and/or you can use it to drill down deeper into the details. In my industry (media), finance is becoming ever more important. Using our venture arm as an example, we need to have people scouting for the next start-ups and this means they have to understand how we work with the companies that we invest in. It is crucial that we have financial expertise on every leadership team – the job is a lot about analysing the meaning of the data. Robots are great at collecting, sorting and presenting data in a draft report, but then... what actions do you take?”

Ilan Birnfeld

Chairman & Chief Executive Officer, Deloitte Israel
Tel Aviv, Israel



"In my opinion, all financial jobs will be partially cool in the future, since most of them will include tech aspects. I can even tell you that being an accountant a decade from now will require a 'high-tech' like set of skills. My advice is to include some tech/IT courses in your education and to be familiar with tech trends. A smart woman I know that is shaping the future of the financial industry is Rakefet Russak-Aminoach, the CEO of Bank Leumi (the second largest bank in Israel.) She is considered to be one of the most innovative bank CEOs in the world and she is leading a new concept of a digital bank that is trying to be innovative on a global scale."

Eden Rohatensky

Full Stack Engineer and Musician
Regina, Canada



"I have never had any formal financial education – I have kind of picked it up through life experience. By profession, I am a 'full-stack' engineer (I write code and build web apps) but I have always been involved in music in some way. Recently I've been focusing on it a lot more – it is such a nice creative adventure. And I've been attempting to find ways to support myself as an artist so that it can become sustainable work. I want to continue to make art and share my art with people.

There's a disproportionate amount of men to women participating in the music community. This is sad because being part of something is a huge part of making music. This was initially a little bit overwhelming for me, but I have discovered that you can develop a sense of confidence and comfort in a community via social media – so I chose to put my art on digital platforms rather than traditional channels.

When I released my album Amateur I was pretty much winging it: I recorded it, released it and put together a marketing plan all within a week. My distribution was done exclusively using my knowledge of technology – I researched music blogs, sent out hundreds and hundreds of emails, ran social media campaigns, tweeted, and asked for help...I really pushed it! I was totally driven and it paid off. I received recognition as the #1 bestseller album on BandCamp.

Hopefully my story will inspire other female artists to share their work through the digital marketing realm. It is a much faster way to get validation. Most bands that I've seen the numbers for average \$200-300 in their launch week in digital sales and I made \$1,500 in my launch week. Best of all? I recorded it, mixed it and released it myself. The thing was all mine."

Money still talks... but the conversation has changed

What is being talked about?

How effectively are we articulating our messages?

What media are we using when we talk about money?

Women are transforming the way that the financial industry communicates, both internally and with its customers.

3

Per Eriksson

Chief Executive Officer, NetEnt
Stockholm, Sweden



“This topic of how smart women are shaping the future is a very important one. I feel strongly that we will have a better society and a better world if we lose the debate about ‘either/or’ and move towards a balance of men and women in all organizations.

We are in game development which is a typical male-dominated business. We are doing everything we can to attract female engineers to come work with us and encourage female university students to choose a path within programming – our goal is to have a 50/50 gender balance by 2020. And by this I mean on each team in the company. It is easy to fill up certain departments, such as HR or office services with women but we are absolutely pushing to get women into the really techie areas as well. This is a bit of a challenge and takes somewhat longer time, but it is worth it – the dynamic is amazing. You get a different perspective on more or less everything! We have a 50/50 gender balance in our senior management team which is key to have if you want to reach a gender balance within the company.

For example, I have entered meetings with my mind set on certain decisions, when suddenly someone will ask “but why?” We begin discussing and everyone brings different perspectives to the issue. We learn from each other and learn to see things from a new angle which leads to smarter decision making.”

Paul Lee

Partner, Global Head of Research, Technology, Media and Telecommunications, Deloitte
London, England



“One of the things I get asked a lot is “how does technology change people’s behaviour?” I answer “it doesn’t!”

There has been a definite trend of ‘messaging’ versus ‘verbal’ and I think this might be stereotyped as a male thing. In my experience this is indicative of people being quite shy. And one way of overcoming shyness is email. Not having to talk. If you feel awkward in face-to-face conversations, you can speak in ‘standard font’ – it is a leveler. What I see happening, is that people are moving away from real-time conversations and moving towards responding when they want to with real-time ‘excuses for answers.’ I am talking about deliberate ambiguity using photos or images. It might feel like real communication but it is actually quite poor.

I think it is a fundamental human need to be social. The mainstream individual (or customer) has a yearning for a sense of belonging. Most of us like empathizing, and we prefer to do business with someone you can talk to. Over the next generation, the most successful people will be those with the most empathy and those with the best people skills.”

Dr. Heike Schwesinger Founder, Schwesinger+cie. Executive Search
Frankfurt, Germany



“Future financial jobs will be affected by disruption just as any other jobs will be. Especially for women this means that a lot of the strategies that we have spent the last few generations very consciously adopting will soon be hindering rather than helping our careers. Up until this point, women, especially in the finance sector, have focused on adapting to the status quo. Now we are suddenly faced with a business world where questioning and disrupting the status quo is more highly valued than it used to be. Women have the opportunity now to shape this new world and the new image of leadership. It is important that women beginning their careers understand this new dynamic so that they can widen the paths that the women before them have walked and make their own mark on this new reality.

I see a lot of bold, influential women recalibrating corporate priorities for instance towards sustainability. An example from my personal experience would be a female executive at a large public company who is initiating a sustainability index for Germany's largest companies to deemphasize harmful corporate practices throughout the market. I have also noticed female CFOs be particularly willing to put the interests of the corporation ahead of executive pay interest. These women are not only important actors for the economy as a whole, but crucial role models for future female leadership to thrive and build upon their achievements. The need for these inspiring women is undoubtedly particularly great in the financial sector.”

