

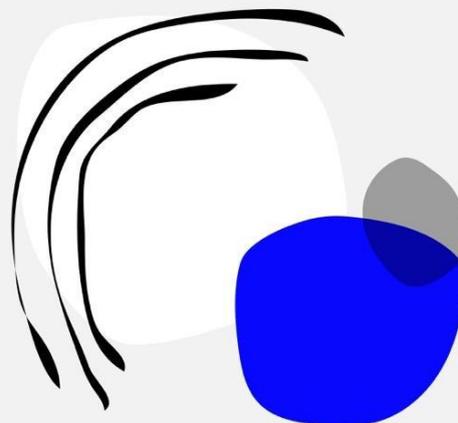
Welcome to the first edition of *The Hurdle*.

Imagine you could step into the hearts and minds of the women who are shaping the investment management world today. What do they stand for? How did they get there? What *hurdles* did they face? What gets them out of bed in the morning?

Every month, I invite leading women in our industry to ask those questions we never get to ask. With a play on *the hurdle rate*, the minimum rate of return commonly referenced in the investment management world, *The Hurdle* aims to uncover the many hurdles women in investment management and beyond have to climb before levelling the playing field. I hope you find this 10-minute read authentic, engaging and honest and that you carry on with your day having learnt something new about success, purpose and resilience in the professional world from the brilliant people who are breaking barriers in our industry.



In conversation with Blythe Masters



A SERIES BY EMMA GLYN

[Blythe Masters](#) accepted my invitation to be the first guest on The Hurdle instantly. I had run through my objectives for the series and she accepted, no questions asked. And there she was, on the other end of the Zoom line with her usual brisk confidence and warmth, ready for the unknowns of the conversation we were about to have. “It’s good that we never discussed any questions in advance,” she said. “That way, it will be honest and spontaneous!”

To start the session, my very first question for Blythe was, “In three words, who is Blythe Masters?”. She smiled and said, “A Brit abroad”. I glanced down at my notes and smiled too. In preparing for our conversation, I had written “Powerful, Pioneering and Admired” as my own three words to describe the first guest on The Hurdle. Are those the same words I’d use after our conversation? Without a doubt. Yet three words barely even scratch the surface. What a conversation it was.

1. IN THREE WORDS, WHO IS BLYTHE MASTERS?

A Brit abroad.

2. HOW DID YOU GET TO THIS STAGE IN YOUR CAREER?

You know, I blinked and 30 years went by. I did not start out with a career plan, but if I could sum up the journey, it was made through a combination of hard work, a passion for what I was doing, luck and a series of really great bosses. I had the great fortune of learning from bosses who were not just managers; they were active mentors who challenged me to think beyond the status quo. They thrust me into roles for which I felt, and probably was, under-qualified¹, yet the exposure, pace and scope of those roles accelerated my development. More importantly these were people who were brave

enough to tell me when I was wrong and needed to do better. I learnt the value of feedback that counts, and now believe deeply in passing that on in managing my own teams. It would not have been possible without those opportunities, both to succeed and to make mistakes.

3. WHAT DO YOU STAND FOR?

As with many people who grew up in the school of J.P. Morgan, I stand for doing first class business in a first class way. And perhaps because of that I also stand for the underdog. I have spent a lot of time in my life and career focused on issues around diversity and gender, as well as on the intersection of gender and race. Marginalized groups have a unique experience of the workplace that, as a successful woman with considerable power, I

¹ Blythe became managing director at J.P. Morgan at 28 years old, becoming the youngest woman in the firm’s history to achieve that status.

have not always appreciated. Learning that, sometimes the hard way, opened my eyes as to how to act as a better ally and champion. I've had the privilege to work extremely closely with three Black female CEOs, two of whom I hired. I've strived to be as honest with them as my own bosses were with me. Learning from and working with great, and sometimes tough, bosses has been pivotal for me in my career – sometimes all that it takes is for someone to believe in you. And believing in someone means being authentically honest with them.

4. WHAT GETS YOU OUT OF BED EVERY MORNING?

I am a competitive, goal-oriented person. I like to wake up with an objective for the day and a sense of how that objective fits into the bigger picture and longer term. That gives me a sense of optimism and energy to pursue the goals I have set for myself.

The opportunity to move the ball forward, to challenge myself, and to build businesses that win is what I thrive on. Conversely, when I find myself lacking this momentum, despite efforts to create it, is when I know I will eventually need to make a change.

5. WHY WAS NOW THE TIME TO COME INTO PRIVATE EQUITY AND SPECIFICALLY TO INVEST IN FINANCIAL TECHNOLOGY?

Well firstly, there is a significant amount of capital chasing private markets today and particularly as the more obvious alternatives in public markets become increasingly challenging. To find and create real value in this environment requires not just financial engineering, but a combination of entrepreneurialism, operating skills and experience. Because of my background in both financial services and financial technology (FinTech), this is a sector I know well and remain passionate about.

