

Barefoot Innovation Podcast with Jo Ann Barefoot, CEO & Founder at AIR, and Shelley Anderson, Program Director at AIR

***Note that transcripts may sometimes contain errors and that transcript timing notations do not match the posted podcast**

Jo Ann Barefoot: Welcome everyone to today's show and we are going to have a special format today. March is Women's History Month, and I have been asked to speak at different kinds of events, including that I'm very honored that I was asked to speak at the Control of the Currencies program, honoring Women's History Month. I was the first woman to serve as deputy controller of the currency, so I'm very excited about that. But the events going on gave our team the idea of doing a podcast basically with me as the guest, talking a little bit about my perspective on women and specifically women in financial regulation. To put on our show today, we are going to have the interviewer's seat occupied by my colleague Shelley Anderson, who is a director at AIR. And so Shelley, I want to welcome you to the show and ask you to introduce yourself.

Shelley Anderson: Thank you, Jo Ann. Such an honor to be stepping into your shoes today. I hope I can do it justice. Yes, I'm Shelley Anderson, I'm program director at AIR. I've been here for two years, two wonderful years, working on some really great projects alongside Jo Ann and the rest of the team. I was previously at the Financial Conduct Authority in the UK, so I spent 16 years working on various things, lots of different jobs within the regulator, mostly focused on consumer education and policy. I also spent two years as private secretary to the chief operating officer and then I was lucky enough to join the RegTech team, which was a very new team at the time, headed up by Nick Cook, who's our chief innovation officer at AIR now. And we set about building out the TechSprint program that the FCA are so well known for.

And I led the ecosystem building for the UK RegTech industry. My passion and consistent love for consumer protection was always there and I focused very much on the vulnerable and underserved customers when I was at the FCA. Very lucky to move over to AIR and lead some of the work on emerging markets and get the opportunity to support the Gates funded work on consumer protection. I'm one of three members in the UK, so I'm based just outside of London. As I mentioned Nick Cook, he is also in the UK and also my colleague Katie Smith who works alongside me on the Gates program and very lucky to also have our colleague Grace Mathebula, who is in South Africa. In addition to my work at AIR, I also co-founded the Women in Regulatory Innovation Network, which I think we're going to touch on a little bit more a bit later, so excited to talk about some of the work that we're doing there. But Jo Ann, I think we're going to pass the questions over to you now if-

Jo Ann Barefoot: Well, I was just going to say first that I'm glad you mentioned that we have the three people in the UK and one in South Africa. We don't talk that much about what AIR is doing on the podcast show. Maybe we should talk about it more, but we do at this point have I think 22 people in these three countries and we're spanning 10 time zones in our own team, plus really working all the way around the world increasingly. I'm really excited to be able to bring that together for today's show. Where do you want to start?

Shelley Anderson: I want to hear more about your time as deputy controller of the Currency. As you mentioned you were the first woman to take up the role, so give us a bit of a recap of your career, how you got to that point and some of the highlights for you. That would be wonderful to hear about.

Jo Ann Barefoot: I'm happy to talk about that. And to start it off, I have to date myself because I graduated from college, from university in 1970. I did graduate early, so I was a little young, but that's a long time ago. And then I have had a multi-decade career, and as I think about Women's history month and reflect back on how the world has changed over the course of my career, it's really striking. If you wind the clock back to then it was the time of mini skirts and long hair and people might've still been wearing bell-bottom jeans. And I looked it up, the biggest hit song of the year was Bridge Over Troubled Water by Simon and Garfunkel. And I moved to Washington DC, took a terrible job at the Navy. In fact, I live in the Washington Navy yard now right next to the Navy yard itself. That was where I worked when I was first out of college as what's called a GS-3 clerk. It's hard to get a much lower job than that in the federal government.