Colleen Moorehead Chief Client Officer, Osler, Hoskin & Harcourt LLP
Toronto, Canada



2015 Catalyst Canada Honours – Business Leader

“We are in exciting times. The discussions about Board and leadership representation can now be outright – enough research has been done to prove that performance is enhanced with more diversity.

It is tough to move things forward when you are still fighting a premise. The earlier conversation was “is it the right thing to do?” but now we can have more of a discussion around “how are we going to get it done?”

There are still frustrations of course. People argue about terminology: ‘quota’ versus ‘target’ or ‘goal.’ But this is just fighting over nuance and language. We need to move forward and assume that meritocracy and goal-setting are not in conflict. Why can't you have both?

I am more optimistic now than ever that we will see rapid change for women in the financial industry.”

Kristi Ross

Co-Chief Executive Officer and President of tastytradedough
Chicago, USA



Tastytradedough won the 2014 Chicago Business Innovation Award

"I always wished that I had started investing when I was much younger. But I didn't have the encouragement, the technology, or the easy access to do so. Financial education is empowering – especially for women. So we want to spread the information for free to the masses and provide content and visual technology as inspiration. This way we can help people that want to manage their own money. Even if it is a small amount, it is the depth of knowledge they gain just by 'doing.' We want to pave the way for younger traders and make it easier to start investing at any age.

One of the most important attributes of an exceptional CEO is impeccable adaptive communication skills. He or she needs to be able to articulate a vision, effectively communicate that to department heads as well as be concise storytellers to the street. Seeking opportunities and creating strategies are an incredibly important part of the job, but it can all fall apart if there is poor communication around them. The true test is when a CEO sees a curve ball. How well does the CEO handle communicating bad news? There is a difference between full transparency and mindful transparency, meaning that the CEO must understand ahead of time how to deliver the message so that the person on the receiving end truly understands the context and magnitude. Communication is also one of the single most underrated skills within the workplace. In my experience, women tend to have exceptional adaptive communication skills, while men tend to be great storytellers. Both traits are important for any CEO to aspire to possess."

Thomas Beattie

Chief Executive Officer, Voleo Inc.
Vancouver, Canada



"There are a finite number of business concepts in finance so they are frequently duplicated. It is very hard to create great and unique experiences and that is what will separate success and failure. Since women represent over half of the population and are increasingly major consumers of financial services, it is essential that they be involved in the design, packaging and usability of FinTech (financial technology: using software to provide financial services) products.

As natural connectors women have substantial networks. Generally speaking, they consider the implications of actions more carefully. Because social proof is a major contributor to brand success, building communities is essential and we believe women will be influential users of our unique collaborative stock trading platform.

Women are excellent communicators and their input and messages are integral to the future success of the financial industry."

Debra McLaughlin

President, Strategic Inc.
Toronto, Canada



"I had a degree in Industrial Psychology and so I knew how businesses worked from a consumer and employee level. From there I went on to an MBA in Finance. I think leadership used to be about understanding the dynamics of the business. But today you need to have that understanding and you also need to know how to manifest the soft skills and get the best out of people. Women at the top have more awareness around communication – there is the need to grasp not just what consumers will buy but also how they will react.

My most recent project was maximizing the return to CBC on their investment in the Olympics. We needed to establish a better measurement and show that beyond just viewers we had achieved engagement. Our research showed that 17% of people had no interest whatsoever in the Olympics – in fact their plan was to just try and survive it and watch as little as possible. So we did more research and asked people what engaged them. They told us it was stories about the people, history, venue and actual sports that make up the Olympic Games. We took that knowledge and created content that addressed these interests. At the end of the Games, the 17% of Canadians who resented the games had declined to 9%. We connected consumer interests to the creative process and converted non viewers to viewers. The Sochi Olympics were the most watched games in Canadian history surpassing even Vancouver.

If you think of consumers as a set of individuals with needs and interests, it can be shocking how easy it becomes. Put this at the forefront of your strategy. This is about getting people engaged and caring about what you have to offer to them."

Kyle McNamara

Executive Vice President & Co-Head Information Technology, Business Systems, Scotiabank
Toronto, Canada



"As a bank, we all have a responsibility to help foster a gender inclusive culture and do our part towards the removal of barriers. At Scotiabank we support and accommodate our employees throughout their careers because we understand the value of hiring and retaining the best people, whose skills and innovative thinking will contribute to our success. Inclusion makes us stronger."



Author of: *The Inspirational Investor*

"I would like to ask a different question: what could the financial industry be doing to ensure that women are more included? I don't know that women have been doing anything wrong all along... their contributions and mindset offer a unique perspective. And having been a portfolio manager and in a position to hire analysts, I know that diversity of any kind in your human resources portfolio is just as important as diversity of securities in your investment portfolio. I have been arguing this for a long time.

We can go out of our way to encourage higher quality, more effective communication in the workplace. Both men and women have similar goals when it comes to communicating but they have different strategies. Men are more attuned to hierarchical structures and they tend to focus on winners and losers. Women look horizontally not vertically and they tend to be more inclusive of the opinions of others. There are consequences to the two different strategies and this runs headlong into the culture of businesses. To date the entire sociology of the business world has been male-dominated and the language of business has been the language of men. The way forward is to encourage women to participate in conversations and get comfortable with the idea of tooting their own horns. Let them know that it is okay to talk about their own contributions! And we need to help men to build communities and acknowledge the power of teams.

Wouldn't it be useful if Harvard and Rotman taught these communication skills in business school? There are classes on 'Organizational Behaviour' – this strikes me as a natural place to have these conversations. We will see big shifts in the success of women in business if we get women to communicate more like men and men to communicate more like women. We will all win."