Secondly, FinTech sector is growing rapidly, with a perfect storm of accelerating trends that are driving the opportunity. New technologies, new competitive dynamics, and a challenging operating environment have created both threat and opportunity for financial firms. Added to this, there is tremendous uncertainty around the impact of the pandemic with questions around seismic changes in customer behaviour and how long the various fiscal and monetary stimuli from central banks will continue to shore up both consumers and companies. All of this is accelerating what was already a very strong digital transformation agenda, a growth in the

power of platform businesses, and immense pressures to reduce costs, free up capital and find new and innovative ways to serve customers and generate new revenue streams.

This all comes together for FinTech firms as their financial institution customers are increasingly seeking to consolidate vendors, simplify their operating models, reduce costs, and demand higher standards of service. To deliver this requires scale, innovation and investment capacity, and that's where private equity comes in. Private equity is the fuel for growth in the sector – it empowers companies to build, scale and innovate to better serve their customers and, in turn, become winners in their space. And what excites me most is being able to identify those companies and, through the injection of capital, guide them to achieve their potential and make their mark on our industry.

6. AS A WOMAN, WHAT HAVE BEEN THE BIGGEST HURDLES THAT YOU HAVE FACED THROUGHOUT YOUR CAREER?

I think early on I was probably oblivious to the fact that being a woman in financial services would be a challenge. I was brought up and encouraged to pursue the subjects I found interesting and the goals I wanted to achieve. So, when I arrived in banking, I was struck by how few women there were and particularly in senior positions. Yet, I still did not consciously feel the challenges associated with being a woman. Reflecting on this, I think one of my decisions that inadvertently went right for me was having my daughter very young. I was 24 years old and being relatively less senior softened the impact of juggling a demanding schedule and taking time off. We were also fortunate in that we were a dual income family and were able to afford full-time support at home. So, it was only years later, after seeing many women struggle with these competing roles, that I realized why many women feel forced to choose.

And interestingly, becoming a mother made me better at my job. I learned how to better tolerate, to nurture and coach, which, frankly, didn't come that easily to me. Equally, I'd say having a rewarding career made me a better mother than I would have been if I had been a full-time stay-at-home mom – I needed both outlets to remain challenged. These decisions are so personal and dependent on one's own priorities, but they are often presented as mutually exclusive and, because I was fortunate not to have been forced to choose one path, I found that my decision to

do both made my progression a lot quicker than perhaps it otherwise would have been. As with all trade-offs though, this decision came with its challenges – I regretted not attending the rehearsals and sports games and my daughter would certainly tell you that at times she felt I did not focus enough on her. I also couldn't do all the things I wanted to career-wise. But the trade-off was always worth it for me and I was ready for the challenges that came with my decision. I was one of the fortunate ones though; I was never forced to choose. This is what we need to change.

7. WHAT WERE YOUR BIGGEST LESSONS ON LEADERSHIP THROUGHOUT YOUR CAREER?

In the first years of my career, I was an individual contributor – I was rewarded based on deals, ideas and transactions. Yet as I was promoted, J.P. Morgan engaged a coach for me, which I really needed as I transitioned into a manager, a boss and a leader. The shift from individual contributor to leader required empowering others, being able to delegate, showing empathy in managing situations where people were underperforming, and selecting great people for the team.

I think the biggest lesson for me in this transition was how not to compete with my own people – this sounds terrible but it was a challenge. I eventually realized that by building and growing my team such that I always had a successor who could easily replace me, not only did we perform better, but it made it possible for me to move on to new opportunities. And I was offered many new opportunities because my bosses knew that the wheels wouldn't fall off the bus if I left my current team. This wasn't initially so easy or comfortable to do, as it required combatting a feeling of competitive insecurity. Yet it created an environment in which people in my team felt empowered and were able to thrive, and it became an effective career strategy.

8. YOU MENTIONED YOU ARE VERY FORTUNATE, AND PARTICULARLY AS A WOMAN, IN THAT YOU HAD SPONSORS WHO BACKED YOU TO RISE THROUGH THE RANKS AT J.P. MORGAN. HOW DID BECOMING A LEADER OPEN YOUR EYES TO THE CHALLENGES FACED BY OTHER WOMEN AND MINORITY GROUPS?

As I learnt how to become a more adept manager, and was held accountable for building diverse teams, I came to realize that there were some real issues associated with lack of diversity and inclusion for many groups,

particularly women and Black people. I also began to see the challenges that arise with the intersectionality of gender, sexual orientation and race. When you look to diagnose these issues and, as a manager, to proactively counteract them, you find that they are deeply rooted and the obstacles to the advancement for underrepresented groups are both subtle and hard to tackle head on.

