

In July 2013, *The Secured Lender* published an article on women in commercial finance and the challenges they faced on their road to success. Two years later, we are profiling women in various stages of their careers to get their points of view on the current landscape.

Women in Commercial Finance

The Generations Speak

By Michele Ocejo





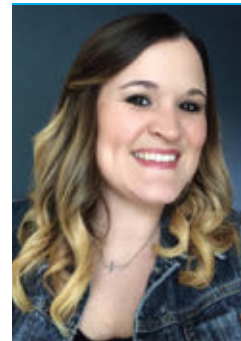
Lissa Baum
executive vice president
& chief lending officer,
IDB Bank®



Debbie Habib
global marketing director,
FGI Finance



Betty Hernandez
executive vice president-chief
credit officer, North Mill Capital LLC



Jessica Rinnard
executive vice president,
Celtic Capital, and CFA Southern
California Chapter president



Kate Lepak
business development
director, senior vice president,
People's United Business Capital



Victoria Levine
director of ABL Alliance,
Siena Lending Group



Irene Marks
managing director,
Retail Finance Division,
Wells Fargo Capital Finance



Cassie Rosenthal
vice president,
Rosenthal & Rosenthal, Inc.



Lori Vosefski
relationship manager,
Far West Capital



Lauren Wagner
assistant vice president,
PNC Business Credit



The 11 women interviewed for this article run the gamut from just a few years of experience in a small, entrepreneurial factoring firm to senior positions at the largest bank-owned asset-based lenders, and everywhere in between. One thing they all agree on is that yes, women have definitely increased their presence in the industry, but it's important that this presence grow even

stronger. And this is not a self-serving wish.

In a LinkedIn post, Sallie Krawcheck, often referred to as "the most powerful woman on Wall Street" and now chair of Elevate Network, said, "Study after study after study has shown that companies with diverse management teams outperform those with less diverse teams. And that diverse teams outperform even more 'capable' teams. And they don't outperform

non-diverse teams by a little, but with ROE differentials of 30%+, with lower earnings volatility.” How diversity strengthens teams was also her focus when she spoke at CFA’s Annual Convention in November 2014, courtesy of CFA’s Women in Commercial Finance Committee.

In the financial services realm, women are still starkly underrepresented in senior position. According to a December 2014 report by global management consulting firm Oliver Wyman, Women in Financial Services, which looked at the staffing breakdown of more than 150 financial-services firms around the world, women comprise just 11% of

into it by happenstance, but Lepak’s story is quite unique. “I had a liberal arts education and I was working on a PhD in English to pursue a career in academia. I took a job to take a job.” That job turned out to be the start of 30-plus-year career in commercial finance. She said she loved the stories and the families behind the customers of this small commercial finance company. “I started in operations and within a year they promoted me to loan officer.” Lepak believes that today’s women entering the industry are “far better educated about career possibilities and about developing a strategy for their careers.” She explained that 30 years ago, options were limited. “I think

women in senior positions,” she said.

She used the CFA Asset-Based Capital Conference as an example. “I see the improvement on a bigger scale at the CFA. There are a lot more women in the room than there used to be.”

Marks echoed the theory that diversity is beneficial to a company because it avoids the dangers of group think. “Our clients have very high expectations from us. They want us to come to the table with great ideas that will help them succeed. We have a much better shot of doing that when we have a diverse team.” Wells Fargo is an example of a company that is walking the talk. The company ranked number 11 on Diversity



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executives leading a business unit or region, and a scant 4% of CEOs. Among executives, women outnumber men only in human resources. They make up almost half of the managers in marketing departments.

Kathleen Lepak, business development director, senior vice president, People’s United Business Capital, is chairperson of CFA’s Women in Commercial Finance Committee. She said, “Association committees, like our Women in Commercial Finance Committee, which is rising as a force in CFA, play a crucial role in increasing gender diversity. It’s not just about women talking to women, but also women talking to men. For example, now we are reaching out to the CFA’s regional chapters and the male chapter leaders are also enthusiastic about this.”

Just about everyone you speak to in this industry will tell you how they fell

young women can come in today on a career track as credit analysts or examiners, or junior account executives. It’s more a strategic decision than accepting clerical or administrative jobs.”