“My industry (traditional media), like others undergoing radical change, is still very much focused on ‘what we used to do’ even though we now do less and less of it, or at least how we do it continues to change dramatically. In the old days, we could plan our worlds with a long view of the status quo; we used to be able to write 20-30 year capital plans in the newspaper business because that was the lifetime of a printing press. Infrastructure was hard to replicate and provided the primary means of competitive advantage. Nonetheless, there have been both advantageous and disadvantageous forces of change hitting us aggressively for the last 20 years. While we have had to get used to dealing with constant change, I worry about other industries not being ready at all for their forthcoming disruption(s). But I see this as a major strategic opportunity, particularly for the finance industry. Adaption to whatever is next will require a complete shift in thinking.

A lot of digital is still seen as being a painful transition, rather than being an opportunity for companies and finance leaders to change the structure of business. In fact, in a more-and-more data-driven business world, there are probably more finance people that are qualified to do marketing than there are qualified marketing people to lead digital transformation! In the same way that math is the language of all science, shouldn't finance be the language of all business?

Are smart women transforming all industries? Yes I think it is universal. For example, we know that diversity on Boards leads to better performance. I have thought about why I particularly admire a female Board member that I have worked with. She has capacity and brilliance of course but her communication is even-keeled and non-threatening. I like how she asks questions – not for the sake of asking questions and not to set a trap – it is very much an exchange of ideas and understanding. Generally speaking, this seems to be a female communication style, and I hope we will see more of this now, from men and women.”

Follow movement: behaviour drives financial outcomes

Women are earning more money, controlling more money and they are increasingly major consumers of financial services. Work patterns have changed and product offerings need to be rebuilt to reflect a diverse perspective.

4

Dilip Soman

Professor at the Rotman School of Management and Co-Director of Behavioural Economics in Action (BEAR) Research Hub
Toronto, Canada



Author of: *The Last Mile: Creating Social and Economic Value from Behavioral Insight*

"I am an engineer by training and my first job was in sales. We worked hard to improve the engineering performance of our machines thinking that our customers would value that, but no one cared. It was more about the experience and message that you gave. From there I decided to study behavioral sciences because I realized that the best products are designed for actual humans rather than for what we 'think humans are.'

Let's talk about traditional finance. I like to refer to the term 'Econ' first made popular by Richard Thaler in the book Nudge. The 'Econ' is a mythical creature that lives in economics textbooks – they are 100% rational, forward looking planners who are unemotional and they are influenced by money and money alone. In my view, women come closer to being 'Econs' because of deep biological reasons – when we all lived in caves, women were the only ones who needed to plan anything. Men got to live just one day at a time.

Since women are great planners by nature, they understand their own behavior better and the behavior of the people around them. They can design context. These are the things that will change the world of finance. Women are much better at understanding the psychology of decision-making and have better empathy."

Mimmi K. Jendeby

Vice President, Senior Research Strategist - Center for Applied Research, StateStreet
Gothenburg, Sweden



"We need a new type of investment industry. The levels of trust for this industry are very low. To solve complex problems in the future, we have to start working actively with implementing productive values that enable true learning. It's not about men versus women; it is about diversity of minds. We can see from our research that women bring a differentiated cognitive set of problem-solving capabilities that will be useful in the transformation of our industry. Moving forward, the focus will be on truly caring about your customer. If we embrace the wisdom of learning, the investment industry will flourish in a different way and become sustainably successful for the long-term."



“Women are fundamentally reshaping the industry by increased participation as professionals – the main results of this being a more complete picture and a more thorough evaluation of the opportunities and risks. In essence, we do not need to do anything other than ‘just add more women.’

This view comes from our own experience and observations as a firm in the VC and PE (private equity) business specifically. By being more than 85-90% male-dominated, this sector has developed predictable game plans and ways to identify opportunities and manage risks. Furthermore, deals have been managed through informal ‘relationships’ and circles, which are even more closed to women than the Investment Committee.

By simply adding more women, you are bringing very different experiences, viewpoints and ‘relationships’ to diversify and enhance your decision making process. We have experienced the benefits of having Turkey’s first female PE partner (now there are two in Turkey) and having the next generation of women partners as investment professionals. The best part is that the benefits do not require ‘special handling:’ just let the women settle in and prove themselves. Give them room, space to operate, and stay out of their way.

As we move forward in the space time continuum, and experience the benefits of technological advances, it is becoming obvious that there are only three resources that need to be managed well for competitive advantage: people, money and time.

And money is a pass through commodity in this continuum, which may be lost or grown. Time must be spent no matter what and is not recoverable or recyclable. People are shaped and reshaped during the process.

If you break down each industry you end up in the same basic construct. And the finding that money is the only resource that can be grown, recycled and reused for even better results. In fact, we are all in the same business.

Women manage time well... heck, they must. Since time is the only non-recoverable resource in this process, having more women in your organization or firm, will again result in better management of the resources. That’s probably why having a female board member is the easiest way to identify outperformers in the stock market.”



“As a senior professional working in the Turkish finance industry I see several exciting opportunities for women who plan to work as finance professionals. Moreover, I think that it is a young women’s duty to society to be more involved in the financial sector’s future.

First, as technology is shaping the new world, asset management companies will be required to establish more direct, more emphatic and a more interactive form of relationship with investors. As the digital revolution closes the gap between clients and asset managers, firms will be turning to female finance professionals to lead the transformation to the next generation of asset management.

Second, I believe that the lack of trust in financial service providers has something to do with the male dominated culture in our industry. Women’s risk savvy and financial security-centered approach may help in rebuilding the lost trust.

And the final one is more of a duty; it is hard to claim that the world is a fair place in terms of gender equality. Given the fact that the financial sector is the place where decisions are made on where the money will be flowing into, having more women in the financial sector should help to make the world a better place in terms of providing equal financial opportunities to women.”



“Financial knowledge is vital for all future jobs independent of what you are doing. As a result of the massive shift towards a more diverse corporate culture, all companies will need a mixture of characters and skill sets – not only men, women and people of different origins. There are two major initiatives that will support and accelerate equality in the workplace. The first is a focus on getting female role models known across the larger female community. The second is about convincing Boards, management, and the various government organizations to act according to their stated values. If they say that on a voluntary basis publicly listed companies should have a certain percentage of female representation then they should live by the same standards within their own organizations.