I moved on from there to another terrible job at the Department of Housing and Urban Development. And then from there I got a job at the Federal Home Loan Bank Board, which was the regulator for savings and loan financial institutions at the time, and was later absorbed into the OCC. But to paint the picture, at that time, credit discrimination in the United States was still completely legal. It was not only legal, it was considered good banking practice. I worked for a presidential appointee at the Federal Home and Bank Board and his view was that banks should not make loans to women without their father or husband co-signing because women were bad credit risk because they might get pregnant. And Shelley, you know me, I always like to talk about the technology impact on things. Another thing that was new at the time was birth control pills technology.

And so it was at the beginning of an age where women had more control over whether they were going to get pregnant, but that was the view. Employment discrimination had only been illegal on the basis of gender at that time for six years, and it was still very common. When I was in that job, I remember having one of the financial trade associations tried to recruit me to be the editor of their newsletter or their publications. And these two executives took me to lunch at the National Press Club and were trying to persuade me to come over and I was very interested in the job. And then one of them said that if they hired me, they were going to have to pay me less than their secretary because she was

the only other woman that they had and she wouldn't like it if I was paid more regardless of what my work was going to be.

People weren't even shy about talking that way in those days. And of course the racial discrimination was even more profound. I won't go through the whole unfolding of the laws, but at that time, racial discrimination in mortgages was illegal, but in other types of credit was still legal for another five years. It was a long time ago, and we have made a lot of progress since then. In the early years of my career, I was the only woman in meetings or the only woman speaking at events many, many, many times for years. And then maybe there would be one or two other women. And gradually we've moved to the point where at AIR we are majority female and that has become a pretty common thing. And there's just no question that we've advanced light years. However, if you had told me in 1970 or 1975, when the Equal Credit Opportunity Act passed, that in 2017 the United States would see the Me Too movement. I wouldn't have believed you.

I thought when I was young that we were outlying discrimination on the basis of birth characteristics and other protected factors and that it wouldn't go away and it didn't go away at all. The Me Too movement didn't surprise me in the revelation that there was bad behavior going on because human beings have bad behavior among them always. But the fact that all of those institutions defended and closed ranks and covered up what was going on, and they crossed the whole span of the economy. They were in the public and private sectors, they were in Hollywood, they were on Wall Street, they were in the national news media, all kinds of organizations that just shrugged their shoulders and for years looked the other way while women were being mistreated, just a few years ago. It is just shocking to me and the lesson, and we're going to talk about it, is that it's not good enough to pass a law and say we're going to do something differently. You really have to figure out how do you change cultures, how do you change incentive structures and even how do you change hearts and minds?

And so I think that's the work that we have now and the groups like WIRI that you've founded are doing so much. That's my quick story. At the OCC, again, I was the first woman in that role. There've been many, many since. And I was also the youngest person in the role. I was told at the time, they formed the US Senior Executive Service while I was at the OCC, and they told me I was the youngest member of that. I was still in my twenties when I became deputy controller of the Currency. Again, lots of change. I didn't finish really outlining my career, but I went on from the OCC to found my own business. I moved out of Washington, moved to the Midwest, founded a consulting firm, sold that firm to KPMG, became a partner at KPMG and led a major business line there for a number of years. And then I took a little break in a way. I did individual consulting, but I spent most of my time on my family, my growing family and volunteer work for a few years.

And then I went back into my field working for Treliant Risk Advisors where I was co-chair along with a former Federal Reserve Board of Governors member, Mark Olson. And then I left the OCC and I took a senior fellowship at Harvard for two

years where I focused on how was technology changing consumer finance and how to regulate it. And that is what led to AIR. I realized as I did that research that there was a profound opportunity for technology to solve problems in consumer finance that we've never been able to solve through regulation, including discrimination and unfair treatment. And I had an epiphany one day in Boston that these changes were going to happen to the technology, but that we would probably regulate it wrong, not out of any ill will or any bad thing. Other than that, our regulatory system is not designed to deal with this type of change, as you well know as a former regulator too, change that's rapid, change that's mold breaking is very challenging for financial regulatory bodies that are built to be conservative and careful and cautious.

I like to say that's a feature, not a bug of financial regulatory bodies. And so at the risk of sounding grandiose, I sort of appointed myself to try to solve that problem and a few years later founded AIR and now we're doing what we do.

