

GIN



Review of the State of the Art

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DIX



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Abstract

In addressing gender and diversity across EU investment, start-up and scale-up communities it is necessary to provide an outline of existing research, reports and methodologies for the purpose of guiding the framework for GENDEX, assessment of key indicators, data sources and methodologies.

This report provides an overview of the definition of diversity and the application within the context of GENDEX, a review of existing global literature and recommendation for an assessment framework and indicators that will compose the index to be validated further with experts and the EIC community.

This report is provided in the context of GENDEX that is funded under Horizon Europe to deliver diversity across the European Innovation Council.

Keywords

Diversity, Gender, Data Collection, Methodologies, Start-ups, Scaleups, Founders, Investors, VC, Angel Investors, EIC.

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GLOSSARY OF TERMS

Bn	Billion
DEI	Diversity, Equity, and Inclusion
EEA	European Economic Area
EIC	European Innovation Council
EISMEA	European Innovation Council and SMEs Executive Agency
EU	European Union
Founder	An individual who initiates and establishes the creation of a new business venture, typically based on an innovative idea or concept.
GEI	Gender Equality Index
GENDEX	The first pan-European innovation gender and diversity index
IDC	International Data Corporation
IRR	Internal Rate of Return
M	Million
MS	Member States
OECD	Organisation for Economic Co-operation and Development
ROI	Return on Investment
Scale-up	A company experiencing a period of rapid growth, requiring Series A or Series B funding.
Start-up	A company in the initial stages of operation, often characterised by high uncertainty and need for seed or angel investments.
VC	Venture Capital

1 INTRODUCTION

1.1 Purpose

This document provides an overview of the existing research in the areas of diversity and investment. This includes indices, reports and databases that contain data on start-ups and investors.

The purpose is to review how and where different methodologies are used, and determine which factors affect the applicability and replicability of methods or tools to assess diversity in the investment landscape.

1.2 About GENDEX

GENDEX is a pilot initiative funded under the Horizon Europe programme. It forms part of the spectrum of actions under the European Innovation Council. According to the published call, it was launched to:

- Develop a pilot innovation gender & diversity index based on agreed definitions and indicators that can be applied to start-ups/ SMEs and to innovation investment actors in the EU;
- Identify relevant sources of reliable and robust data;
- Develop methodologies and conduct data collection in order to fill data gaps;
- Implement and produce a first pilot gender & diversity index using available data from different sources as well as additional data collection as appropriate;
- Provide recommendations for further development and implementation of an innovation gender and diversity index and additional measures needed to improve data availability and benchmarking, such as voluntary reporting standards by start-ups, scale-ups and investment funds;
- Disseminate and promote the results of the project to investors, policy makers and the wider innovation ecosystem.

1.3 The European Innovation Council

The European Innovation Council (EIC) operates within the EU Horizon Europe programme, boasting a budget of 10.1 billion EUR to foster ground-breaking innovations across various stages, from initial research to start-up and SME growth. Its purpose is to promote national and regional innovation initiatives, encourage synergies and contribute to the development of an effective “European Innovation Strategy with Member States and Associated Countries”.

EIC investments are channelled through three major schemes:

- EIC Pathfinder to promote advanced research in breakthrough technologies.
- EIC Transition to validate technologies and develop business plans for specific applications.
- EIC Accelerator to support companies’ go-to-market strategies and upscale.

Since 2021, the EIC has funded and co-funded a total of 7,046 projects from 55 different countries, allocating more than 5.6 billion EUR¹, and creating 10 unicorns, 112 centaurs and

¹ European Innovation Council (EIC) datahub

665 research projects among others.² During its pilot phase, which ran from 2018-2020, it supported an additional 430+ projects on Future and Emerging Technologies and 5,700+ start-ups and SMEs.

The EIC Board, composed of independent members from diverse innovation sectors such as entrepreneurship, research, investment, and corporate spheres, guides the strategic direction and execution of the EIC's initiatives. Supporting the EIC Board and its President is the EIC and SME Executive Agency, responsible for executing the EIC's activities outlined in its annual work program.

What sets the EIC apart is the funding management process, assumed by expert Programme Managers who “develop visions for innovation and technology breakthroughs and steer portfolios of projects” to maximise the impact of investments in the European innovation landscape.³ It supports individual companies through both grants and investments, namely direct equity or quasi-equity investments, which drives the selection of the most promising ventures.

One of the EICs six strategic objectives is to achieve continent-wide recognition and traction with high potential start-ups, entrepreneurs, and innovative researchers, in particular from **underrepresented groups such as women innovators and those from less developed ecosystems**. According to official statistics, 20% of the companies funded through the EIC are women-led.⁴

1.4 Scope

This document aims to provide a review of the tools, data sources and reports commonly used by investors and funding bodies, and policymakers across Europe to track diversity.

While the geographical scope of GENDEX is Europe, references have been included from outside of Europe where they can provide useful data points for comparison.

This report, a first public deliverable, forms part of the design and development of such index previously mentioned with the goal of providing an indicative framework of reliable indicators, data sources that will be further developed with an Expert Board and published in Deliverable 1.2 Gender & Diversity Scoreboard to be developed in July 2024.⁵

1.5 Structure

This report is structured in four main sections:

- 1. Securing a diverse pipeline for investment** – Examines the context for this work, including why it matters, the gender gap in the investment landscape, and the primary barriers and enablers in this situation
- 2. Scope for review** – Offers the basic underlying hypotheses, the key research questions and defines diversity in the context of the work to be performed.
- 3. Existing approaches** – This section analyses the existing research in this arena, in the form of reports, databases and indices, evaluating the respective approaches and methodologies of each.
- 4. The methodological framework for GENDEX** – A proposal for the framework structure and key metrics to be assessed within the GENDEX

² European Innovation Council

³ European Innovation Council (About)

⁴ European Innovation Council Impact report 2022

⁵ D1.2 will be made available on the GENDEX website once formally approved by EISMEA. www.eurogendex.org

2 SECURING A DIVERSE PIPELINE FOR INVESTMENT

2.1 Why does it matter?

In further sections, the broadness of diversity will be addressed and assessed within the scope of review of the GENDEX pilot, however, it serves to reflect the core aspect under review which is gender. It is evidenced that the startup and investment ecosystem in Europe lacks diversity.

Taking gender representation, despite women constituting 51% of the European Union's population and 39% of its workforce, they are underrepresented in several key areas. Data indicates significant disparities in the number of women founders, the levels of investment in companies led by women, and the presence of women among investors.

If we are to strive for a resilient, innovative, and competitive entrepreneurial ecosystem, that delivers globally relevant companies and next-generation technologies, we must strive for a more diverse ecosystem that is able to draw from all talent pools available.

Diversity is not about reporting and terminology; it is about ensuring that we as a European society are deploying our full arsenal of human capital to driving sustainable growth and development. For this, we must ensure that the best players are on the field and that the field is even.

While the European Innovation Council and the wider European investment community cannot correct deep societal and structural imbalances, but it can take action to ensure it meets its own targets to increase investment in women-led companies. Beyond questions of social equity, it is a question of an investment case. Based on preliminary evidence, it is suggested that gender diverse companies perform better, and funds with more women partners realise greater returns, with more profitable exits; this in turn creates a dynamic self-propelling investment environment.⁶

2.2 The gender gap in the investment landscape

Gender equality remains a persistent challenge in the European Union, particularly evident in the distribution of women across various roles within the industrial landscape. The underrepresentation of women in key decision-making positions not only highlights the current imbalance but also indicates a limited capacity for driving significant transformation.

Despite these challenges, there are positive developments within the ecosystem. While the COVID-19 pandemic exacerbating existing disparities among underrepresented groups globally, including women and people of colour, there are some indications of increased presence of women at decision-making levels. In 2023, approximately 10% of companies were nearing gender equality at the board and executive levels⁷, marking an

⁶ VC firms with more female partners (10% more) had 1.5% higher fund returns, and 9.7% more profitable exits. Similarly, start-ups with female founders produce twice the revenues per dollar invested and performed 63% better than all-male founding teams – HBR 2022

⁷ EWOB' Gender Diversity Index

improvement from 2019's figure of 6.9%. While this progress is incremental, it does indicate a positive trajectory.

However, despite these positive trends, the advances in the investment landscape are much less clear: women founders continue to face significant barriers, capturing only 25.8% of deal count and 20.5% of deal value in 2023—both record lows⁸. Furthermore, the volume of investment remains skewed, with a vast majority (68.9%) of capital raised across seed, early, and late venture capital funding stages going to all-male teams, while only a fraction (2.9%) is allocated to all-women teams.⁹ Progress on this issue is slow – a survey by European Women in Venture Capital shows that in 2023 only 16% of general partners (GPs) were women, compared to 15% in 2022.

This persistent gender disparity in investment allocation demonstrates the urgent need for concerted efforts to address systemic barriers and promote greater gender diversity in the investment landscape. Initiatives aimed at providing support, mentorship, access to funding, and dismantling biases are considered relevant to creating a more inclusive environment where women entrepreneurs can thrive. Additionally, fostering a culture of diversity and inclusion within investment firms and promoting gender-conscious investment strategies can contribute to narrowing the investment gap and a more equitable ecosystem for all entrepreneurs.