Of course there will be new types of jobs as a result of technology but the jobs we have today will not completely disappear. There will be a transformation – the jobs we have today will be more equally shared and as a result, we will have more women interested in pursuing higher finance education such as the CFA designation or a Masters in Finance.”

Henriette Kolb

Head Gender Secretariat, International Finance Corporation (part of World Bank Group)
Washington, D.C., USA



“Women in emerging economies have increasingly more purchasing power and assets. Their risk-mitigation needs are growing. By 2030, for example, the insurance industry is expected to earn up to \$1.7 trillion from women alone – half of it in just 10 emerging economies. That’s what we found in a ground-breaking study SheforShield, which we conducted with AXA and Accenture. At IFC, we believe that women are an important force for development – as consumers, employees, leaders, and entrepreneurs.”

Terrance Odean

Professor at the Haas School of Business at the University of California, Berkeley
Berkeley, USA



Author of the 2010 Research Paper: *The Behaviour of Individual Investors*

“Women have been largely under-represented in the investment industry. One reason may be men’s overconfidence. Men tend to be more overconfident than women when it comes to finance. As part of my dissertation I wrote a theoretical paper that showed that overconfident investors would trade more than was in their own best interests. Brad Barber and I later analyzed trading records for thousands of individual investors and found that, as predicted, men trade more actively than women and this active trading hurts their returns. In the investment industry many jobs, such as trading, are quite competitive. Overconfidence leads people to overestimate the likelihood that they will succeed in such competitive jobs. Furthermore this confidence in their ability to succeed, may lead men to underweight the negative aspects of these jobs. Think about those huge trading rooms where everyone is glued to their monitors – mainly men. The first time I walked in to a trading room I was struck by how unappealing the environment was. If you are overconfident and certain you are going to become wealthy, you are more likely to be willing to ignore the environment in which you work and the long hours you spend there. Women and men often weigh the trade-offs of a career differently. For example, women might ask themselves “is this a reasonable way to live?”

Fortunately, I think things are changing. I see differences. There are more women in the audience now when I speak to groups of financial advisors. Our Berkeley MBA classes now have more women. They may not all be going into finance jobs but in some respects every job involves finance. Cultural norms are changing. And, as women come in, businesses change and places start to become more reasonable places to work.”

Stella Dawson

Journalist and Media Strategist, Stella Hope Dawson LLC
Washington, D.C., USA



"I would love to 'do good' but I also need to make a good return on my investments. What if you offered me a choice between two opportunities with equivalent return potential but one was more ethical than the other? Now I'm interested.

Major corporations that choose to be leaders in areas like human rights, women's advancement, will generally be more attractive investments for women. We need more publicly traded companies to be better at issues such as human trafficking or labor rights and to embrace full disclosure of their social impact in their reporting.

The financial industry needs a huge redesign in terms of how they think about their offerings; they need to incorporate financial planning from a woman's perspective. For example, women want to address their concerns over their life cycle, which is different from that of men. Think about extreme old age – we generally live longer than men, and are more likely to be alone. How will I manage and finance my home health care? There are exciting opportunities here that the World Bank, for instance, is exploring for an insurance product, one that suspends premium payments during maternity leave. We need more innovative thinking from a woman's perspective."

Rebecca Sykes

Vice President, Strategy, BlackRock Asset Management Canada Limited
Toronto, Canada

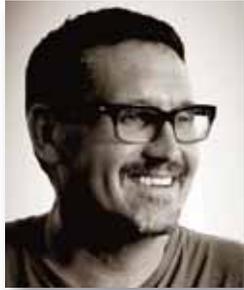


"A woman's best attributes in the workplace are intelligence, efficiency and resourcefulness.

I have noticed during my time in the financial industry that women are really great at 'getting the job done' and don't take no for an answer. Almost all of the women I work with have numerous balls in the air at any one time, and I actually think this works in their favour. Through necessity, they are wonderful at prioritizing, great at optimizing their time and really targeted in their approach to completing tasks – there is no 'wheel spinning' with this bunch.

An overarching observation is that our industry is slimming down and there is a real focus on output maximization – employers are approaching hiring as if it were an investment and asking questions like, will this hire give me a return on my investment (i.e. will this person generate more than their cost to the company?) The requirements of new hires matched with a 21st century business woman's skills, leaves women very well positioned to thrive.

The future for women in business is exciting. There are so many opportunities for women these days. It is going to be very interesting to take stock in 25 years' time – I think the landscape will be significantly different."



“Your fundamental point – that smart women are shaping the future of the financial industry – this thesis holds up well. Everything seems to be moving so quickly... but it is and it isn’t. There are many aspects of the media space where consumer behaviour is moving quickly but the business models aren’t keeping up. This is the nature of how the space has changed and how it will continue to change.

We have business models that are primarily built based on traditional sources of revenue and this has influenced our approach as to how we deal with business. To me it often seems it has never been easier for content creation in the media except within legacy media organizations. This is because our own legacy knowledge makes us far more conservative than our younger competitors. They can and do act with a fearlessness we won’t, giving new companies access to different tools and lower costs of doing business.

The currency for success used to be a simple measurement – audience ratings. Today the currency has never been more complex from a financial point of view... we struggle to find unified forms of measurement across different platforms, screens and devices. We are heavily set in our ways so when it comes to people who are succeeding, they are people who actually grasp the concept of dynamic competitiveness, the financial environment and they have the ability to look for new business models.

These skills are critical to sustainability in the industry. The person who 20 years ago had a great creative idea didn’t have to think about much else. Today you have to understand how to translate your great creative idea into business models that are appropriate for today’s media environment.