Shelley Anderson: That's wonderful Jo Ann. And I think what I've picked up from your brief, and I know it's very brief, I'm sure that you could take up the whole podcast talking about your experience here, but one of the things that I picked up on was your risk taking during your career. One of the things that a lot of women we hear in this space feel that it's risky to take chances or try different things, and you founded your own company and you saw a gap and filled it. And it doesn't sound grandiose at all. It's the way that people solve problems. They see it and they think they can fix it, and that's what they do. Just very briefly, I know we've got a lot to cover, but how do you think you've built the courage to take risks in your career? Is there anything specific that's driven you to be able to do that?

Jo Ann Barefoot: I love this question and I think we'll talk more about it because I do think it's one of the solutions to having a world in which women are on equal ground with men. And I do take risks. I come from a family of entrepreneurs. My father was a pioneer in the helicopter industry, and then in wind energy, he was a rotor technology genius. And both of my grandfathers were entrepreneurs. And my great great uncle invented the player piano and started a company. And I have that in my DNA. And then for some reason, maybe the example of my parents, including my mother, who was an incredibly bold, strong woman, she was the only woman in the University of Michigan Flight Club and was the best pilot in it and signed up to... I won't go off onto the tangents on my family history, but she volunteered to try to do flying in World War II and we have to let her denying her because she was a woman.

But anyway, I grew up with that as the norm that you were going to have. You were out exposed and things could go well or not well. And so I think I got used to it. And then in my own life, and again, I'm not going to spend a lot of time on the stories, but I look back on my life and realize I have sought out a lot of adventures that not everyone would take. I've searched for wolves in the Arctic and I've fly fished in very remote places and I've worked in leprosy communities in India. And I took a wilderness fast where I spent four days and four nights on a mountain solo with no food and no tent, which was a life-changing experience. It

was within a program of people organizing it. It wasn't totally crazy, but for some reason I'm attracted to doing things that test me. I've run a marathon, I've had cancer, I've had polio. I feel like I've done things that are hard and I like doing things that are hard.

And to translate that for other women, I want to come back to this point as we talk because I think that in general, the problems that we have today with equality for women are two-sided. We have institutions that are not opening doors appropriately for women. And I know we're going to talk more about that, but we also have a lot of hesitation among many women to walk up to that door and go through it. We have this whole phenomenon of imposter syndrome of women being concerned that they're not good enough for something and worrying about. And it's a stereotype to say it, but men generally speaking have much less of that.

I think Sheryl Sandberg in her book Lean In talked about something like women will see a job description advert and it'll have eight requirements and they'll say, well, I only have five of these so I shouldn't apply. And a man might say, I've got one of these, I'll go for it. That we have to change. Women have to have, as you said, courage and recognize that usually when you put yourself out there, you won't fail. And even if you do fail, it's actually not going to hurt you, so go for it.

Shelley Anderson: Absolutely. We've started to touch on what more needs to be done to make sure that women are adequately represented and supported in their careers. Have you got any thoughts other than what we've already touched on so far?

Jo Ann Barefoot: Well, let me turn that back to you and let you start on it because again, you have founded Women In Regulatory Innovation, which by the way, I love that acronym, WIRI, it seems like an appropriate name for organization of women. And you founded it with our wonderful friend, Francesca Hopwood Road, with whom you also worked at the FCA, the Financial Conduct Authority. Why don't you share some of what WIRI has been identifying as what needs to be done and what it's doing?

Shelley Anderson: Sure. Turning the tables already Jo Ann. As you say, Francesca and I founded WIRI a year ago officially, but it's something that we had been thinking about and plotting about for a long time. In fact, since our Women's Economic Empowerment TechSprint that Francesca and I partnered with AIR on back in 2021 when COVID hit and we saw the disproportionate impact on women that COVID had. And Francesca and I sat in our homes and with our children running around our feet and said, what can we do? We need to do something, so we created the Women's Economic Empowerment Sprint looking at how the FCA could support women that were disproportionately impacted. But as part of that-

Jo Ann Barefoot: And that's how I got to know you Shelley, I think.

