

Women in FinTech - Shaping a New Future

A panel of all-female technology experts assembled to cogitate on the role of women in the digital revolution and to assess the implications of new advances in the wealth management industry. The panellists are all leading lights at the Fintech Association of Hong Kong, to which they offer their time and expertise above and beyond the demand of their senior roles in digital technology and regulatory affairs.

These were the topics discussed:

- *What role do women play in FinTech in Hong Kong and how is that evolving?*
- *What can the sector do to attract more women to FinTech?*
- *State of the market development of FinTech and RegTech in Hong Kong.*
- *Are cryptocurrencies or other digital assets developing and viable?*
- *What role does Digital play in insurance for the wealth market?*
- *How can data and alternative data be exploited to achieve enhanced profit margins?*
- *How is digital transformation happening in wealth management firms and is this leading to new revenue generation?*

PANEL SPEAKERS

- Kimberley Cole (Chair), FinTech Adviser
- Vippy Wong, Partner, Quinlan & Associates
- Michelle Chan, Head of Business Development, FWD
- Avril Parkin, Committee Co-Chair for Big Data, Fintech Association of Hong Kong



EXECUTIVE SUMMARY

Women are ever more involved in tech

The Hong Kong Fintech Association began only about a year ago and it has already spawned greater interest amongst females and a noteworthy spin-off, namely Women in Tech. But there is more work to be done to involve more women in this field.

To grow the community, more education, please

To achieve greater diversity and inclusiveness, the leading women in the sector are aiming to become even more involved through education, training, events and other media. Online courses supplemented by offline events are both keys to success.

Blockchain one key digital innovation

Blockchain is high up the list of technologies that will have the greatest impact on the world and on the world of wealth management. Distributed ledgers should impact every sphere of daily life within a number of years, from financial asset transactions to home purchases.

The growing role of data analytics and AI.

From the automation of processes to machine learning from customer data and from the world of data, the data analytics sector will help boost activity all round in the financial sector, as well as achieving greater transparency and more efficient pricing. Many laborious processes can be accelerated by AI, and data - both mainstream and alternative - must be efficiently leveraged for the benefit of clients and of the providers themselves.

Technologies collaborate

Digital technologies do not exist in isolation. AI, Blockchain, cloud, data analytics and machine learning should all be working seamlessly in the future. The word "quantum" will perhaps be the buzzword for next year.

Interoperability - a key to digital's future

The discussion closed with one guest focusing on the challenge of what she termed "interoperability". She explained that this will enable the scalability for platforms to work seamlessly together for the future.

And talent is essential

The discussion ended by turning full circle, back to the human element of digital technologies. The panel concurred that, whether male or female, the industry needs more talented and skilled people to realise its full potential



“THE HONG KONG FINTECH ASSOCIATION was started just over a year ago,” began a panellist, “and although we are all-female on this panel today, we would still like more female representation. However, good things have evolved, such as a spin-off, namely Women in Tech, and there is also the Big Data Committee, where we have a few women. But more can be done, I feel.”

A fellow panellist agreed although she noted that the Women in Tech group has a WhatsApp channel now with more than 250 women involved, with those individuals covering every tech sector from FinTech, RegTech, InsureTech, HealthTech and others. “This is a great start,” she said, “but let’s discuss now what more can be done to involve women in this field.”

The growing community of women in tech

“It is great to be at the core of stimulating this community,” said one expert, “and the next step is to communicate more about what we contribute, and with greater diversity and a more inclusive ecosystem we can organise ourselves to have a greater representation in many of the specialist events in this sector.”

“Agreed,” said another, “and I know there are some male allies who work in large organisations who refuse to go on a panel if it is a male-only panel, which will help encourage more women to have a voice in this industry and provide and platform or others to learn from them.”



KIMBERLEY COLE
FinTech Adviser



AVRIL PARKIN
Fintech Association of Hong Kong

“Although we have some high-level engineering, science and technology educational backgrounds around this table,” said one expert, “the reality is that there are not enough women doing the STEM subjects and that will eventually feed through to more women making investment decisions in start-ups and other businesses.”

Education essential to boost participation

A fellow panellist agreed, noting that where women notice other women in certain positions or in certain industries, it then encourages them to pursue their own education and careers in those industries. “There are a number of programmes out there supporting STEM workshops and programming workshops, targeting young women and I encourage everyone to really have a look at how we can help in that area to support the work being done.”

Trying to be as inclusive as possible

“There is a lot we admire about the leading tech training platforms in Paris and Silicon Valley,” said another panel member, “and we have looked into why there is no similar in Hong Kong and now want to actually build something similar here, which will be more inclusive without any prerequisite, everyone welcome to register if they have an interest in tech. We can then assign them different grades of case study and they can actually pick up the skills there, online and in some offline workshops. We want to make it so there is no barrier that all these students actually to achieve some sort of educational background in this area.”