As it happens, my favorite three entrepreneurs are all women – two of whom went back to get MBAs after longtime careers in the media industry. I love the quote: “live life in perpetual beta!”²

² Full credit to the fact this quote has its origins in a 2012 short documentary from an American entrepreneur and film maker Melissa Pierce, her film was called “life in perpetual beta”.



“We need women to actively pursue careers in technology because there is such rapid growth in the advanced IT industries and we can’t afford to leave aside half the talent. In positive news, computer science at Stanford is now the #1 major for women. Another big trend is that women now spend more overall time on the internet than men according to some estimates. In particular, women are often quite active on social media, forming a large customer base for many emerging online platforms. Collectively, women’s input via social media is actually helping to shape the growth strategy of companies. A great example is a company like Etsy: they offer custom-created arts and crafts and 80% of their customer base is women, and 50% of their staff are women. Another is Pinterest – estimated to have more than 85% women as its users, and which is actually its own social media platform. Or look at the Teachers Pay Teachers website, where women are both the largest consumers and creators. This is a platform where teachers share materials and sell their own ideas.

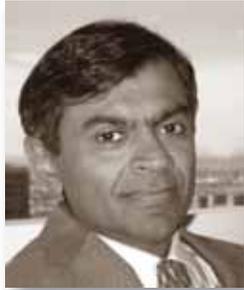
These are great examples because they show that when women get involved in technology, they doing so creatively, not passively. In the last five years, I think female consumers are more comfortable sharing ideas online, participating in market places, and coming up with business plans on their own, and I expect we’ll see more examples of successful women making waves in technology fields.”

The business of advice goes to extremes

The 'robot invasion' versus the 'sophisticated advisor.' Who will come out ahead? It is those in the mediocre middle who will need to worry: mind the gap! Moving forward, wealth management will be about the perfect experience, not the merely satisfactory experience. The path toward building trust is also the business opportunity. Professional women with high EQs will be the successful sophisticated advisors of the future.

Ashvin Chhabra

President, Euclidean Capital
New York City, USA



Author of *The Aspirational Investor*

“The future of the investment industry will be about leveraging experience with effective tools and technology – developing a scalable platform that people trust and are willing to pay for. Rather than focusing on markets we need to humanize financial advice. We need to explain what investors can and cannot get from markets. Markets are anchored in disagreement so your investment strategy must be based on differentiating between what you can and cannot control.

It is time to a) get clients and advisors on the same page, b) be willing to look at the deeper meaning of what needs to be accomplished through investing, and c) make sensible decisions on that basis.

With privatization, there comes a shift in the burden from the state or companies to the individual – this will affect the entire world of finance. The future is about ‘know thyself.’ The role of the sophisticated advisor will be less about finance and much more about having the skills to assess complicated problems that people face and being able to translate them in a cohesive way to a system of investing that makes sense for each individual.

There are certain skill sets that apply across every field. Do you have the right skill set to be a high-level investment advisor? It isn’t so much about finance. It is about having the ability to relate to people, understand numbers, write well and design appropriate portfolios. Women have been early adopters of my framework of connecting investing decisions with goals and aspirations. Indeed women are particularly well-suited for the role of the sophisticated advisor of the future.”

Richard Lee

Head of Business Development, Aequitas EVO Connect
Toronto, Canada



“We are seeing an increase in robo-advisors for now, but I wonder how long the pure online model will last. We know millennials like to do research and routine purchases like clothes and music online but when it comes to important matters like planning for retirement they will turn to a real person.

In addition, patterns of work have shifted dramatically, with people moving between jobs more frequently. Personal retirement planning is going to be more critical than ever – even though it seems a long way off for most millennials right now.

Robo-advice is only as good as the inputs and I can’t see online tools replacing personal relationships.”

Judy Goldring

Executive Vice-President & Chief Operating Officer, AGF Investments
Toronto, Canada



“Although my Dad was a financial guru, he didn’t overtly teach us about money at home...but I do I think he was a quiet, stoic mentor. From a young age I absorbed the idea that there is a link between making money and actually working. My siblings and I always had jobs whether it was snow shoveling or a paper route. I was willing to work hard so that I could spend, but I also figured out that it was important to ‘only spend what you make.’ In university, I lived on a budget and I never put groceries on credit unless I knew I could pay it off. The notion of ‘money making money’ was also engrained in me from an early age, so at 26, I put my first two paycheques directly into my RRSP (registered retirement savings plan.)

My life philosophy is “be curious.” If you are worried about asking questions in a public forum, you can get creative and find a way to ask someone later. Putting yourself out there can feel uncomfortable at first but like anything else you can develop this skill. I think the way of the future will be more about how people work – we know that women need to be more adaptable to manage all parts of their lives. In the financial services industry, the areas I see as a focus will be: 1) education (particularly millennials teaching the rest of us how to get current!) as well as different forums for general investors to learn about finance; 2) mining big data with a real understanding of what to do with it – the complexity will continue and if you can figure out how to structure something financially you will make a lot of money; and 3) there is room for what I call the unconventional advisor – technology is changing how we do everything in life, including investing.”

Eva Trouin

Country Manager Sweden, Nordnet Bank
Stockholm, Sweden



“Nordnet is a tech company that offers financial services; we are not a financial company that happens to have a website. Companies that provide financial services need to offer their customers an experience. Robots and digitalization can’t feel; so our emphasis is on enhancing every single touchpoint with our customers. We call it VoG (“Value over Google”) – if you can Google something you will get the same result as everyone else and you are not adding value to your customer’s experience. If you call us, we know that every minute of your time is valuable so we want to make sure that we give you something extra!

The people we aim to hire are leaders – not functional leaders, but leaders from another perspective. They are ‘first impression managers’ or ‘customer engagement managers’ or ‘VoG leaders.’ We want to attract men and women who embody the right attitude and we can train for skills. The customer wants to be in the driver’s seat.”