Shelley Anderson:

Exactly. It was great in many ways and we were so lucky to work with AIR who ran the same program, slightly different use cases in the US so wonderful to have met AIR in that way properly. But as part of the program, one thing that Francesca and I did very early on was just look at... We opened our little black books and said, what women in the world do we know that are great? Who do we need to bring into this? And we brought together this incredible group of women who worked in innovation, in regulation, in consumer protection. I think there was about 15 on the first call, including yourself, Jo Ann, which is where the idea came to do a US version. And we said, what needs to be done? What can we do? Who do we know? How do we do this? And there was just this huge swirl of support for the program and we were so inspired and Francesca and I basically got off that call and we're almost in tears at the feeling of this support network that just came together and said, how can we help?

What can we do? And there was so many ideas and I think the program was over a week and we ran not only sessions that looked at consumer protection issues and how we could support women consumers, but we also flipped it around and looked at how we can support women working in innovation. Encourage more women into the sector. And I think we probably had enough content for a month long program. There was so much that we could have done and so many people leaned in and Jo Ann, AIR brought some wonderful inspirational speakers along as well from the US and it was just so incredible and everyone was so encouraged by the program. And afterwards, Francesca and I said, we can't let this end. We've heard so many stories about women that are working in the space of regulation and innovation. It's very male dominated. Even the most successful leaders are feeling isolated and perhaps don't feel like they've got the support network to be more vulnerable.

We brought this group together. As I say, it took about a year for us to finally build it out and launch it. But some of the things going back to the question around what can we do and what we are trying to do in WIRI, there's a couple of things. I think skills gap is always a huge issue for women in this space. We know that men tend to access more formal training. They're more likely to take training courses that have nothing to do with their jobs, such as coding or interest in particular topics where women tend to focus just on up skilling in the things that they already do. Also, women with their caregiving challenges don't often have the time, or if they're working part-time, feel that they can't take time out of that part-time work to dedicate it to training. One of the things that we've done is build out some webinars, not on specific topics necessarily, but helping women build those skill sets that they need to operate in this space.

Leading technical teams was a very popular one in that a lot of women had never led teams where they were leading very technical people, quite often men, and how you could navigate that. Setting boundaries and holding boundaries, which is something that women tend to be worse at than men. And also things like building a personal brand. Jo Ann you and Deborah Young spoke about how you can build a global brand and use that to take up opportunities. That's one area. I think another one is more visibility in leadership roles and

external facing programs. One of the things that has been amazing about WIRI is sharing opportunities between us for women to speak at events or to join round tables. And a really great example was I met a lady called Nancy Amadi in India last year. She actually works for the Central Bank of Ghana.

And I just thought she was wonderful. And two weeks later, Francesca called me and she said, "All right, I've got this session and I need someone to speak on this panel. Who do you know?" And I said, "Well, I met this wonderful lady called Nancy and she would be perfect." And of course she was perfect. And we do a lot of that in WIRI, this kind of informal introductions to people. And there is no excuse for all male panels or manels as they get called anymore in RegTech and Subtech and innovation. If I see it, I get angry because there are 166 members in WIRI and I know that the majority of them could sit on one of those panels, so there's no excuse. And I think finally it's just the network's point. There's centuries, there's been the male only clubs and the golf course conversations where people get referred for jobs or deals are done on the golf course or over a beer.

And actually networks like ours are breaking those down for women and giving those women access to people that can find them the next job, who can offer them opportunities, who can introduce them to people that they wouldn't necessarily know. And this is especially important and we are quite US, UK heavy at the moment, but we are pushing into other markets to try and bring those people in and say there are opportunities. And again, Francesca, she has Sharon Rose from the Bank of Ghana on secondment at the BIS at the moment, another opportunity that came about because we've built these networks between us. I think that those are three of the big things that I would say more needs to be done. We are trying to do as much as possible, but as you say, I think there's more than one side to it. I'm going to flip it back to you now.