2.3 Key barriers

Exploratory interviews conducted with members of the EIC community confirm findings in existing reports and studies that indicate that women founders in particular face strong barriers in thriving in the European start-up and investment scene.¹⁰

Firstly, while over generalisation should be avoided, some investors believe that there is an undervaluation of what are considered to be attributes that are more prevalent in women compared to men. These gendered traits associated with women include a propensity for co-creation and empathy, crucial for well-rounded founding teams, are not perceived to be as valued as certain traits more associated with men, such as ambition, self-confidence and self-belief. Women “need to be 150% sure of themselves” before making claims regarding their product or company, whereas men tend not to require the same level of certainty to make such assertions.

Investors can misconstrue this confidence for competence, unbalancing the scales further against women seeking investment.

Another important factor identified in early interviews, again confirming is that most investment decisions are still made by men. Many investors are themselves successful founders; a low proportion of women who successfully exit the companies they found or co-founded will therefore flow through into a proportionally lower number of women investors.

On a more social level, there is some evidence that women are finding the commitments required of a founder, financial and other, incompatible with other life choices. Here barriers may include the lack of affordable childcare or eldercare options or the need to have access to a stable income. Furthermore, the **scarcity of comprehensive and reliable data** in this field is a critical obstacle to improve women founder access to investment across all stages of their entrepreneurial journey. This is where GENDEX comes in.

⁸ All In - Female Founders in the VC Ecosystem

⁹ Diversity Beyond Gender, Extend Ventures

¹⁰ Expert interviews were conducted with 7 experts selected from the EIC jury members delivered in March 2024

3 SCOPE FOR REVIEW

3.1 A starting point – key hypotheses

As provided in Section 1 – GENDEX as a pilot action is tasked with providing a robust index on the diversity within European start-ups and investment teams for enabling policy makers and investors to define gaps and take actions. The development of an index to provide data on investment into women-led and diverse companies started with the validation of several hypothesis with members of the EIC community:

1. There is a lack of diversity in EIC funded companies across most sectors.
2. The lack of diversity at the funding stage is evidence of lack of diversity at the earlier stages of the investment pipeline.
3. Even when investment is secured, women receive term sheets with less favourable terms than those offered to men.
4. The lack of investment in diverse founders creates an opportunity gap.
5. Limiting the pool of entrepreneurial talent hampers European innovation and leadership in the technology sector.
6. The opportunity gap can be addressed if we have the right data on where the gaps exist, and we take action to address the gap.

These hypotheses provide the backdrop against which the basic framework has been developed. They may or may not be proven by the data collected within GENDEX but serve as core questions to guide the shaping of the index and the underlying datasets.

3.2 Addressing gender and diversity. Setting parameters.

GENDEX is charged with providing “*gender and diversity data for innovative start-ups and scale-ups as well as for investors and funds investing in such companies and should cover and be comparable across at least all Member States.*” in order to enable “*gender and diversity gaps to be identified; relevant measures to be designed, and progress to be assessed; better informed investment decisions; and encourage diversity at all levels across the innovation ecosystem.*”

While diversity is a broad field of study and discussion and by its nature incorporates wide range of topics and components, GENDEX is constrained by time and resources and must prioritise its scope of research in line with the immediate needs of the EIC. In the following sections, a brief overview of the model defining diversity parameters with a short discussion of the challenges and specificities of a whole of Europe approach.

3.2.1 Founding principles

There is a significant body of literature, particularly in a European context, which addresses diversity from defining a legal position of discrimination and the practices of national statistic bodies. From these arise a common set of standard principals to be taken into account for the definition of any index and selection of scope of study.¹¹

- Principle 1: Do no harm

¹¹ Examples include A human rights-based approach to data (2018) UNHCR; European handbook on equality data (2016) European Commission

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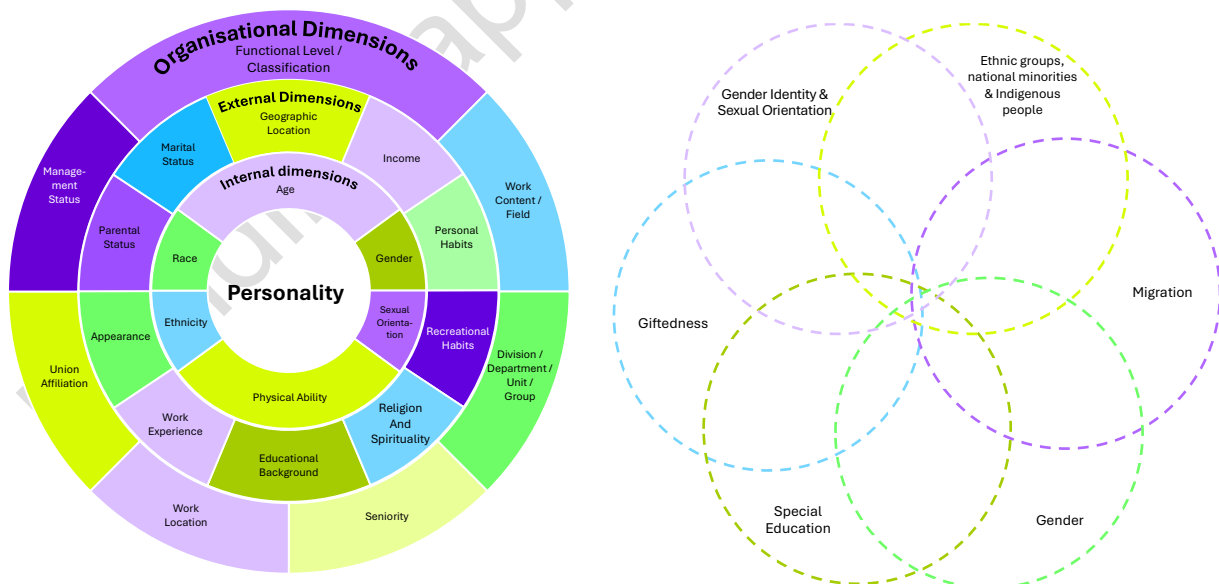
- Disaggregation of the data into characteristics must have a purpose – just because we can doesn't mean we should.
- Measure only if we can take action or effect change.
- Principle 2: An individual's identity cannot be reduced to a single characteristic, we are the sum of our experiences and backgrounds.
- Principle 3: Diversity is contextual: What is diverse in one location or field is common in others.
 - Each of the EU27 countries has its own definitions, interpretations, level of cultural openness, risks; certain concept may be biased towards anglophonic standards.
- Principle 4: Individuals should not be made to provide or accept labels. At its core, the concept of Diversity includes anyone who does not appear, act or sound like the majority.

3.2.2 Components of diversity

In reviewing the definitions of diversity, with the goal of developing specific parameters, there are two frameworks and approaches that have been selected as a basis. The first, refers to the Loden Wheel of Diversity, which provides a layering of characteristics that make up one's identity with contributing internal and external dimensions, those that are intrinsic and that which are environmental or cultural.¹² This was further extended to incorporate the world of work which looked at roles and functions within an organisational structure.¹³

From the management of diversity and ensuring the equality of opportunities in education, the OECD provided a complementary framework that incorporated in a continuous spectrum both internal and external dimensions, that included capacity in terms of giftedness or special education needs, that are not relevant to the current purpose.

Figure 1. Extended Loden Wheel of Diversity and OECD Education model for inclusive education



Source: Adapted from Brunner et al (2021) and Cerna et al (2016)

¹² Loden, M.; & Rosener, J. B. (1991): Workforce America: Managing Employee Diversity as a Vital Resource

¹³ Gardenswartz, L.; & Rowe A. (2003): Diverse Teams at Work: Capitalizing on the Power of Diversity. Capitalizing on the Power of Diversity. Alexandria, VA: Society for Human Resource Management.

Contributing further to these frameworks, which attempt to provide a comprehensive view of diversity, was the open question on definition of diversity from directors of FTSE 350 companies.¹⁴

The resulting characteristics or parameters were, in order of references made:

- Personal/Neuro/Personality
- Gender
- Race/Ethnicity
- Other
- Functional
- Age/Experience
- Nationality/Geographic
- Sexual Orientation

3.2.2.1 A note on intersectionality and additionality

It is important to observe that from in the above provided frameworks that individuals do not conform to a single label or identifier, and it is impossible to separate out any individual component.

The term intersectionality refers to this intertwining of 'labels' that act as comorbidities in the experience of inequality or discrimination, which demonstrate an interdependency of factors. Following on the key topic of gender, the experiences of two women can be wholly distinct in a given context. For example, in Paris, a European, middle-class, MBA graduate woman can experience a different career path or investment capacity compared to perhaps a non-European, working class, MBA graduate woman. It is to highlight that when analysing terms of diversity and inequality, intersectionality should be acknowledged and accounted for.