Augustin Huret

Founder and Chief Executive Officer, MondoBrain
Alexandria, USA



“In my view we need to see more women in the world of corporate finance. On the (too rare) occasions that we work with a female CFO or equivalent they are not only successful but they are very interesting because they have a talent for communication that men don’t have. This is a key differentiator. Men and women will see the same situation through different lenses and it is better to blend perspectives. This provides an improved sense of the corporate and financial risk of an overall portfolio. The skills required in corporate finance are around developing contacts, building networks and being generally great with people – many women have this skillset.”

Eleanor Blayney

Consumer Advocate, CFP Board
Maryland, USA



Selected for the Investment News inaugural list of 20 Women to Watch in the financial advisory industry

“The need for women advisors in the financial planning profession has never been greater than it is today. Over the next two decades, as the demand for financial planning is expected to increase significantly, there will be a huge exodus of predominantly male, baby-boomer advisors, making way for a younger, more diverse body of professionals. Firms within the financial planning profession are now waking up to the need for more female leadership as a way to attract the diverse clientele they wish to serve, as well as the key to creating a more productive and friendlier workplace.

For a young woman majoring in finance today, financial planning offers an attractive and well-paid alternative to the usual tracks of investment banking or corporate finance. It allows women to combine their financial training with their communication and relationship skills to make a real difference in the lives of their clients. As a result, career satisfaction is very high among those women who become certified as financial planners. There is also the opportunity for entrepreneurial women to create their own practices to focus on the financial issues that are of most interest to them, and to work with the types of clients they most enjoy.

I was honored to be chosen for the list of ‘20 Women to Watch’ – these women are showing how, by remaining true to themselves and their own strengths, they have been able to make an appreciable and lasting mark as women in the male-dominated advisory profession. Most important of all, most of these women are known to one another – I know 11 of the 20 honorees personally – and we enjoy the friendship and support of one another, having recognized that we are all stronger as a result of our relationships.”

Joanna Thompson de Colonges

Founder, Tembo Associates and Chair Paris, 100 Women in Hedge Funds
Paris, France



“I was fortunately drawn into the world of metals trading at an early age and it was this hands-on practical experience that made me ‘interested in’ instead of ‘afraid of’ finance. Having financial knowledge really helped build my confidence and I was able to secure a job, a mortgage, and a lifestyle. I’m not afraid of dealing with anything to do with money.

The whole financial world is in upheaval today. Anything that can be replicated is up for grabs. But the enormous focus on the impact of big data and the internet on our lives will settle down at some point.

It is important to have a personal understanding of how all of this applies to you and how you can use this to achieve your goals. Successful investing will always come down to making money and meeting your needs – whether as an individual or as a business. There will be a huge role for Generation Y to help the older demographic navigate changes in technology. I am also hopeful that more women will come in to the financial industry and help to create an improved environment, when the current uncertainty eases.”

Charlotte B. Beyer

Founder, Institute for Private Investors
New York City, USA



Author of Wealth Management Unwrapped

“Our industry faces a conundrum: investors are simultaneously becoming more confident and more leery – because they fear that they’ll be taken. Some try the ‘do it yourself’ approach but that can be frustrating. I have found that most people yearn for a trusted advisor. But how can trust be established? The path toward building trust is also the business opportunity. If the advisor has a genuine desire to help the client reach her goals, then what follows is a journey of discovery, finding out what goals and time frames are best for this client. The EQ (emotional quotient) needed to perform the job of an advisor is enormous. Because women seem to have higher EQ than men, I can foresee professional women increasingly drawn to the role of the sophisticated advisor of the future. Women seem more comfortable having that deeper, more meaningful dialogue.”

The joy of finance

Women are boldly venturing into the world of finance using a combination of analytics, problem-solving capabilities, risk-awareness, intuitive thinking, relationship skills and creativity. They are building careers that are in line with their values. Whether inside a large organization or a start-up, it has now become accepted that making money can be a joyful pursuit!

6

Hamoon Ekhtiari

Director of Strategy & PMO for the Executive Vice President, Telus
Toronto, Canada



Hamoon is a recipient of University of Waterloo's Alumni Achievement Award, and a Canada Millennium Scholar

"I came from a world deep in numbers (CA/CPA) and my path has evolved from there. This background has consistently given me an analytical ability beyond that of my peers. No matter which industry you are in, as soon as you hit management you need to have knowledge of finance. The broader your analytical toolset, the better the opportunity to set yourself apart."

A significant number of jobs are being automated – even industries that you thought were well-protected. There are plenty of people who can do specialized work but to make an impact in the future you will need to have judgement, insight and financial knowledge to bridge the gap. For example, in the world of big data, having the ability to handle numbers goes a long way. Not only for reporting but for investment management and for using financial information to generate business insights. But this analytical work can't be done in silos, we need to collaborate. The people who will succeed will be the integrators: those that understand multiple specialties, how they impact each other and then are able to foster communication between the various stakeholders.

Ultimately the heart wins when it comes to how we make decisions. I think the role of women in finance is to help us to think deeper, feel more and build better organizations. A big trend for the future is using finance as a powerful tool for good. Rather than the old 'keeping up with the Jones,' you need to ask yourself how you are defining success and who is that success for? The field of Social Finance is gaining momentum. PwC recently appointed a "Chief Purpose Officer." A woman was appointed to this role and the role itself is an example of what is possible. In 2016 there is the idea that purpose matters."

Ozlem Denizmen

Founder, Para Durumu
Istanbul, Turkey



"From early on in my life I knew that I wanted to be a social entrepreneur. I picked 'women and money' as my focus because women give back to society by investing in education, nutrition and health. And men are extremely important in this equation too, because if women are involved in economic matters this reduces the stress that is put on men."

I am passionate about the philosophical and psychological reasons for women to become financially literate. I tell girls and women not to look for somebody else to take care of them. Take care of your own money – for you, for your family and for society."