Jo Ann Barefoot:

Before you do, let me just join in a couple of the things that you said that. One takeaway is listeners, if you are putting together an event and need a speaker, we'll put in the show notes how to find very... And please touch base and look, because we have awesome women, awesome, incredible women. I hesitate to name names because of who you forget to name. But thinking back on the event that we did on Women's Economic Empowerment, AIR did one with you when you were at the FCA and then AIR did another the year before last with the Reserve Bank of India, which you also worked on. Same topic, different program.

But the one that we did with you, those speakers were incredible. We had Greta Bull who is now the head of gender issues for the Gates Foundation. We had Sheila M'Mbijjewe, the deputy governor of the Bank of Kenya. By the way, you and I were supposed to do this. We thought of doing this podcast face-to-face. Last week I was in London, but you were in Kenya-

Shelley Anderson:

I was, yes.

Jo Ann Barefoot: ... doing some work under our Gates program, which is on consumer financial protection in emerging markets. I remember we had Adrienne Harris speak. I was so moved and we had almost all women speakers. Shelley, do you remember that?

Shelley Anderson: We had two men, one of them being Nick Cook.

Jo Ann Barefoot: Exactly.

Shelley Anderson: He was very embarrassed by it. He actually didn't want to do it, but he was director of innovation at the time and we asked him if he would. And then we had one other person who was from a FinTech, and that was it. It was all women.

Jo Ann Barefoot: And we had such a plethora of talent, we could have had so many more people there. I always give Nick a lot of credit. I tend to credit his wife Kate for this, I don't know. But Nick is a very wonderful man in terms of opportunities for women. And so he did a good job of emceeding parts of the program, although Francesca took the lead. But anyway, the talent that we had there and the insight and as you used the word vulnerability, the people who were willing to tell stories, women of great stature today, telling the stories of what happened to them along the way or what it took to get there. I don't know if that recording is still available on the FCA website or AIR's, but if so, we'll link to it in the show notes. People should just look through it and listen to some of those talks. They were amazing.

Shelley Anderson: And I think not also to mention, we had majority female teams as well, and some of the solutions that came out were incredible. And I was blown away by the women that actually took part in the TechSprint itself on both sides of the pond. And we also did, which is not available publicly, but we also did a code first girls TechSprint idea, and we had these young women who were incredible. I was just taken aback by the ideas and the talent. And that was a real turning point for me where I was... As I say, when people say that they can't find women in this space, it makes me angry because I just met so many. And as you say, we could have had a program that run for weeks, we had so much.

Jo Ann Barefoot: One of my favorite gifts to give when people have a baby is coding for babies. And especially if it's a girl, just get people started early. But I know we need to move on, but just you're taking my mind back to that event. One of the things, an example of what came out of it is think about the problem facing women who are in an abusive domestic or personal relationship or are in a human trafficking situation, and they are essentially captured and at physical risk. And if they manage to get away, they typically don't have financial histories and credentials. In fact, their abusers may have been using their credit to get money from them in their name and then defaulting on loans and so on. And so I remember a couple of the teams in the TechSprint were working on solutions for that. How could we begin to take a woman in that kind of vulnerable situation and give her tools that she could work with? There was just such an explosion of

creativity and looking at better ways of dealing with women's economic empowerment as we called it.

Shelley Anderson: I think we could talk all day on this, and I absolutely love the topic and we'll come back a little bit more about specific challenges for women in finance and innovation and some of the work that we are doing at AIR as well. But I just want to just flip back to you again, Jo Ann, talk a little bit more about your career. One of the things that is absolutely incredible about you, and I'm probably going to miss some of these off, but I'm going to attempt to list some of the honors that you have. You've been named FinTech Woman of the Year by both the American Bankers Association and Finnovate. You were named one of the most influential women in FinTech by the American Banker newspaper. Forbes Magazine named you on the Forbes 50 over 50 list. You and I both made the Innovate Finance women in FinTech power list last year, which was a great achievement for AIR, I think is it 40 women and two of them were for AIR, and it's for such a small organization.