Irene Marks, managing director, Retail Finance Division, Wells Fargo Capital Finance, “grew up” in the corporate banking world. The decision to move into asset-based lending came from her retail customers. “I developed a real passion for the retail industry and, ultimately, as asset-based lending became much more relevant to my retail customers, I naturally gravitated to it so that I could continue to work with them.” Marks told a similar story as other senior women. “When I first started, there weren’t a lot of women in customer-facing positions in banking in general, and definitely not in originations, and very few in leadership positions. That has definitely changed, but we still don’t have enough

Inc.’s Top 50 list.

Betty Hernandez is executive vice president-chief credit officer of North Mill Capital LLC. “I actually started out in a credit training program and was placed in a bank asset-based lending (ABL) department right out of college. My decision to go into lending was never influenced by the fact that I was a woman. Growing up with three older sisters and no brothers in a Cuban immigrant household, I was always encouraged to pursue an education, a career and work hard to achieve success. We never heard the word ‘can’t’. It was more or less ‘you can and will do it.’ I only began to notice that we women were outnumbered once I started going out to industry events,” she said.

“Diversity breeds different ideas, as highlighted by Sallie Krawcheck at last year’s CFA Convention and others. If you have everyone that looks the same,

thinks the same and has the same background, your organization will not spark new and creative ideas,” Hernandez said.

Hernandez has also seen a shift in the role women are playing in the industry. “I see more women in credit roles than ever before. When I first started, there were mostly women in retail branch positions and maybe operations. Our roles began to expand into more sales or business development officers. I’d say we are now approaching 40% at some events that I attend.”

Inwha Huh, head of Global Trade and Receivables Finance (GTRF), US and Canada at HSBC, believes women’s roles have not changed significantly from when she started her banking career in 1993. “My initial goal was to work for a think tank, having studied economics, but I fell into investment and commercial banking. There are still few women at the top across financial markets. Managing and accepting some level of work-life flexibility for financial services companies is still a struggle. The responsibility lies not just at C suite level but across levels if you are a manager; it needs to be a cultural shift,” she said.

Huh agrees diversity should be a basic factor in any industry. “Statistics show that corporate performance has a positive correlation with diversity ratios. Diversity of thought leadership and viewpoints is critical to driving strategy and execution in today’s globally connected world. The financial industry is behind the curve.”

Lissa Baum, executive vice president and chief lending officer, IDB Bank®, got her start in banking over 23 years ago. “It seems that a lot of women go into banking, but very few go into the asset-based lending side of the business,” she said. Baum suggested one possible reason for this is the challenge of balancing a family with a career in ABL.

The biggest difference she sees between now and when she started in the business? “Women are more respected in the workplace now,” she said. She recalls during the economic downturn of the early 1990s, when unemployment was high, feeling “almost a resentment

from people that I was working and taking the job of a man who was out of work at the time. But, when we went through the more recent financial crisis, I did not feel that way.”

Baum pointed out that diversity is important because borrowers are a diverse group. “Clients come from all different backgrounds so having diversity on your team brings relevancy.”

Victoria Levine, director of ABL Alliance at Siena Lending Group, was the sole participant to say she had an awareness of women’s lack of representation in the industry when she first entered it. “I was well aware that commercial finance was a male-dominated field, and was fully aware what I was getting into. I knew it was an incredibly well-respected and well-paid field to be in, so I was ready to overcome the pushback and the bumpy road that lay ahead of me. I can credit my experience in this field to having much thicker skin than a lot of other women I know. Working outside of my comfort zone has allowed me to take advantage of opportunities that never would have arisen if I had shied away from the field,” she said.

Levine suggested one way to achieve a more diverse team is for companies to “change the way they advertise for jobs so that it is more directed towards women.”

Debbie Habib, global marketing director, FGI Finance, started working in the industry in 2006.

“I was not intimidated by the concept of working with mostly male colleagues. Truthfully, it wasn’t something that I had really considered. However, once I started working in the industry, I was surprised by how few women were on the business development end, and the stark contrast between how they handled themselves in a networking setting. Ten years ago, because there were far fewer of us in the industry, whenever a woman attended a conference or entered a networking setting, they immediately became the center of attention. What was interesting to observe was how these women handled the

attention. Some women were operating with a ‘no-nonsense’ attitude, while others really tried to integrate with the guys. I quickly realized that learning how to strike a balance between the two would be key to leading a successful career within commercial finance,” she explained.