Sarah Saska

Doctoral Candidate, Western University
Toronto, Canada



Award: 2015 Top 100 WXN (Women's Executive Network)

"I have discovered that although academic financial education has deep value, it's also important to acquire practical financial knowledge, especially for women. I was fortunate enough to have learned about the stock market from close friends who work in investment banking. They've taught me to play the market and expand my portfolio. This has given me a distinct type of knowledge and it has opened up my way of thinking. I now look at more intricate real estate deals, and I shop for five year investment returns. My girlfriends are all highly educated professionals, but I am the only one trading stocks; I want them to learn to invest so they can create long-term security, and also so that they feel financially empowered.

For me, being financially literate means independence. I don't feel rushed to get married or to be in a partnership due to financial need. I will do those things because I choose to, but not out of financial obligation. Being financially literate also means that I can travel and experience life in the ways that I want to now, and over the next twenty years; I don't need to wait until retirement for those types of experiences.

Having some core financial knowledge has been critical to my career as it has allowed me to become bolder with my approach to finance. It is important to me that the way I earn money and build my career is also in line with my values. For me, money and meaning cannot be separated. Gender-lens investing incorporates gender as a dimension in finance; it allows me to bridge my financial understanding, as well as my value system."

Selma Prodanovic

Founder & Chief Executive Officer, Brainswork
Vienna, Austria



Veuve Clicquot Business Woman Award 2014

"I studied International Marketing & Trade, but most of the relevant financial knowledge that I still have and use today is knowledge I acquired on my own, not through school: learning by doing, asking people, and using online sources. Financial literacy helps you manage your home budget better and clearly makes a difference if you want to manage your own business.

To be honest I would hardly recommend somebody to study finance. I hope that in the future we will no longer be focusing only on finances. The next generation should study something broader and finance should be part of it."

Julie Bristow

President & Chief Executive Officer, Bristow Global Media Inc.
Toronto, Canada



Award: 2011 Crystal Award for Creative Excellence (Women In Film and Television)

“I am a late bloomer, a ‘reverse entrepreneur.’ I had a summer job with investment banking firm Gordon Capital Corporation. I was really intrigued but am thankful that one of the men I worked with suggested that I might be better-suited to be a writer. Then for years I had a corporate position as a senior executive at the Canadian Broadcasting Corporation.

When I decided to go into business for myself, I was fortunate enough to get a significant project with CBC as a starting client, but I suddenly needed to raise capital. And even though I had managed a \$25-60 million portfolio while at the CBC, no one wanted to give me money!

I think it is particularly hard for women to get access to capital. In fact I’d like to have a secondary business one day that supports women who want to do startup ventures. I like the idea of funding female media entrepreneurs. Money is so critical to success – yet asking for it is so difficult.

As we move from a hierarchical structure to the democratization of content and media, women have lots of ideas and they generally don’t get stuck on the status quo. Women have the skills to set up and build partnerships effortlessly: women will define what the future looks like.”

Vicki Saunders

Founder, SheEO
Toronto, Canada



Named one of the Top 100 Most Influential Leaders, EWB2020
Global Leader for Tomorrow, World Economic Forum

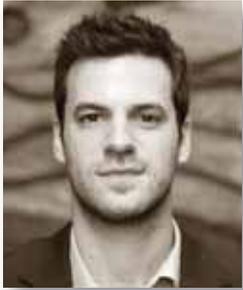
“Women are a super untapped resource of economic power. But we have been trying to fit women into the existing structure when what we needed was a new approach. How do we create space for ourselves to get back to a value-based economy? It starts with relationships.

I started Radical Generosity to make it easier for women-led businesses to get the financial support and advice they need. It is all about an exchange of goods and services. As an example, women might have revenue and a product or service that would be popular with other women, and we introduce them to others, creating value and creating businesses.

I want to put all my money with women who are helping other women. In my view, the best way to acquire financial knowledge is by ‘doing it.’”

Assaf Weisz

Co-Founder and Partner, Purpose Capital
Toronto, Canada



In 2014 Assaf won the FPK (Future Possibilities for Kids) Possibilities Thinker Award

“There is a generational change happening and the new narrative revolves around how we now view money as an expression of values. We are moving to an era where we must leverage 100% of our assets, our resources and our time to fulfill this broad theory of change and we must design services around it.

There will be a huge transfer of wealth to millennials (born between 1980 and 1999) in the next two decades and this will require a shift in both advice and services, and that shift needs to unfold in a very personalized way. A recent report by US Trust found two-thirds of millennials see their investments as an extension of their personal values.

Because women and millennials don't see their wealth and values as being distinct and separate, there has to be a level of emotional intelligence working with these clients in the future. As a result, one of the breakthroughs that will accelerate this transition will be impact measurement – reporting to clients not just on financial outcomes, but also on the real world impact of their investments. When we interview candidates for jobs in impact investing, we look for a background in financial services and management consulting but also for a high level of people skills.”

Corrie Shanahan

Chief Executive Officer, The Beara Group
Washington, D.C., USA



“The future is all about entrepreneurship because women are more likely to set up their own businesses – they will either operate businesses within larger organizations or set up their own shop and offer specialty expertise. This new way of working is very empowering and fulfilling for women. I started my own firm at the beginning of 2015 and I love what I do now in a way that I didn't know existed when I worked inside a corporation. It is so much fun and so rewarding being your own boss and running your own business! On the personal level, there is no limit on what you can accomplish. And on the more practical level, there is no limit on what you can earn.”



“From the time she was three years old, I have taught my daughter Sapir about the sneaky nature of the relationship between time and money. What is interest? How can it work for you, and how can it easily work against you? She asked for something a bit expensive, and instead of saying no, I offered a deal: take the money and you can spend it right now; or you can save it and get more later. She chose the second option, and she still tells this story with pride. This is about getting her interested – that it is fun to learn about money or anything else.”