I think that's pretty good. And in addition, you've also been recognized in a number of gender-neutral leadership awards, which I think these are... They don't mean more, but actually when you're up against men, it is harder for women to get on some of these lists, so to be on these particularly is incredible. The FinTech Hall of Fame and the FinTech Power list. As an organization AIR has also been recognized in the fast company world, changing ideas, which I know we are all incredibly proud of. And to add to this, so the new one, you're about to receive a lifetime achievement award from the American Bar Association.

Jo Ann Barefoot: It's actually the first non-lawyer to ever receive this award.

Shelley Anderson: There we go. It's incredible. And I think these awards are such a testament to your hard work and the risks that you've taken, which I think is important within your career. And I think these kind of things are so aspirational for women working within the sector. I think that's why it's important that we see women on these lists, as I say, particularly the gender-neutral ones, but all of these lists, it drives other women to aspire to be on these lists. What have these honors meant to you and how do you feel these recognitions can help to inspire others?

Jo Ann Barefoot: Well, the first thing I want to say is that all of them, I think, or nearly all of them came to me while I have been CEO of AIR and they are honors to AIR and to our team. And I tend to be the one who gets nominated and put onto the list, but they're reflecting the work that our team is doing and how again, we are a small organization, but a lot of people... We've done enough that a lot of people can see that it's having impact, so I'm incredibly proud of that. But I also do think that these awards point to the fact that there is a need to explicitly recognize women as opposed to assuming that the inequality issues will just take care of themselves. I think that one of the things that holds back progress is that people have blinders on.

They just think in terms of the usual, as you said before, their usual social networks and working networks. And those have been male dominated forever. And if somebody creates an award that is designed for women, it causes people to sit down for a moment and think, well, who are the impressive women in our field on these criteria? And I think that's really healthy. And I think that mindset, that proactive mindset needs to run through everything. You mentioned panels, that's just such a notorious area. Even a few years ago I went to a very prominent conference in Washington and I was the only woman on the main stage and I think there were only two or three women in the breakout groups either. How could that be in this day and age? And the men who were running it weren't sexist, they meant well, but they were just going to the usual suspects.

This proactive thought process is great. And when these kinds of awards come out, one of the things they do do is help some women who are being recognized, not work with each other, get to know each other better, go on and help each other. My advice to organizations and to women is to participate in these kinds of things. Put forward the name of someone that you admire, or if it's something where one applies for it, go for it. Don't have that imposter syndrome holding you down. Just try. It's nothing to lose and I think it's worthwhile.

Shelley Anderson: Absolutely. And as I say, it gives that visibility as we talked about externally, and people see your name and they recognize your name and think of you when they're thinking of panels.

Jo Ann Barefoot: Yep.

Shelley Anderson: Something else that you've mentioned, networking. And we've talked a little bit, started to touch on mentorship, but as you think about the career world for women, what do you see as the importance of mentorship and networking and peer support? And do you have any advice for women seeking those kind of networks?

Jo Ann Barefoot: Mentorship and networking are absolutely essential. And in fact, I'd like to mention a few more groups. WIRI is so amazing and for you and me is right in the square space that we work in. But there's a couple in the United States that I would mention also. There's a group called ALLRISE, founded by Amy Friend who used to be the chief counsel of the OCC when she retired. And her goal was why don't we take some... Why don't we create a space where women like her or me who've had an opportunity to progress in our career can be accessible to younger women who are trying to navigate the same space? It's an amazing group. She's an incredible woman. There's another older group called Women in Housing and Finance in the U.S. I'm going to speak to something they're putting on with the Exchequer Club in the United States in the near future. They put on wonderful programs. I think there are several women in Fintech groups. And then the regulatory agencies in many cases have their own women's networks.

And all of these I think are open to men as well. And it's always good to see men participating, but I would really encourage women to join groups like this or create them as you and Francesca did with WIRI. More broadly, I think that mentoring is critical. You had asked me when we were preparing if I had a particular mentor or role model, and I was early enough in this movement that I didn't have very many women in a position to mentor me or at least who were accessible to me at the time. I had more male career mentors, one who stands out is Chuck Muckenfuss, who was senior deputy controller of the currency and recruited me to the OCC. And also the controller himself, John Hyman, who passed away just a few weeks ago, but was an amazing leader.