Further to this is the definition of additionality¹⁵, where a cumulative positive or negative effect takes place based on several grounds operating separately. This is to say, there may not be an observable interdependency like in intersectionality, but rather various advantages and disadvantages can be experienced.

For the purpose of GENDEX, these informal definitions are provided here to permit reflection in any interpretations made upon the resulting index. They do not, however, influence the definition of the component metrics or structure of the index.

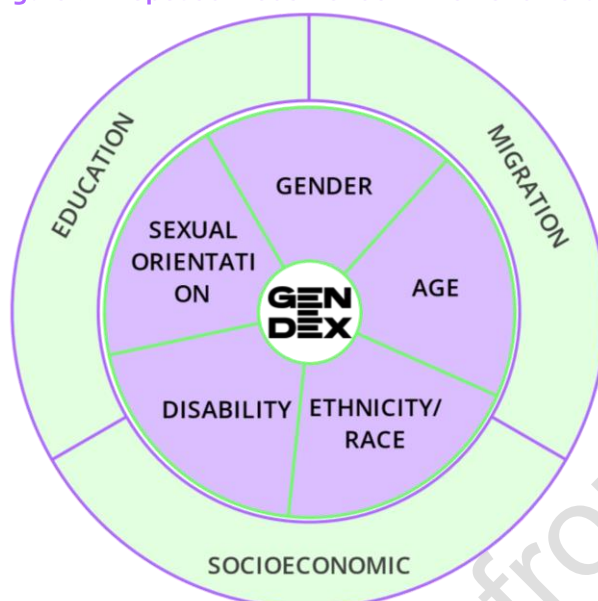
3.2.3 GENDEX model of diversity

Taking into account the previously identified frameworks and the particular scope of GENDEX, the following model has been elaborated as a starting position. It follows the Loden model for internal and external aspects while tailoring for relevant aspects related to founders and investors.

¹⁴ Board Diversity and Effectiveness in FTSE 350 Companies (2021) The Financial Reporting Council Limited

¹⁵ Mehrdimensionale Diskriminierung – Begriffe, Theorien und juristische Analyse (2010) Antidiskriminierungsstelle des Bundes

Figure 2. Proposed model for definition of diversity



Source: GENDEX

It is composed of two key layers:

- Internal components – immutable characteristics that remain fixed over time¹⁶ or cannot be readily changed these include:
 - Gender.
 - Ethnicity and Race.
 - Age.
 - Sexual orientation.
 - Disability.
- External components – those characteristics that are related to the past or current experiences and environments of the individual which includes:
 - Educational background.
 - Migration status.
 - Socioeconomic status.

Below the individual components are described in detail, providing existing nuance. In the review of the parameters, we cannot as a consortium, make a conclusive statement on all fields and aspects of diversity but attempt to provide an overview. In the end, diversity is someone who doesn't look or talk like you.

Gender

In the definition of gender, it is specified as *the social attributes and opportunities associated with being male and female and the relationships between women and men and girls and boys, as well as the relations between women and those between men.*¹⁷

The common reference for gender is man and woman. In total the below characteristics and labels can be applied. In the scoping of this index and study, however, it is necessary to focus on those that are most objectively defined and reported, providing reliability in

¹⁶ On the use of the term immutable – it is understood by the GENDEX consortium that aspects like gender, ethnicity and race are social constructs and may be externally presented in one form or another and can be fluid in practice but are stable core aspects of an individual's identity. Age is also central to an identity that cannot be changed readily by the individual.

¹⁷ UN Women: Office of the Special Adviser to the Secretary-General on Gender Issues and Advancement of Women (OSAGI)

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reported data, the size of the sample currently, and the relevance for the purpose of the GENDEX mandate.

It is not a comment on any of the use or definition of any parameters, it is rather an assessment of the capacity for this pilot action to include data into an index that is feasible at the point of collection and assessment – i.e. provision of a robust and reliable index.

Key components considered for the aspect of gender are provided in the table below and assessed for their potential to be included in a data-centred index.

Table 1. Assessment of key components within gender

	OBJECTIVITY	RELIABILITY	RELEVANCE ¹⁸
Woman	High	High	High
Man	High	High	High
Trans-woman	Medium	Low	Low
Trans-man	Medium	Low	Low
Non-binary or fluid	Low	Low	Low
Other	Low	Low	Low

Thus, while definitions of categories are clear and self-identification and assessment are feasible, it is unlikely that statistically relevant and actionable insights will be drawn from classification of founders or investors outside of the mainstream roles of woman and man. Where data is collected, the open option of other should be collected and included in datasets. While it is not foreseen that it will have significant impact on the index itself, it may contribute to other areas of study.

Ethnicity & Race

Important to discussion of ethnicity or race is the scope of the EU-27 to be applied in this index. With that, the concept of ethnicity or race is both highly contextual and linked to national and regional cultures and respective histories. It is also controlled by legislation within various Member States in respect to legality and capacity for collection and categorisation, and further to this is defined alternatively or not at all within what is legally permissible.¹⁹

The position of the EU and the European Commission is the rejection of definition of ethnicity or race on the basis of race and/or ethnic origin which seek to determine the existences of separate human races.²⁰ It is recognised and accepted that both ethnicity and race are social constructs, often the labels are decided for by society where one may self-identify or in other cases cannot avoid the assignation.

Addressing race and ethnicity (and national origin), is required for proving where discrimination has taken place and, in the case, here, in the identification where gaps in equality occur for the purpose of effecting change.²¹

¹⁸ Where relevance is considered low, this is based on the proposed sample size and currently availability of reports and data to this effect.

¹⁹ European Commission, Directorate-General for Justice and Consumers, Farkas, L., The meaning of racial or ethnic origin in EU law – Between stereotypes and identities, Publications Office, 2017.

²⁰ Council Directive 2000/43/EC of 29 June 2000 implementing the principle of equal treatment between persons irrespective of racial or ethnic origin.

²¹ European Commission, Directorate-General for Justice and Consumers, Guidance note on the collection and use of equality data based on racial or ethnic origin, 2021

The definition of both race and ethnicity is, however, unclear. While race can be taken to refer to geographical origin, colour, or descent it can encompass religion, nationality, ethnicity and other terms. Ethnicity tends to refer to more cultural aspects like religion, shared language and traditions. There is no clear boundary between race and ethnicity and the lines can be drawn arbitrarily and moved along time and are context specific. For example, being Catholic can be considered ethnicity linked to national origin in one case (i.e. Northern Ireland) or solely a religion in another (e.g. Germany), what is considered in one Member State is not the same in the other. Added to this is the historical contexts of migration and global populations, where certain countries like the UK have a track record in applying categories to identify populations that is well accepted, while others have less of a tradition relying on migration or place of birth or do not collect at all.

For this reason, given the complexity in definition of the categories and labels across the EU, within GENDEX, where we aim to collect such data, with a reasonable purpose, it should recognise the subjective nature and allow for free self-declaration and multiple selections and following the guidance, be permitted to not answer or declare.

Sexual Orientation

Addressing the sexual orientation of founders is particularly difficult due to the ‘masked’ nature of this attribute and the potential risks, either real or perceived, for discrimination.²² This is similar for socioeconomic status, ethnicity or neurodivergence.

Over past decades, the vocabulary for addressing sexuality has developed significantly. While we can define well sexual minorities along accepted terms like gay, lesbian, bisexual, asexual, queer²³ we do not have reliable and statistical sources of data for members of these communities within investment and innovation systems. Existing studies have attempted to extrapolate key assumptions applied to general population, but fundamentally we do not have reliable statistical reference points, save the exception of few mainly western European Member States.

Further to this, is the existing overtly hostile and prejudiced societies within which many founders operate, and the risk posed to their entrepreneurial and personal outcomes by ‘outing’ themselves for the purpose of a study. If we were to address this within an index, the resulting data would not be considered reliable and will be skewed based on the individual location and/or experiences of a founder or investor.

Education background

The educational background of both founders and investors is of interest as an indicator of capacity to deliver, subject matter expertise or networks and reach. It is of interest to explore key influences, trends and existing pathways from successful founder and investment teams to observe for convergence in the areas of:

- Educational attainment – EQF levels 1-8²⁴
- Subject matter and study – e.g. STEM vs non-STEM
- Attendance to group or network of establishments – e.g. TES University Rankings or elite or top tier business schools

Socioeconomic status

In the definition of diversity, while socioeconomic status is important to consider and ensure that there is greater equality of opportunity, it is also another example of a potentially ‘masked’ attribute.

²² Masking refers to the hiding of a specific attribute of one’s identity to avoid negative social consequences projecting a different personality or identity externally or in distinct social groups.

²³ Stonewall – Global Workplace Equality Index

²⁴ European Qualifications Framework rev. 2017

There is a layer of added complexity in that there is no set definition across all EU Member States and set thresholds can vary significantly between one region or another. It is also highly linked and intertwined with all other aspects described and can be dependent or correlated with one or more of them.

Migration status

With migration status, we refer simply to whether an individual is a national of their country of residence and what was their prior country of residence without prejudice towards the status of the individual. This includes migration from both second and third country individuals, i.e. intra-EU and extra-EU.