I think that one of my most important roles as a father is to help my (now) 12 year-old daughter acquire the best skills for her mature life, and allow her to fulfill her full potential. Since she was little, I have exposed her to technology and science, but not just as a technology user (as almost everybody does), but rather by explaining to her how things really work. For example, when we Google ‘Being an Engineer’ I tell her what happens behind the scenes as she types her query, how data travels from her computer to Google’s data centre in California, where it is being processed by super-fast computers, and is then sent back from the other side of the world to her iPad. There is so much magic around everything technological that we touch in our everyday lives, but most people just ignore it and take it for granted. My wife, who is a chemist, also teaches our daughter about science, and they even do experiments at home! As a family we like to talk about science and technology, and find it so much more interesting than talking about singers and TV shows. As we make science and technology part of our everyday life, it shouldn’t come as a surprise that Sapir becomes more and more comfortable with it, and even more curious. When she asks about something we do not know, we look it up together on Wikipedia or Google, even during dinner, and talk about it a lot. My inspiration for this type of parenthood came from the movie ‘Contact,’ that is based on a story by Carl Sagan. It really moved me to see how the daughter (played by Jodie Foster) of a scientist dedicated her life to complete the scientific work of her father.”

On digital disruption across all industries

Global companies tend to adopt one of two approaches to innovation: new products or strategies can be built by a dedicated group of specialists who are targeting that new market, or the company can try to shift its entire organization to think in a new way. These can be described as either “cluster innovation” or “distributed innovation” strategies. Both have their advantages and disadvantages, and both can work well or fail badly.

How do these approaches apply to the area of women and the future of financial services?

Various financial organisations (banks, stock exchanges, life insurance companies, wealth management firms, financial literacy advocacy groups, CFA Societies) have realized that women are not being proportionally represented in the financial world. Most organisations have responded by taking the cluster approach: they build a dedicated team or website or product to appeal to women, with leaders, staff, facilities and content all aimed at convincing women to use the product or service.

Will that approach work some of the time? Almost certainly yes, but it is interesting that so few are trying the distributed innovation strategy. But let us look at a market that is entirely different from finance, to make sure that both approaches are being considered.

About a decade ago, the smartphone market was much smaller (both in units and dollars) than it is today, but it was growing fast and already worth billions of dollars. At that time, almost all smartphones were bought by men: it was widely believed that women just weren't interested in these devices. In fact smartphones were largely marketed by citing how many GHz the processor ran at, or whether it supported HSPA+. Many were worn in a holster at the belt.

There were some cluster-type attempts to create a smartphone for women from some device manufacturers: dedicated groups were formed, and they introduced a product targeted at the “needs of women.” It won't surprise anyone to hear that this mainly involved creating a pink case, or perhaps some sparkles. Here is a real example from 2011: “Released early in May, the hot-pink Nokia N8 comes with an ELLE fashion magazine app and the option to install a “Little Pink Diva Theme for adding some colour into your menus and a great Pink Neon Clock.””

Well, that's one approach.

Meanwhile, another smartphone company (with a male CEO, CFO, and with a male chief designer) made a different kind of smartphone. Processor speed was not a selling point,

instead elegance of design, ease of use, ability to share, and the ability to fit into a pocket (or purse?) were big features. As of 2015, that brand of smartphone is now the most popular phone in Canada, with 34% market share. It isn't pink, has no sparkles, and was NEVER intentionally crafted as a "phone for women."

Did you know that iPhone owners are 64% women and only 36% men? Not only that, but while less than a quarter of those over 45 have an Apple phone, half of 18-24 year olds do? 60% of those making more than C\$150,000 per year own this device.

In other words... a phone that was not created by a team targeting a special product aimed at the female market: ended up appealing to women 2:1 and, is overwhelmingly popular with desirable demographics such as millennials and high income earners. Not to mention, the Apple smartphone is responsible for 94% of all smartphone profits worldwide, and heavily contributes to making Apple the most highly valued company in 2015, and in history.

Makes you wonder what would happen to a financial service firm that didn't settle for painting one branch pink, but instead tried "think different" across the entire organization?

Conclusion

After this year's research, what do we know?

Well, we now know that finance is the language of all business. And we already knew that more women = more money.

So putting it all together, I predict that the financial industry will begin to encourage and embrace the feminine style of communication; including real-life stories, nuance, and feeling.

That may not appeal to 100% of women, but it is likely to be welcomed by the majority. Interestingly, it is also likely to be more useful in reaching men – especially those who are turned off by traditional forms of financial marketing. Further, new communication styles may be more effective in connecting with non-Western cultures, and those under 35 (of both genders) who already tend to think and speak in gender-neutral ways.

Thanks to the influence of smart women, we are rapidly moving towards a more interesting, more inclusive and more profitable financial industry. An industry that now has a much broader scope with infinite possibilities.

Methodology

Throughout 2015, the author conducted 60 interviews with male and female global leaders. The selection criteria were not scientific or random, but based more on serendipity via chains of introductions. Interviewees varied by age, cultural background, profession and geographic location, and all were considered to be experts in their fields.

The broad question of “How do you see that smart women are shaping the future of the financial industry?” is clearly open-ended and it solicited diversity in thoughts, ideas and predictions.

Research findings are based on selected quotes from the (on average) hour long interviews. Quotes were prepared by the author and permission to use the quote was granted by the interviewees.

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Six years of *Rich Thinking!* What a privilege it is to spend time with some of the smartest people around the globe. I can't even begin to explain the profound impact that these discussions have had on the way I look at and live my own life. And the best part? Having the opportunity to share this collective intelligence and make a real-world impact.

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Jane Barratt – Founder & CEO of GoldBean, New York

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Caroline Cakebread, Phd – Editor, Canadian Investment Review,
Financial Journalist, Toronto

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