But I do a lot of mentoring and I just think that women need to help each other. Again, men need to be opening doors as well, but women need to take the time to help each other and promote each other and mentor each other. I am tempted to start naming the women that I'm in awe of, but I would be worried that I would leave too many off the list. But again, there are just amazing women everywhere, and the more we network and cross mentor, I think the faster we'll have progress.

Shelley Anderson: I'm starting to feel like we need to have our own award Jo Ann. Maybe we should do an AIR Women Innovation Regulation Award.

Jo Ann Barefoot: Maybe we should. Absolutely. I love that idea. We've talked about having an AIR Heroes award, haven't we? For regulators who are doing amazing things in innovation, women or men, we may do that at some point.

Shelley Anderson: Definitely think about it. That's wonderful. I'm going to flip back now. We've talked a lot about careers and support for women, but obviously you've mentioned the work that AIR does is very much in the space of working with financial regulators who are working in the world of banking and FinTech. We know that Fintechs, RegTechs, Subtechs are all very much dominated by male founders, by venture capital firms who are overwhelmingly male-led and overwhelmingly invest in male founders. What are the effects of these and what do you think can be done about it?

Jo Ann Barefoot: I think this is a great question because finance is a very male-dominated profession. And tech is a very male-dominated profession and industry. And when you put them together, you're intensifying those histories. And finance is an old industry, very hierarchical. People work their way up to the top of it over long careers. Tech is a young industry where we have among us many people who started their company when they were young and are now titans of industry at the top of some of the biggest firms in the world. And yet when those founders had a chance to start fresh basically and design from scratch, they replicated the male-dominated thing and they were mostly men. And where do they get their money? They get it from venture capital firms and those are overwhelmingly male. And their investments are again, overwhelmingly to men. A lot of people are thinking about this problem, and there are lots of exceptions in banking.

We have people like Jane Fraser, who's now the CEO of Citigroup, which is an amazing, wonderful thing. And other prominent women in traditional finance. And in the venture world, we have people like Katie Haun, a few really prominent founders. We have had support for years at AIR from Flourish Ventures, which has Emmalyn Shaw, who's an amazing woman VC. But we know that these are the exceptions. We know that many of these firms are working on how to invest more in women and founders. If you think about Silicon Valley and its counterparts in other parts of the world, that world is dominated by founders. They are the life's blood of the kind of tech world that we see today. And if you're not going to have women founders, then you're not going to have... You're not only not have women parity, but we talk a lot, Shelley, about the ample, the tremendous evidence that when you design products for women, if you have women helping design products, they work better for people.

We have so many companies that are trying to design products for use by everyone, but the people designing them are all men and overwhelmingly white also. And it just limits it. Do you remember when we did the Women's Economic Empowerment TechSprint with the Reserve Bank of India? We had a speaker, a man, I think he was an academic, and said something that was one of my takeaways from the conference. He said, "If you design products for men, they will work for some people but not others. But if you design products for women, they'll work for everyone." And so there's a business case there. There's also a tremendous business case that more diverse organizations perform better financially in terms of profitability. I think we just have to do the hard work of working our way toward more diversity at every layer of this. And back to the risk-taking, if women are going to be founders, they have to be ready to take risk. That's the nature of it. And so I hope that women will feel inspired more and more to take that leap.

Shelley Anderson: No, I agree. And it was wonderful that the women's economic empowerment sprint. It really brought it home around how you could help women and the impact it would have to bring women into the financial system. It was really inspiring. What are your hopes for the future of women in financial regulation, and what role do you see them playing in shaping the industry's evolution?

Jo Ann Barefoot: Well, one observation that I have is that, and it's just anecdotal, but one thing we do at AIR is we do network all over the world. We know people in financial regulatory bodies everywhere. By the way, Shelley, before we wrap up, and I know we're going to run tight on time, we should mention the project that we're doing with Women's World Banking, which actually why don't you describe it really quickly because I really would like our listeners to be aware of it.