Habib has noticed an increase in the demand for female business development executives. “I think companies are looking to attract women to this role because we possess a natural predisposition for it. We tend to be better listeners, more engaged and interested in conversation, and we tend to be a bit more sensitive to others. These are all soft skills that make a salesperson exceptional.”

Baum echoed this sentiment. “In many respects I think women are very good in this business because women are very empathetic, they tend to be very responsive, work hard and they tend to care,” she said.

For Cassie Rosenthal, factoring is a family affair. The vice president of Rosenthal & Rosenthal, Inc. said, while it did not affect her decision to join her family’s business, it was an adjustment coming into the male-dominated industry after a career in the female-dominated art world. “It was initially most noticeable in meetings, typically being the only woman in a room of men. But ultimately the world is filled with both men and women and you need to be able to communicate with people in general, not with one gender or another,” she said.

Although she officially joined the industry three years ago, Rosenthal would attend industry events over the years with her family and remembers being one out of perhaps 20 women in a room of hundreds of men and thinking, “How is this possible? Where are all the women?” “I am happy to say that those numbers have increased substantially today and women definitely have more of a presence in the marketplace. I commend all of the senior women executives who have paved the way for women like me. It couldn’t have been an easy landscape to navigate.”

Not only does Rosenthal concur that increasing diversity should be a priority, she has ideas about how to achieve this. “I think in order to diversify our industry, we need to stay relevant. In order to do that, we need to promote our industry at the college and business school levels. Factoring, specifically, is barely a mention in business schools today. More young talent needs to know about what we do and the numerous career paths available to them. I think if an association, like the CFA for example, were to sponsor various career days throughout the year at local colleges or grad schools where multiple executives from our industry could speak to students from time to time about what we do

field and to cultivate their talent by mentoring and coaching them in all phases of their career. “More importantly, we need to be attracting the right people that possess the passion and drive to help entrepreneurs reach their full potential. According to a recent analysis, women are starting approximately 1,300 businesses per day in the U.S. This has increased from just over 600 new women-owned businesses per day between 2011 and 2012. With the number of women entrepreneurs increasing it is important to have the right people in commercial finance to reach this growing market. We can support women on a larger scale by attracting skilled individuals regardless of gender to commercial finance, who have the ability and desire to assist

for me to really get into the financing side of the business (verses the payment processing side) I was excited to learn and really start my career in commercial finance,” said Kinnard.

She explained that, although her position doesn’t call for a lot of contact with people in the industry outside of SPECTRUM, she has noticed a very strong male presence in the banking and finance fields in general. “I do feel more women in the industry are necessary. One solution would be a larger female presence in the sales/business development field. Sometimes women can offer a different perspective in a conversation.”

Lauren Wagner is an assistant vice president with PNC Business Credit. She started there right after college in 2010



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and trends in commercial finance, that could be a good start. I like the idea of a unified front promoting our industry, in addition to the independent efforts individual companies already make. I think our industry needs a collective voice,” she said. (Editor’s Note: Some CFA chapters have hosted events on college campuses to educate students about ABL/factoring.)

Lori Vosefski, relationship manager, at Far West Capital, is relatively new to the factoring field and like so many found the industry “by luck.” “I am grateful that I ended up here. After a decade in retail banking, I transitioned into factoring with Far West Capital and the fact that I was entering into a male-dominated field never crossed my mind.”

Vosefski believes that it is important to support women entering into this

these new entrepreneurs in fulfilling their dreams and fund their growth. We can do this by participating in community events and getting involved with local high schools and colleges to educate our youth about the opportunities in commercial finance. We can also reach people by way of associations like the CFA, with the information that they make available to the general public about how commercial finance impacts our society.” Vosefski said.

Jessica Kinnard is a credit analyst with SPECTRUM Commercial Services Company. She joined SPECTRUM in 2010 as a lockbox specialist. “When I found the position at SPECTRUM, I was only looking for a full-time office job with a vibrant company. The asset-based lending side of SPECTRUM intrigued me so, when a growth opportunity arose

as a collateral analyst in the operations department. She was then promoted to field examiner and, in March of 2014, was offered the opportunity to join PNC Business Credit’s underwriting team in Philadelphia.

“I wanted to pursue a job I knew was both challenging and highlighted my skill set. Although I was aware of the concentration of males within the field, I knew I was up for the task ahead of me. Thankfully, I did not let the concentration of males sway my final job choice. Further, I am a big proponent for giving everything a chance.”