The migration status of a founder is anecdotally linked to higher outcomes and propensity to become a founder in the first instance. It is believed that founders from other nations or born to those who have come from other nations have a greater appetite for risk and are more likely to be internationally focused on their start-up journey.

Statistically, however this is not borne out by existing studies. Recently an assessment of the EU context, with the GEM survey, found that while non-natives are more likely to embark on a venture, there is not a positive correlation with outcomes.²⁵ There is, though, certain evidence that returning migrants enjoy higher rates of venture and success.

For the application within GENDEX, it is more of interest to measure flows of people from within the EU and outside, tracking concentrations of talent or founders, with reference to whether they are a founder operating in their native country or in another country.

3.2.4 GENDEX scope

The purpose of discussing and defining diversity is to be applied in the developed index that forms GENDEX with the primary objective of supporting the EIC to increase diversity, particularly of gender among their investments and founder pipeline. In second place, to support the European investment and start-up ecosystem, particularly in Deeptech as the focus of the EIC, to measure gaps and take actions to ensure the success of the whole ecosystem.

We want to make sure that the GENDEX is fit for purpose. It must provide reliable, and comprehensive data that enables innovation and technology ecosystem actors to access larger innovation and technology pools, by increasing the proportion of funding that goes into companies with diverse teams across all stages of growth.

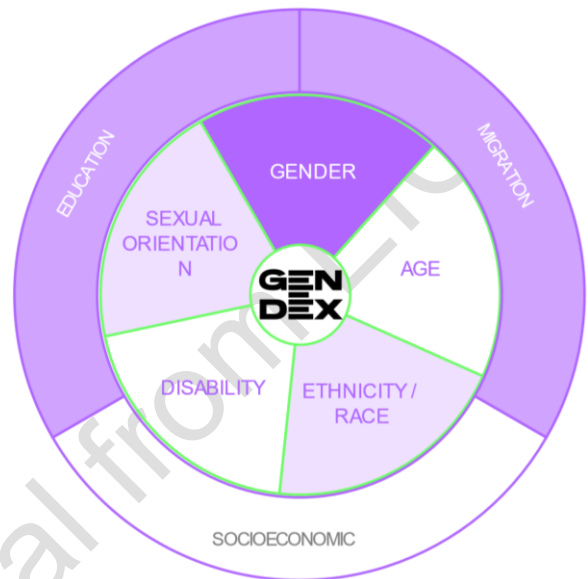
In establishing the scope of diversity to be addressed, the GENDEX team must separate those parameters that can form part of an index based on quantifiable and objective criteria, those that can be explored through more qualitative, expert-led discussions, and that which is out of scope.

It bears repeating, that the team behind GENDEX fully recognise that diversity in all its forms is worthwhile addressing, but there are practicalities to this pilot action that mean limits must be applied.

²⁵ Rillio, Cesare Fabio Antonio and Peroni, Chiara (2022): Immigration and entrepreneurship in Europe: cross-country evidence.

As a result, the following are considered for inclusion in the index and for the further study of available data sources and methodologies:

- **Need to have**
 - Gender
 - Woman
 - Man
- **Nice to have:**
 - Educational background
 - STEM vs non-STEM
 - Elite institutions vs non-elite
 - Migration status
 - Prior residence
 - Intra-EU vs non-EU
- **Could have** – may also be addressed through more qualitative or exploratory interviews or expert workshops
 - Ethnicity/Race
 - Gender
 - Transwoman
 - Transman
 - Other
 - Sexual orientation
 - Heterosexual
 - Homosexual
 - Other



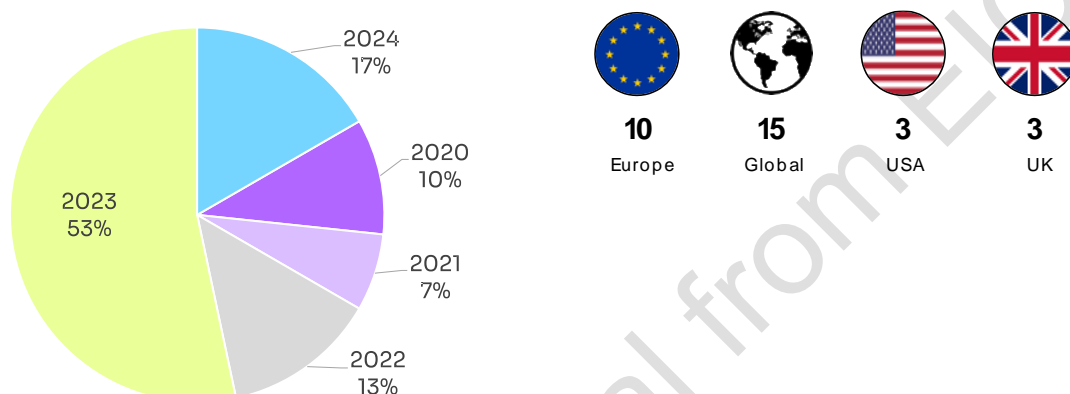
Currently considered out of scope for index are age and disability and socioeconomic status that can merit further dedicated studies that build upon the same framework. While the work of GENDEX may result in some datasets or discussions of relevance, it is necessary for the pilot action to build the ground for further expansion and provide that focus on reliability, robustness and comparability of resulting index.

4 EXISTING APPROACHES

4.1 Overview of reports and indices

For the purpose of this analysis, 30 existing sources were analysed to explore the state of the art in research around diversity, both in investment and in the wider context. The summary tables of these sources are provided as Annex 1.

Figure 3. Breakdown of sources by year of publication and region covered



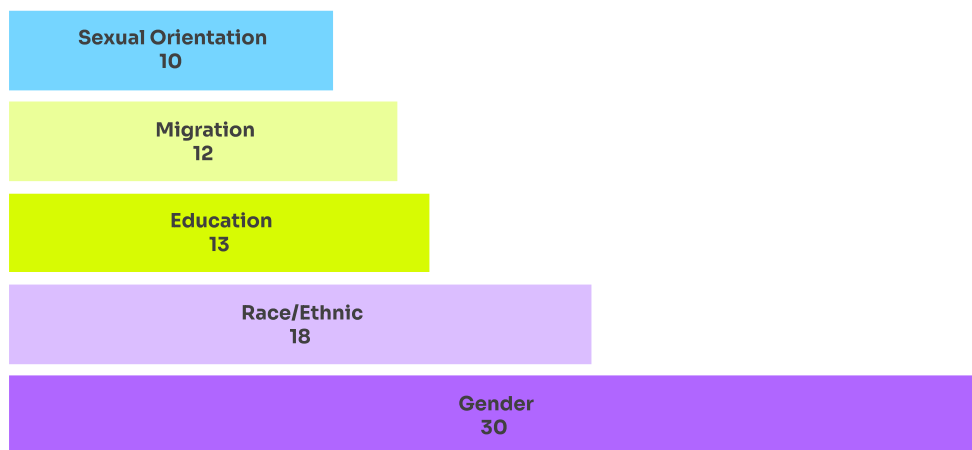
Source: GENDEX

Of the sources identified as particularly pertinent to the GENDEX scope, there were 4 broad categories:

- Reports
- Databases
- Rankings/Scoreboards
- Indices

In some cases, there was overlap between these, i.e. a report based on a scoreboard or ranking, but in general these categories were discrete. In terms of geographical breakdown, 10 of the sources chosen covered Europe, while 15 had a global outlook, and 3 each analysed the UK and USA. In terms of the year of publication, all were released in the last 5 years, with over half coming from 2023.

Figure 4. Overview of sources by diversity dimension addressed ($n=30$)



Source: GENDEX

Overall, all sources covered gender as a dimension, while just over half addressed race/ethnicity, 13 and 12 covered migration and education respectively, and 10 addressed sexual orientation as a dimension of diversity.

Table 2. Distribution of sources and diversity addressed

Type	Gender	Race/Ethnic	Education	Migration	Sexual Ori.
Report	24	17	12	11	9
Other	1				
Index	3	1	1	1	1
Database	1				
Dashboard	1				
Total	30	18	13	12	10

In the following table, the metrics and datapoints provided for founder, investor or company level are provided and mapped against the principal aspects of diversity within scope. There are readily addressed metrics all levels for gender, while race/ethnicity is more varied.

Table 3. Available metrics present in sources against key diversity aspects.