Shelley Anderson: Sure. We've just signed a partnership with Women's World Banking and AIR are supporting them in their new program called Women in Tech. This is really about a new leadership program that with the goal that the program is to equip the next generation of diverse policymakers, regulators, and supervisors with the knowledge to be at the cutting edge of technology. For example, horizon scanning, spotting trends, balancing stability and innovation. Some of those

really big skills that anyone who's working within innovation in a regulatory body needs to learn, but again, tends to be focused more on men and how we can ensure that emerging technologies are leveraged for inclusion, particularly in emerging markets. And accelerating the efforts to close the gender gap in financial inclusion. The work that Women's World Banking is doing is incredible and at AIR we are really excited to be part of that, helping them to shape the program. And also the WIRI Network is supporting them to identify mentors. We spoke about mentoring and the importance of that, so finding some mentors within our network that can support the women going through that program as well.

Jo Ann Barefoot: And we should also link in the show notes to the book written by Women's World Banking, CEO, Mary Ellen Iskenderian, which is an amazing book. The title of something like this, There's Nothing Small about a Billion Women.

Shelley Anderson: I think micro about a billion women.

Jo Ann Barefoot: Micro, that's it.

Shelley Anderson: One of my books that is always-

Jo Ann Barefoot: She's another just awesome woman. But that project, we all know that regulators are going to need more tech skills. And one of the things that we're trying to help with through that project is to equip some women in the middle ranks of their regulatory agencies to be able to meet that need as it grows and grows. And so to answer your question, one of the things that I've observed at regulatory agencies is that a great many of them have a tremendous bench of strength just below the top. There've been a lot of women that have been coming up through the ranks, and they may not be in the top executive role of the agency or their department, but they're right underneath and they're stuck there. I don't know if they're stuck, but they're there for a variety of reasons. Sometimes I hear stories from women regulators about... I heard one from one woman who said that her agency created a new senior role and then they wrote the job description.

There was only one woman in the agency who had the qualifications, and she did not think it was intentional to exclude anyone. It's back to the blinders' problem. They said you needed to have this many years of this and that, many years of that. And there was no reason why those numbers had to be rigid, but it had had the effect of disqualifying all the women except one in the entire multi-thousand person agency. I think that what I'm hoping we're going to see is like a dam breaking of some of the really talented women inside these agencies getting into those top roles. There's a generational change underway. You are much younger than I am. We still have a lot of Baby Boomers in charge of these organizations and some Gen Xers, and we're about to have the millennials take over. They're the biggest generation in the history of the world. And I think that I'm very hopeful that that also will bring a lot more thoughtfulness on how do we build really diverse organizations on both gender and race.

Shelley Anderson: And I agree, and I think there is a real groundswell of those younger than me who are coming through that I'm so inspired by. Women in data science and in tech roles that didn't exist when I first started my career, but they're really taking it on and making a difference. I think we've got a couple of minutes and I just want a very quick answer on this one. What is the best advice you've ever got for navigating the world as a woman?

Jo Ann Barefoot: I was first asked that question a few years ago, and I'm not sure that this is the best advice I ever got, but I do know that my head immediately jumped to something that is not advice. It's actually a song lyric from the song, Let Your Heart Hold Fast by Fort Atlantic. And the line is never fear. And I think that that boils down how I try to live my life and what I hope women will have in their hearts holding fast. The courage, we talked about it before, take the risk, take the leap. As I said, you probably will not fail. And even if you fail, it's almost certainly not going to hurt you. Life is about trying and failing, isn't it? Innovation certainly is. You'll be better for taking the risk no matter how it comes out than you will be for holding still and wondering and wishing about what might be different. Have the courage, never fear.

Shelley Anderson: Wonderful. That's amazing. Thank you, Jo Ann. And thank you for letting me step into your shoes today. It's been an absolute pleasure, and I did feel the fear and did it anyway.

Jo Ann Barefoot: Well, thank you, Shelley, for joining me. It's been so fun and let's hope the listeners got something from it and come to regulationinnovation.org for the show notes and we will include there the information on how to reach WIRI and touch on all the other things we talked about. Thank you.