She also noted that executive courses are very costly and therefore a barrier. “Which is why we decided to form the NGO [non-government organisation],” she remarked, “with everything online, to be as inclusive as possible, and for males or females. Right now, we are 75% female, with some eminent women supporting us to direct us towards the content of the platform. However, right now I should say that as to those software engineers actually working to build the platform, most of them today are men.”

Key digital innovations

The Chair then directed the discussion towards panellists giving their views on the



MICHELLE CHAN
FWD

most interesting digital developments ahead. “Blockchain is probably one of my favourite areas, perhaps because I come from computer networking,” opened one expert. “Having been at FinTech week here a few weeks ago it seems it is becoming considerably easier for organisations that do not have developers or in-house expertise to actually start making use of these Blockchain type services. And when we saw that Amazon has released Blockchain as a service capability it really emphasised the importance of this tech.”

She elucidated further, explaining that distributed ledgers will enable cross-sharing of assets between different players, with commission chains so that a market operator can commissioning people within that network to share information and to streamline

processes and take out a lot of the legacy processes and protocols.

Blockchain – from tech silos to the home

“Having recently purchased a house in the UK,” she said, “it was all highly laborious, taking several months and quite a few trees to conclude. I am looking forward to the day that I can walk down the street, perhaps see a house that is for sale, then log on to my phone, check the price, make an offer, have my bank approve the loan facility, get a valuation and by the time I have reached the end of the street I can have the offer accepted and by the time I have driven home I could have the contracts exchanged and by dinner time the contracts completed. That is the sort of opportunity that Blockchain represents.”

A fellow panellist explained that her passion is data analytics and AI. “For the insurance sector, data is a great enabler allowing us to better serve our customers, to create more tailored and new products and so forth. Insurance is a very service-oriented industry, so data can help us to understand the customer better and, in some cases, even bypass some of the middlemen and engage our customers directly. This will help boost activity all round as there will be greater transparency and more efficient pricing.”

She also explained that AI and data analytics can automate a lot of the processes which are currently highly laborious, for example, claims or calculating the risk score of different insurance products. “All this and other areas can be automated with all the data being collected with the analytic platform of the future.”

Leveraging mainstream and alternative data

Another expert observed that the exploitation of data has two core elements. “One,” she said, “is the usage of data that the financial institutions are sitting on but not properly leveraging into new products and services. The second is alternative data sources that are different from the traditional data sources, and in this area, one can see that one creates a key differentiation capability, for example, social media signals or geographical factors, and other data to provide a financial



AVRIL PARKIN
Fintech Association of Hong Kong

“MANY OF US ARE USING DIFFERENT ANALYSIS TECHNIQUES AND THAT IS WHERE MACHINE LEARNING COMES INTO PLAY,”

institution with a competitive edge.

A panellist turned to the value of AI. “Many of us are using different analysis techniques and that is where machine learning comes into play,” she observed, “as it can help the data learn by itself. The algorithms learn from the data and the processing and then generate valuable insights. Data is just the beginning, and then machine learning and other analytical techniques can truly transform the way we view this.”

Technologies work together

A key point, according to one guest, is that the technologies do not exist in isolation. “AI, Blockchain, cloud and data analytics and machine learning, these are all things that increasingly work with each other. The word ‘quantum’ will perhaps be the buzzword for next year. On the other hand, the outcome of putting more capability and more assets in a digital world is obviously a higher cybersecurity threat.”

She expanded on her comments, noting that even a few years ago the major investment banks were talking about building quantum teams. “So, there has clearly been a lot of work going on in this area and if people are starting to use Blockchain-type technologies where there are more public-private keys being used to access information then obviously these things must be future-proofed. The quantum-proofing of platforms is, therefore, another trend we see.”

Another panellist explained that digital will help the insurance industry in both analysing data on the customers in order to hone products that more accurately represent their needs. And for claims, perhaps even using automation and drones to collect data and verify and help process claims. “I am sure you know that the cost of managing claims is very large for insurers, so automation of that is essential claims, so any advance in that area is most welcome. Similarly, the underwriting process is

laborious and needs greater automation and speed.”

Interoperability - a key to digital's future

The discussion closed with one guest focusing on the challenge of what she termed ‘interoperability’. “This,” she explained, “will enable the scalability for these platforms to work seamlessly together for the future.”

“Talent,” interjected another panellist, “is a key challenge from what we see. “We need more people with the relevant skills, we all need to also become more tech-savvy and education will help on that front.”

The final word went to one expert who observed that the correct investment and planning decisions are essential. “Firms might have systems and platforms in place now that are not broken, they do not need to rid themselves of everything. Making the right decisions and finding the right people, internally and externally, that is a core challenge facing the industry.” ■