	Gender	Race/Ethnic	Education	Migration	Sexual Orientation
Founders	<ul style="list-style-type: none"> Share of women inventor-patentees as a percentage of all inventor-patentees Share of women aged 18–64 who are either an entrepreneur or owner-manager of a new business 	-	<ul style="list-style-type: none"> Secondary (e.g. state versus private) University (e.g. elite versus not) 	<ul style="list-style-type: none"> Nationality Prior job location 	<ul style="list-style-type: none"> N° of jobs created by LGBTQ+ entrepreneurs N° of patents created by LGBTQ+ led companies
Investors	<ul style="list-style-type: none"> N° investment partners who are women. Women employees by characteristics of investment professionals Share of overall investment allocated to women founders compared to the previous year Share of capital raised (%) and share of rounds (%) by founding team gender composition and funding stage 	<ul style="list-style-type: none"> N° of Black investment partners Employees by race and ethnicity as a percentage of: <ul style="list-style-type: none"> Investment professionals Junior-level investment professionals Investment partners 	-	-	<ul style="list-style-type: none"> Venture funding and angel investments to LGBTQ+ founders Total value of all acquisitions and IPOs of companies founded by LGBTQ+ individuals
Companies	<ul style="list-style-type: none"> Share of women in the C-suite Share of women at executive level Share of women Chairs of Boards Share of women in leadership of a company Share of women CEOs/ CFOs /COOs Share of women in Board committees. 	<ul style="list-style-type: none"> Apparent ethnicity Women employees by race and ethnicity as a percentage of: Total employees/Senior-level employees Representation by race and ethnicity in executive and technical roles. Average annual percentage change of ethnic minorities in leadership roles 	-	-	-

4.2 Methods and approaches

4.2.1 Overview of approaches

Data sources and approaches vary across all sources, with a preference on the use of primary sources for collecting founder details; secondary sources are more prevalent for when reporting on investors and companies.

Data on founders is sourced from a variety of methods, with proprietary data collection systems, databases and workshops featuring here. In the case of LGBTQ+ data, as mentioned above, extrapolation from general data is used to estimate the real numbers and account for masking.

Investor data is retrieved from platforms such as Dealroom, Crunchbase and Atomico, on the quantitative side, while qualitative methods such as workshop series and interviews were also used to extract expert opinion and knowledge. These are used in some cases to bring together founders, investors and corporate leaders for panels and design thinking activities.

In the case of publicly listed companies, data on their diversity performance metrics, annual reports and company website data are used in several instances to obtain reliable and up-to-date information. Information on governance, for example, is more readily available, and can be obtained directly from publicly available information on company websites or annual reports, to ascertain, for instance, the percentage of women on boards or at C-suite level. Voluntary disclosure is another method employed, in the case of a ranking/index, with the use of an established framework.

Open consultations are also a part of the methodology for some sources, across founders, investors and companies. This comprises months of engagement with start-up founders, CEOs, investors, representatives of public institutions, university leaders, start-up associations etc.

Unfortunately, in select cases, sources do not disclose the details of the methodology employed, stating simply that the collection methodology is proprietary.

Table 4. Principal data sources per diversity dimension

	Gender	Race/Ethnic	Education	Migration	Sexual Orient.
Founders	Email surveys Proprietary data collection systems Workshops	Email surveys Proprietary data collection systems WIPO stats database	-	Proprietary data collection systems	Extrapolated data PitchBook
Investors	Dealroom Crunchbase Atomico	Dealroom Crunchbase Atomico	Workshop series Qualitative interviews	Workshop series	-
Companies	Annual reports Company websites Voluntary disclosures	Voluntary disclosures Industry websites Company reports	Board Interviews Institutional Reports	-	-

Notable approaches

Some reports, such as The State of LGBT Entrepreneurship in the U.S, employed a method of extrapolation based on lack of availability data, often due to the fact that not all LGBT founders will self-declare as such.

An issue that was seen with some sources was the difficulty in obtaining updated EU-wide, high-quality data. EIGE addressed this by complementing the data with a survey focused on time spent on unpaid childcare, long-term care, and housework. This idea of combining data sources can prove essential when dealing with an area as varied as the European Union.

In terms of data collection mechanisms, a noteworthy example is Diversity Beyond Gender, which cited the use of a machine learning algorithm trained to detect the perceived gender, ethnicity and actual educational background of founders based on available data and profiles. Another example of the use of machine learning is with McKinsey, using a system of ‘sentiment analyses to ascertain levels of diversity analysing comments from Glasdoor and Indeed, flagging selected keywords to assign each comment a sentiment through an algorithm: positive, negative, or neutral.

An interesting approach worth noting can be found in Bloomberg's Gender Equality Index, which calculates a ‘GEI Score’ comprised of two components: the amount of data disclosed and data excellence. This incentivises a higher level of disclosure and transparency amongst respondents, boosting data completeness.

4.2.2 Quantitative led

4.2.2.1 Collection

The majority of identified sources contained at least one element of quantitative data, with several different types of data collection approaches. Some of the most prevalent types of data collection seen, in both primary and secondary research, included:

Table 5. Source overview

Primary	Secondary
<ul style="list-style-type: none"> • Email surveys • Phone surveys • Voluntary disclosures • Machine learning aided data collection 	<ul style="list-style-type: none"> • Annual reports • Proprietary data collection systems • Publicly available databases • Company websites and annual reports

4.2.2.2 Analysis

There is some overlap in the metrics used by the quantitative sources. Gender, by far the most prevalent diversity dimension across sources, is explored through a wide range of indicators. In relation to founders, some sources focus on entrepreneurial activity as a metric, such as the percentage of women aged 18–64 who are budding entrepreneurs. Other sources use intellectual property as a gauge, with metrics such as women’s share of all inventor-patentees, total percentage of women inventors, or percentage of women inventors in biotechnology, pharmaceuticals and food chemistry. The overall percentage of women graduates in STEM fields is also considered as a ‘feeder’ factor in the founder context. From the funding angle, metrics include the percentage of UK women-founded start-ups receiving VC investments over the past five years.

In terms of investors, the share of VC firms with over 50% women decision-makers and the active women angel investor count are two examples of metrics employed. Other prevalent metrics cover the topics of women shareholders in VCs, carried interests, decision-making

and share of managing partners who are women. An interesting example here is specifically the metric of ‘Female employees by characteristics of investment professionals’, which looks with granularity at the activities of women investment professionals, such as originating deals, representing the firm on the boards of portfolio companies, or being a member of the firm’s investment committee. On a final note, the exit scene is another important factor for consideration here, analysing VC exit activity for female-founded companies amongst other metrics.

In the context of companies, leadership is a key theme which is the focus of several sources, comprising metrics focused on women’s share of the executive board, C-suite, non-executive directorship and decision-making capacity. The technological angle also features here, with indicators based around the share of IT positions held by women.

Outside gender, metrics around race and ethnicity in the investor context look at a range of areas, such as the share of ethnic minority senior and junior level investment professionals in a firm, as well as the number of minority managing partners. In the wider context of companies, some sources consider employee function by race (e.g. finance, legal, administrative) to give a more accurate reflection of diversity within firms. Another interesting metric seen here is the average annual percentage change of ethnic minorities in leadership roles, giving an indication of direction of change.

In the education space, the key metrics present were secondary education, i.e. state or private, and university education, i.e. elite or non-elite, which could consist of multiple tiers. In this context, elite would constitute Oxford, Cambridge, Harvard, Stanford, for example, with a set of tiers below this according to rankings.

An important point of note in the context of analysis is the **internationally accepted methodology on building composite indicators** developed by the European Commission’s Joint Research Centre (JRC) and the Organisation for Economic Co-operation and Development (OECD), which offers a guide to the construction and use of composite indicators, as mentioned in the EIGE gender equality index.

4.2.3 Qualitative led

4.2.3.1 Collection

Some sources also contained information of the qualitative variety, obtained through activities such as:

- Workshops
- Board Interviews
- Open consultations

4.2.4 Abstraction and synthesis

Overall, the collection and analysis of diversity data across the 30 sources offers several insights into best practice, challenges and pitfalls of the task.

In addressing the challenges of data availability and standardisation across European member states, innovative strategies become imperative. One such example is the approach taken by the European Institute for Gender Equality (EIGE) in developing the EIGE Index. Recognising data gaps, the EIGE Index supplemented collected data with surveys to ensure a more comprehensive understanding, thus enhancing the representativeness of their studies. However, despite such efforts, disparities in data coverage persist among countries, necessitating ongoing corrective measures to maintain the validity of research outcomes.

Measuring progress over time poses another significant challenge, especially in domains where historical data tracking and standardisation have been lacking. This scarcity impedes the analysis of social metrics used to gauge progress on equality initiatives. Without robust historical data and standardised methodologies, accurately assessing trends and evaluating the effectiveness of interventions becomes increasingly difficult.

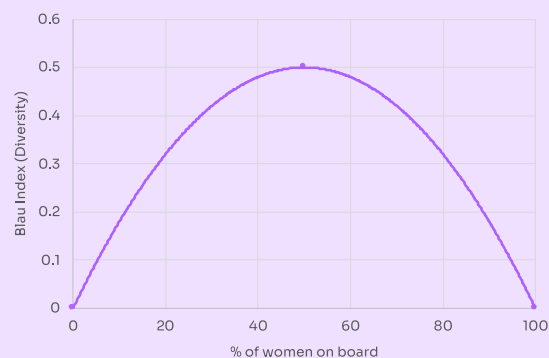
In the realm of diversity and inclusion, relying solely on employee perceptions as a core metric can be problematic. While valuable insights can be gleaned from such assessments, they may not always align with the actual efforts undertaken by companies to pursue diversity and inclusion. This dissonance reinforces the importance of employing multiple indicators and assessment methodologies to obtain a more holistic view of organisational diversity practices.