She said that, although the industry’s reputation of being predominantly male can be intimidating to young women pursuing a job, PNC highlights the value of diversity. She credits her well-established and successful female co-workers

with providing guidance. “Because of them, I knew it was possible to succeed in both the work environment and at home. By increasing female roles, and diversity in general, more females would be intrigued by the opportunities and challenges within the finance industry,” said Wagner.

Being in the minority has not played a large part in career strategy for the younger generation interviewed. Wagner said, “My career strategy has always been to surround myself with supportive colleagues and do what challenges me. Thankfully, I have worked with a very intelligent and approachable team which has molded my success with two promotions in the past four years. I look forward to advancing my career and continuing to challenge myself.”

Vosefski said, “I didn’t recognize the fact that this is a male-dominated industry upon entering this field of work. Luckily, I have landed a great position with a company that is absolutely dedicated to diversity. The CEO of Far West Capital, Cole Harmonson, is the person who encouraged me to take part in this article. Far West Capital is all about personal and professional growth and unleashing potential in ourselves and our clients.”

The Association Benefit

Both Lepak and Hernandez play a large part in CFA’s Women in Commercial Finance Committee. The mission of the Committee is: To promote the advancement of women in leadership in the commercial finance industry through networking, education and advocacy.

Lepak is chairperson of the Committee and Hernandez is chairperson of the Young Professional Thought Leadership Award Subcommittee. Huh, Rosenthal and Habib are also Committee members. Lepak said her experience with the Committee has put her “in contact with incredibly smart, talented, experienced people all over the country. It put me in contact with the leadership at CFA and this spills over into business as well.” She pointed out that a significant benefit of association involvement is

the visibility it creates for you and your organization.

Hernandez has found the development of the Women in Commercial Finance Committee to be “inspirational.” “Generally speaking, the ‘old boys’ network, where men would play golf and discuss business, is in a state of flux. More and more organizations have realized that together women have opinions. We want to be heard and are demanding more representation. I can see the changes through our strong turnout at the last few CFA conventions,” she said.

Huh believes that both “industry- and diversity-related associations have been beneficial in connecting with folks that can add value in a different way...building networks early on in your career is most beneficial and associations provide that avenue outside of your company.”

Although Vosefski is new to CFA, she has quickly learned its value. “The CFA offers a variety of courses, workshops and educational tools that will add value to my career and I will take advantage of the opportunities that are available. Associations like CFA also offer networking opportunities, and mentorship programs. I am going to participate in the Women in Commercial Finance Committee Mentor Program. I believe that this is a huge benefit and I look forward to the professional growth and development that I will experience through being an active member,” she said.

Words of Wisdom

When asked what they know today that they wished they knew at the start of their careers, the more experienced women shared their insights.

LEPAK: “Every single one of us has a market value. I didn’t understand earlier in my career that I had a market value and it was appropriate for me to require recognition and compensation for that market value.”

HABIB: “To speak! Hiding behind a wall or corporate persona does you no good. In a people-driven business, a professional has to be likable, relatable and effective in order to materialize any success.”

BAUM: “The only person that is holding yourself back is yourself.”

ROSENTHAL: “Have patience and persistence. Many things in life, especially those we really want, do not happen overnight. Hand in hand with that is listening. Women are great listeners and generally more intuitive than men so they have the opportunity speak more thoughtfully. You will learn way more and, when you finally do speak up, what you have to say will resonate that much more.”

MARKS: “I’ve learned to speak up. If you want a seat at the table and you want your colleagues to respect you, you have to be an active participant.”

HERNANDEZ: “There is nothing wrong with asking questions. Sometimes you find that others may have the same question and are just too embarrassed to ask. It is a win-win situation.”

HUH: “Be confident and shoot for the stars.”

LEVINE: “Learn to be direct and ask for what you need upfront without feeling embarrassed or the need to apologize.”

Gender diversity isn’t just about doing “what’s right” or fulfilling a quota. To quote Sallie Krawcheck: “Research shows that greater gender diversity in senior leadership teams is associated with higher returns on capital, lower risk, greater client focus, greater long-term focus and even more innovation.” So the bottom line is this: Increasing gender diversity is simply good for the bottom line. And that’s something everyone can relate to. **TSL**

Michele Ocejjo is editor-in-chief of *The Secured Lender*. She is also the staff liaison to the CFA Women in Commercial Finance Committee.