It hides deep in the simple things, like where do the most valuable opportunities arise? Well, they often arise from casual conversation on the golf course or in the men's room or at social functions. If 90% of the big decision makers go to the men's room and not the women's room, it adds up. Then there are the biases like how men are taught to be "gentler" to the "gentler" sex and are wary of providing frank feedback to women at the risk of dealing with tears or worse, getting sued. Or alternatively, in the double standards where behaviour admired in men gets labelled as "aggressive" or "overly-assertive" in women. And yet the right feedback is the most powerfully propelling career weapon one can have. So, it takes proactive efforts to counteract the disincentives and subtle systemic biases that are at play for people who aren't part of the leadership majority.

One of the biggest learning experiences I had earlier on in my career was when a Black male colleague at J.P. Morgan vocally checked me on a point that I had made in a diversity forum. It was in a casual conversation when I extrapolated from my experience of being female to the experience of being black. While well-intentioned, I had trivialized a much larger challenge. He didn't hold back in expressing his frustration, and I was taken aback, particularly given the efforts I felt I was putting into driving racial diversity at the firm. It took some effort on both parts for us to learn to communicate, but we've ironically become very close friends over the years. In fact, that same person fundamentally changed my view on the unique challenges facing Black people in society, humbling me to the daunting situation long before the racial reckoning of 2020.

I've learned that the absence of role models, sponsors and mentors, to whom underrepresented groups can relate, creates a sense of futility and lack of opportunity. So, these groups not only do not get the same opportunities afforded to them, they "lean out", as Sheryl Sandberg would say, and choose alternative paths or industries in which they feel

they have a greater sense of community. And so, it is the responsibility of all leaders to actively counteract these micro-inequities, call out implicit biases and proactively contribute to change, both from setting the tone at the top, and one role at a time.

9. AND TO END OFF ON A LIGHTER NOTE, NAME YOUR THREE FAVOURITE THINGS – CITY, RESTAURANT AND DRINK OF CHOICE.

Undoubtedly champagne - bubbles improve everything from water to wine! And then I would go for Mr. Chows in TriBeca (utterly addictive Chinese food) and Buenos Aires! Ah... Buenos Aires.

Powerful, Pioneering and Admired – the three words I chose to describe Blythe Masters and the industry legend that she is. Yet, Blythe is also a mother, a mentor, a role model, a voice for the underdog, and most recently, an investor. After our conversation, I'd add:

“Powerful yet empathetic, Pioneering yet humble, Admired yet just getting started.”

Blythe Masters – biography (in her own words)

My parents made many sacrifices to ensure that my sister and I had all the educational opportunities that one could ever wish for, and I was brought up to pursue the subjects I found interesting, which is often not the case for girls who face stigma and societal pressures when making these decisions. So, I combined a heavy dose of maths and science with the arts at **Ashford School for Girls** and then **Kings Canterbury** where I did double Maths, Physics and Economics at A' Level, as one of very few girls at then an all-boys school. I was a writer yet good with numbers and so I went on to study Economics at **Trinity College, Cambridge**. In my gap year, after some furious cold-calling, I was lucky enough to land a job working for **Morgan Guaranty Limited**, the predecessor firm to **J.P. Morgan**, which led to me joining J.P. Morgan full-time once I had graduated.

J.P. Morgan was approximately 10,000 people when I joined the firm and around 250,000 people by the time I left. It went through many transformations, and I repeatedly found myself doing things that were new or different at the firm, building both new capabilities and businesses, and through that I developed a capacity for change agency and innovation. By 2014, when I helped J.P. Morgan sell the global commodities business that I had built and was running for them, I realized that if I didn't take the leap then, I was going to be a J.P. Morgan lifer. While that might have been wonderful, I had an entrepreneurial itch to scratch. And, to be honest, I wondered whether I could be truly successful outside the fabric of a gigantic firm. It was that question that triggered my decision to take the leap.



I left J.P. Morgan without the safety net of a new gig lined up and that created the time and space for new ideas. That led to the next chapter in my life, which was at the other end of the spectrum – a microscopic start-up called **Digital Asset Holdings** which, at the time, was really no more than a great idea.² The company grew into one of the very first and most successful movers in the enterprise blockchain space for financial services and continues to thrive today. After taking some time off and developing a fascinating portfolio of board and advisory responsibilities, I joined **Motive Partners**, where I am now an Industry Partner.

² Blythe joined Digital Asset Holdings (an enterprise blockchain company, creator of the world's leading smart contract language, DAML) as its Chief Executive Officer in 2015.