The use of machine learning algorithms to extract diversity information from apparent ethnicity, as inferred from LinkedIn profile pictures, reflects a growing trend in leveraging technology to address data challenges. While these approaches offer potential solutions for data collection and analysis, ethical considerations regarding privacy and bias must be carefully considered to ensure the integrity and fairness of findings.

In relation to investment data, a notable challenge arises from the limited availability of venture capital (VC) companies providing financial performance indicators in Europe. This scarcity presents a barrier to comprehensively evaluate the impact of VC investments on diversity and inclusion initiatives. Addressing this challenge may require collaborative efforts among stakeholders to improve data sharing and transparency within the VC ecosystem.

An interesting caveat arises regarding the percentage representation of a minority group on a board. While it is a very tractable measure of diversity, it can be misleading when its values are high. This is because when the representation of a minority group reaches 50%, appointing another board member from the same group would in fact reduce the diversity. For this purpose, the Blau Index was created. This is visualised in figure 2 below.

Figure 5. Blau Index



5 A REFERENCE FRAMEWORK FOR GENDEX

5.1 Following the impact – longitudinal effects

Returning to the starting hypotheses, the analysis performed on the basis of the data provided by the index should aim to provide gaps at each stages of the investment pipeline and, if possible, the compounded, impact on the holy grail of start-up activity: the successful exit, be it through IPO or M&A. Here, there are two principal perspectives:

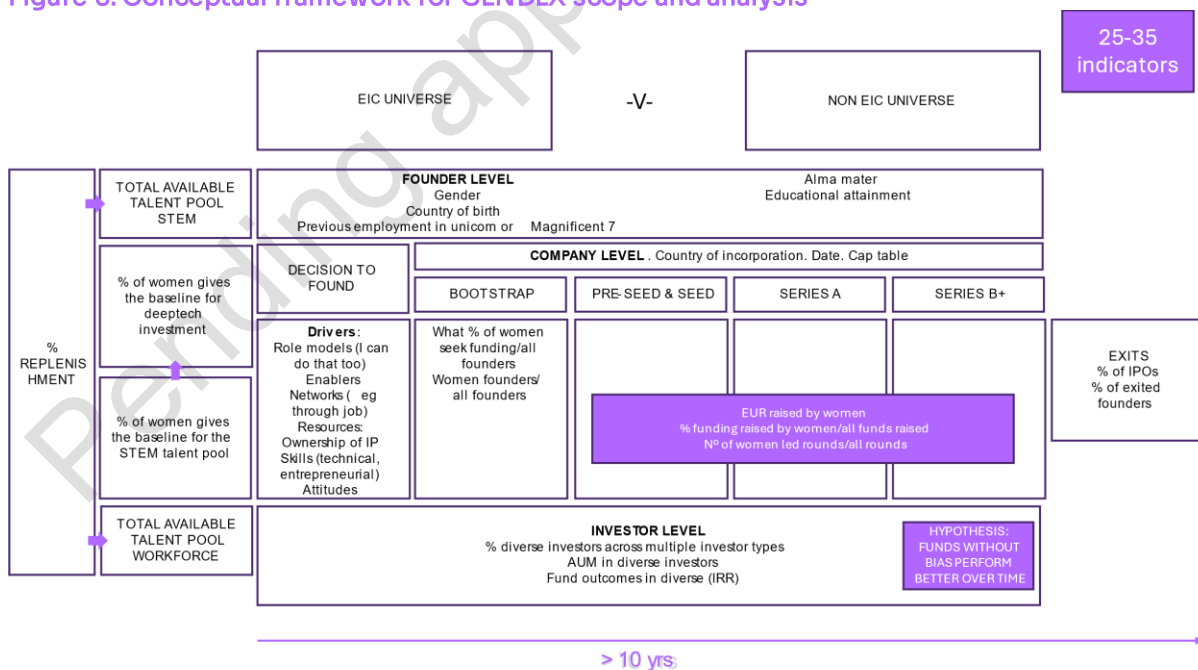
- That of the start-up or scale-up and their founders, and
- That of the investment funds and investors.

A reasonable, although far from standard, timeframe for understanding outcomes and results is a 10 year period, which would cover both the journey from pre-seed to set up a company to (potentially) IPO, as well as the raise and exit of a fund.

Thus, the analytical framework below seeks to capture and provide a structure and model for the index. This proposed framework may evolve as the study advances but provides an initial grounding for data sourcing and methodological scoping.

It aims to analyse for those companies and investors present within the activities of the EIC and the broader innovation ecosystem.

Figure 6. Conceptual framework for GENDEX scope and analysis



Source: GENDEX

The framework also considers the need to provide a view of investment and venturing within the EIC context and in the European ecosystem more generally, it looks at founder,

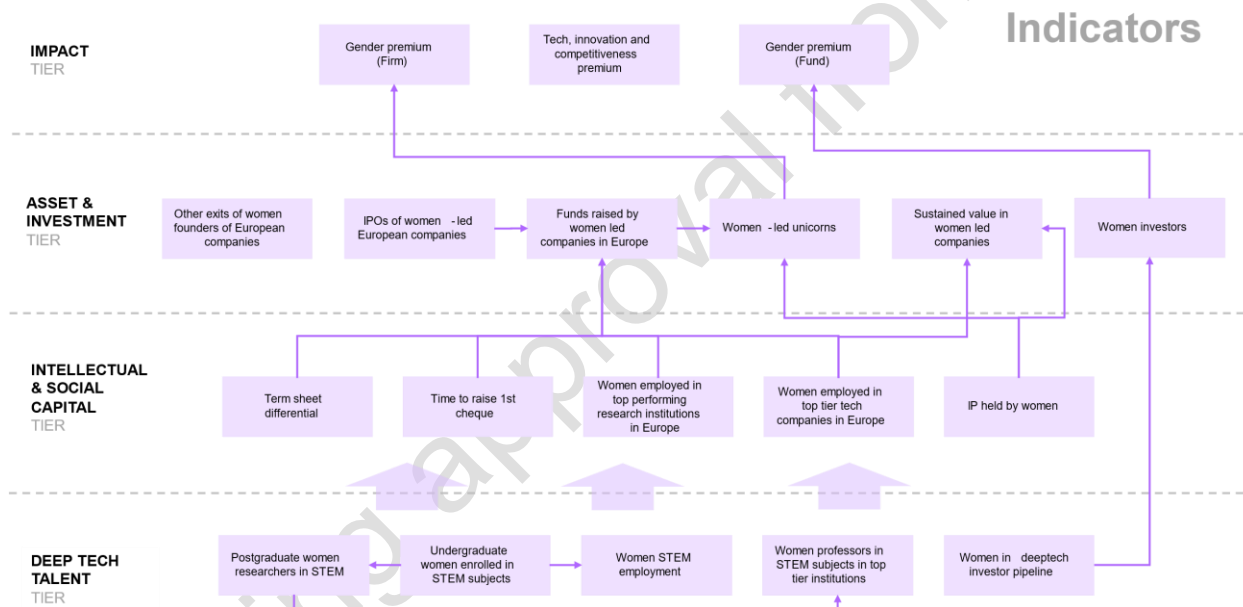
company, investor and fund levels and also considers the availability of entrepreneurial and skilled talent pools.

5.2 Developing a proposed approach for metrics and data points

The GENDEX framework also suggests some hypothetical links between indicators, suggested a four-tier approach:

- Impact – providing evidence for a gender premium derived from better performance and outcomes of gender diverse teams and funds.
- Asset and investment – measurable outcomes and performance.
- Intellectual and social capital – leading indicators of results and progression.
- Deep tech talent – measure of the inputs and assets available to the progression of teams.

Figure 7. Overview of GENDEX framework of indicators and analysis



Source: GENDEX

This translates into specific metrics provided in the following page as a starting point for development and inclusion of the diversity aspects in scope, based on the feasibility of inclusion of metrics and the consultation with the GENDEX Board of Experts.

Figure 8. Initial framework for data metrics and indicators provided for gender only



Source: GENDEX

6 NEXT STEPS

The content contained within this report provides the context and scope for the exploration of the index development.

Following from the consultations with the GENDEX Board of Experts (a representative group of investors, founders, diversity experts and policy makers) there will be a consolidated version of the framework and metrics that will outline the data collection and validation approaches and methods. It will include an assessment of the feasibility of data collection, trustworthiness and robustness of existing data sources and the definition of key qualitative and survey-based methods.

The next action will be the definition of the GENDEX Scorecards that will provide the detailed description of each metric to be included in the index, the primary data sources, means of collection, frequency and limitations.

This will be developed into the GENDEX index and associated data tool for exploration by target users.

Pending approval from EDC

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- World Economic Forum (2020) Unleashing the power of Europe's women entrepreneurs

Pending approval from EIC

ANNEX 1: SOURCE TABLES

Summary of data sources

TITLE	VC Human Capital Survey		
AUTHOR	Deloitte	PUBLISHED	2023
THEME	Workforce demographics and firm-level DEI practices at US VC firms	TIMEFRAME	2018-22
TYPE	Report	GEO. SCOPE	USA
DIVERSITY	Gender, Racial, Ethnic	FREQUENCY	Annual
KEY FINDINGS	Women’s representation in both investment and leadership positions has grown steadily, while Black and Hispanic employees’ representation has seen smaller though accelerated increases.		
LIMITATIONS	Only covers USA		

TITLE	EWOB' Gender Diversity Index		
AUTHOR	EWOB	PUBLISHED	2020
THEME	Women’s participation in corporate governance in the largest European companies that are listed in the STOXX 600 Europe index	TIMEFRAME	2020
TYPE	Index	GEO. SCOPE	18 European countries
DIVERSITY	Gender	FREQUENCY	Annual
KEY FINDINGS	10% of companies are close to gender equality at board and executive level, improvement from 2019		
LIMITATIONS	Low coverage of some countries, not representative		

TITLE	EIGE's Gender Equality Index		
AUTHOR	EIGE	PUBLISHED	2023
THEME	Measures progress of gender equality in the EU	TIMEFRAME	2021-2022
TYPE	Index	GEO. SCOPE	27 EU countries
DIVERSITY	Gender	FREQUENCY	Bi-Annual/Annual
KEY FINDINGS	EU index surpassed 70 points for the first time in 2023, showing a growth of 1.6 points since 2022 – highest year-on-year rise since the first edition of the Index in 2013, there is a difference between countries in diversity of nationality on their boards		
LIMITATIONS	Lack of EU-wide data available - the Index was complemented with a survey focused on time spent on unpaid childcare, long-term care, and housework		

TITLE	EIGE's Women and men in decision-making		
AUTHOR	EIGE	PUBLISHED	2023

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THEME	Data on the numbers of women and men in key decision-making positions across a number of different life domains	TIMEFRAME	2018-2022
TYPE	Database	GEO. SCOPE	Europe
DIVERSITY	Gender	FREQUENCY	Annual
KEY FINDINGS	-		
LIMITATIONS	-		

TITLE	Bloomberg's Gender Equality Index		
AUTHOR	Bloomberg	PUBLISHED	2023
THEME	Tracks the performance of companies that are committed to supporting gender equality through policy development, representation and transparent disclosure	TIMEFRAME	2023
TYPE	Index	GEO. SCOPE	Global
DIVERSITY	Gender	FREQUENCY	Annual
KEY FINDINGS	COVID-19 amplified existing disparities among underrepresented groups, specifically women and people of colour,		
LIMITATIONS	Historic lack of data tracking and standardisation presents challenges in analysing the social metrics used to evaluate progress on equality		

TITLE	Diversity wins: How inclusion matters		
AUTHOR	McKinsey	PUBLISHED	2020
THEME	Analysing the business case for diversity and showing the relationship between diversity on executive teams and the likelihood of financial outperformance	TIMEFRAME	2018-19
TYPE	Report	GEO. SCOPE	15 countries globally
DIVERSITY	Gender, Ethnic/Cultural	FREQUENCY	Every 2/3 years
KEY FINDINGS	Diverse companies are now more likely than ever to outperform non-diverse companies on profitability		
LIMITATIONS	The volume of relevant comments may be insufficient for certain industries		

TITLE	Board Diversity and Effectiveness in FTSE 350 Companies		
AUTHOR	London Business School Leadership Institute	PUBLISHED	2021
THEME	Looks at how diversity has affected boardroom culture dynamics and the quantitative effects in terms of performance	TIMEFRAME	2021

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TYPE	Report	GEO. SCOPE	FTSE 350 (UK)
DIVERSITY	Gender, nationality, ethnicity	FREQUENCY	-
KEY FINDINGS	Significant rise in female representation - 36% on FTSE 100 boards and 33% on FTSE 250 boards, directors from ethnic minorities represented around 7% of the total compared to 13% of the UK population		
LIMITATIONS	The effects of ethnic diversity on boardroom dynamics cannot be observed in the same way as for gender diversity due to data limitations		

TITLE	Scale Up Europe: How to build Global Tech Leaders in Europe		
AUTHOR	Sifted	PUBLISHED	2021
THEME	Manifesto outlining ambitions for European tech, and a strategy and roadmap on how to scale the tech ecosystem to the next level	TIMEFRAME	2021
TYPE	Report	GEO. SCOPE	Europe
DIVERSITY	Gender, Ethnicity, Education (Ivy league bias), nationality	FREQUENCY	-
KEY RECOMMENDATIONS	To boost Europe's tech ecosystem, public authorities should create a favourable ecosystem for the listing of tech companies, and implement a fast-track European tech visa for non-Europeans. The ecosystem should improve VC visibility and foster international startup culture. Promoting startup-corporate collaboration through tax incentives and best practices is crucial.		
LIMITATIONS	Results based on 30+ qualitative interviews and a series of workshops, no quantitative data included.		

TITLE	The State of European Tech		
AUTHOR	Atomico, HSBC, Orrick, Affinity, Slush	PUBLISHED	2023
THEME	Going beyond the headlines, digging into the data, and reflecting the true state of European tech.	TIMEFRAME	2023
TYPE	Report	GEO. SCOPE	Europe
DIVERSITY	Gender	FREQUENCY	Annual
KEY FINDINGS	VC leadership is male-dominated, 16% of GPs are women, 8% of funding rounds going to women-led and 21% to mixed teams		
LIMITATIONS	Significant amount of the analysis is limited to publicly-disclosed data		

TITLE	Women's Entrepreneurship Report		
AUTHOR	GEM	PUBLISHED	2023
THEME	Highlights the impact of women entrepreneurs on society and economies globally and calls for evidence-based policies to	TIMEFRAME	2023

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	support women entrepreneurs effectively		
TYPE	Report	GEO. SCOPE	Global
DIVERSITY	Gender	FREQUENCY	Annual
KEY FINDINGS	Women represent one in four high-growth entrepreneurs globally, business exits for women rise with country income level, from 2.2% in low-income countries to 5.3% of women in high-income countries in 2022		
LIMITATIONS	-		

TITLE	Unleashing the power of Europe's women entrepreneurs		
AUTHOR	WEF	PUBLISHED	2020
THEME	Six ideas to drive big change in European entrepreneurship by addressing the gender imbalance	TIMEFRAME	2020
TYPE	Report	GEO. SCOPE	
DIVERSITY	Gender	FREQUENCY	
KEY FINDINGS	Three main challenges facing women entrepreneurs are lack of access to venture capital funding, Lack of role models for the next generation, and socio-cultural barriers		
LIMITATIONS	Results based on limited workshop of 30 participants so not necessarily representative of wider trends		

TITLE	The State of LGBT Entrepreneurship in the U.S		
AUTHOR	StartOut	PUBLISHED	2023
THEME	A tool that analyses and displays the current state of LGBTQ+ entrepreneurship and models where it can grow to be	TIMEFRAME	2023
TYPE	Report	GEO. SCOPE	USA
DIVERSITY	Race, Gender, Sexuality	FREQUENCY	Annual
KEY FINDINGS	Only 0.5% of the \$2.1T in start-up funding was raised by LGBTQ+ founders while nationwide 7.1% of the population identify as LGBTQ+		
LIMITATIONS	Uses calculated values which are extrapolated from existing data		

TITLE	Diversity Leaders ranking		
AUTHOR	Statista-FT	PUBLISHED	2023
THEME	The views of more than 100,000 employees across Europe on diversity leading companies	TIMEFRAME	2023
TYPE	Ranking	GEO. SCOPE	16 European countries
DIVERSITY	Age, gender, ethnicity, disability, sexual orientation	FREQUENCY	Annual
KEY FINDINGS	-		

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LIMITATIONS	Employee perceptions may not always be aligned with the work that a given company has, or has not, actually carried out to improve diversity
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TITLE	Diversity in the European Innovation Industry and IP Profession		
AUTHOR	IP Owners Association	PUBLISHED	2022
THEME	Review of diversity metrics in the IP space in Europe with the hopes of empowering all members of the population to contribute successfully to the innovation and IP industries	TIMEFRAME	1998-2017
TYPE	Report	GEO. SCOPE	Europe and USA
DIVERSITY	Gender, Ethnicity	FREQUENCY	-
KEY FINDINGS	While Eastern European countries tend to have a higher proportion of female inventors compared to other European countries, even there, the countries with strongest female representation (Latvia, Croatia, Romania and Serbia) still only reach approximately 30% representation.		
LIMITATIONS	May be more indicative of male under-participation in the survey than it is of female (over-) representation in the profession.		

TITLE	Minimum Set of Gender Indicators		
AUTHOR	United Nations	PUBLISHED	2024
THEME	Indicators measuring and collecting information on issues relevant for gender equality and women's empowerment.	TIMEFRAME	
TYPE	Database	GEO. SCOPE	Global
DIVERSITY	Gender	FREQUENCY	-
KEY FINDINGS	-		
LIMITATIONS	-		

TITLE	All In - Female Founders in the VC Ecosystem		
AUTHOR	Pitchbook	PUBLISHED	2023
THEME	Report on the presence of women within the European venture ecosystem	TIMEFRAME	2013-2023
TYPE	Report	GEO. SCOPE	Europe
DIVERSITY	Gender	FREQUENCY	Annual
KEY FINDINGS	Female founders captured 25.8% of deal count and 20.5% of deal value in 2023—both records, just 15.2% of decision-makers at large European VC firms are women		
LIMITATIONS	-		

TITLE	The European VC Female Founders Dashboard		
AUTHOR	Pitchbook	PUBLISHED	2024

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THEME	A deep dive into European investment trends for women in VC over the last 16 years, diving into deal counts by country, industry and stage.	TIMEFRAME	2008-2022
TYPE	Dashboard	GEO. SCOPE	Europe (also a US version)
DIVERSITY	Gender	FREQUENCY	-
KEY FINDINGS	Companies founded solely by women garnered just 1.5% of the total capital invested in venture-backed start-ups in Europe		
LIMITATIONS	-		

TITLE	Unicorn Founder DNA Report		
AUTHOR	Defiance Capital	PUBLISHED	2024
THEME	Looks at the “DNA” of unicorn founders to define the common traits of these kinds of founders	TIMEFRAME	2013-2023
TYPE	Report	GEO. SCOPE	UK/US
DIVERSITY	Gender, Migration, Race	FREQUENCY	Once Off
KEY FINDINGS	Most unicorns have “underdog” (immigrants, women, people of color) founders who are often drawn from the top 10 universities. There’s also a rising female founder make-up, and no obvious monopoly at seed stage of funding for VCs. 49% of unicorn CEOs had STEM degrees (64% of female founding CEOs had STEM degrees) and 70% of founder teams have STEM degrees.		
LIMITATIONS	Only UK/US		

TITLE	Achieving superior returns with gender diversity in European Venture Capital firms		
AUTHOR	IDC	PUBLISHED	2023
THEME	Report on gender parity and D&I strategies and policies in the European VC ecosystem, which also looks at the relationship between gender diversity and financial performance of venture capital funds in Europe.	TIMEFRAME	2023
TYPE	Report	GEO. SCOPE	Europe
DIVERSITY	Gender	FREQUENCY	Annual
KEY FINDINGS	gender-diverse teams with women that have investment decision power can have a positive impact on overall fund performance		
LIMITATIONS	Number of VC companies providing fund financial performance indicators in Europe is currently limited		

TITLE	Analysing the role and importance of women as cheque-writers and start-up founders		
AUTHOR	IDC	PUBLISHED	2022

DI.1 STATE OF THE ART

THEME	Provides insights on the largest VCs in each European region and country, providing a data-driven overview of gender diversity in the European VC sector.	TIMEFRAME	2021
TYPE	Report	GEO. SCOPE	Europe
DIVERSITY	Gender	FREQUENCY	Annual
KEY FINDINGS	85% of VC General Partners are male, while female GPs have access to only 9% of total AUM, the emergence of bio-tech and life science funds is showing early signs of progress in bringing more capital to women investors		
LIMITATIONS	Dealroom combines machine learning and data engineering with verification processes and a strong network of ecosystems. The data is vast and extensive, but not complete on aspects such as gender data.		

TITLE	Diversity beyond gender		
AUTHOR	Extend Ventures	PUBLISHED	2023
THEME	Looks at how money has been invested according to race, gender and educational background over a 10 year period	TIMEFRAME	2009-2019
TYPE	Report	GEO. SCOPE	UK
DIVERSITY	Gender, Education, Race	FREQUENCY	Once Off
KEY FINDINGS	UK's Black and Multi-Ethnic communities comprise 14% of the UK population, yet all-ethnic teams received an average of 1.7% of the venture capital investments made at seed, early and late stage between 2009 and 2019. 68.33% of the capital raised across the seed, early and late venture capital funding stages went to all-male teams, 28.80% to mixed teams and 2.87% to all-female teams.		
LIMITATIONS	Detects the perceived gender, ethnicity and actual educational background of founders, not self-declared.		

TITLE	Measuring Social Sustainability at Work		
AUTHOR	IDC	PUBLISHED	2024
THEME	Highlights how social sustainability at work is a vital aspect of ESG development and how to effectively measure and report on social sustainability.	TIMEFRAME	2024
TYPE	Report	GEO. SCOPE	Europe
DIVERSITY	Overall (e.g. gender, disabilities)	FREQUENCY	--
KEY FINDINGS	Business emphasizing social sustainability see positive outcomes such as risk mitigation, improved supply chain resilience and consumer preference for ethically produced goods. IDC predicts that by 2025, 80% of companies will track social capital KPIs (e.g. DEI) in real time to reflect increasing demand from external stakeholders to address social sustainability topics.		

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LIMITATIONS	VCs and Start-ups are obliged to company to current EU regulations on social sustainability, including DEI (e.g. CSRD). Key findings cannot be completely adapted to innovation ecosystem.
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TITLE	Digital Accessibility in Europe in a Nutshell		
AUTHOR	IDC	PUBLISHED	2024
THEME	Explores the role of technology, particularly AI, in enhancing digital accessibility.	TIMEFRAME	2022–2024
TYPE	Report	GEO. SCOPE	Europe
DIVERSITY	Disability	FREQUENCY	--
KEY FINDINGS	More than 70% of European companies are highly aware of accessibility standards, and they have created formal policies and conduct formal audits on a regular basis to meet minimum compliance with select guidelines and standards.		
LIMITATIONS	--		

TITLE	Social Sustainability — Breakdown by Geography		
AUTHOR	IDC	PUBLISHED	2023
THEME	Provides insights into social sustainability by geography (Americas, EMEA, Asia Pacific)	TIMEFRAME	2022
TYPE	Report	GEO. SCOPE	Worldwide
DIVERSITY	Overall (e.g. gender, disabilities)	FREQUENCY	Annual
KEY FINDINGS	The top 3 focus areas for social sustainability in Europe, Middle East and Africa (EMEA) does not include DEI, when compared to Americas and Asia Pacific.		
LIMITATIONS	Start-ups and scale-ups are not included in surveyed sample (1,223 organizations worldwide, of which 44% in EMEA).		

TITLE	Top Operational Areas of Focus for DEIB		
AUTHOR	IDC	PUBLISHED	2023
THEME	Areas in DEIB (Diversity, Equity, Inclusion and Belonging) to be prioritized by organizations (e.g. preventing recruiting biases)	TIMEFRAME	2023
TYPE	Report	GEO. SCOPE	Worldwide
DIVERSITY	Overall (e.g. gender, disabilities)	FREQUENCY	--
KEY FINDINGS	Strategies and resources to detect and prevent recruiting biases and tools to expand and/or reconfigure talent pools and source for more divers job candidates are the top priorities for DEIB programs.		
LIMITATIONS	Findings apply to a sample of 500 worldwide organizations with more than 50 employees. Start-ups and scale-ups are not included.		

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TITLE	Over the Last Few Years, There's Been an Increasing Emphasis on the "S," or Social, of ESG. What Social Factors Are Organizations Focusing On and Why?		
AUTHOR	IDC	PUBLISHED	2023
THEME	Examines what are the most important social sustainability focus areas for organizations, and what they hope to achieve by investing in initiatives to nurture these areas.	TIMEFRAME	2022
TYPE	Report	GEO. SCOPE	Worldwide
DIVERSITY	Overall (e.g. gender, disabilities)	FREQUENCY	--
KEY FINDINGS	45% of organizations considers Diversity, Equity and Inclusion as the most important social sustainability focus area. Increased brand loyalty is the first desired outcome of these initiatives.		
LIMITATIONS	Findings apply to a sample of 1,223 worldwide organizations. Start-ups and scale-ups are not included.		

TITLE	ESG Training and Upskilling Grows in Importance as ESG Maturity Grows		
AUTHOR	IDC	PUBLISHED	2023
THEME	How embedding ESG is key to succeed in a sustainable transformation	TIMEFRAME	2023
TYPE	Report	GEO. SCOPE	Worldwide
DIVERSITY	Overall (e.g. gender, disabilities)	FREQUENCY	--
KEY FINDINGS	Current training and upskilling services on the market do not fully meet the future needs of companies that are continuously growing in ESG maturity.		
LIMITATIONS	--		

TITLE	Diversity as a Pivotal Point in Organizational Change		
AUTHOR	IDC	PUBLISHED	2022
THEME	Investments in HCM technology to boost DEI initiatives	TIMEFRAME	2022
TYPE	Report	GEO. SCOPE	Worldwide
DIVERSITY	Overall (e.g. gender, disabilities)	FREQUENCY	--
KEY FINDINGS	Diversity and the achievement of equity will be the diversity and achievement of equity are the driving factors in HCM (Human Capital Management) technology investments in 2023.		
LIMITATIONS	Technology-oriented view. No specific reference to Start-ups and Scale-ups world.		

TITLE	How Important Do Organizations Consider Diversity and Inclusion to Be for the Attraction and Retention of Their IT Talent?		
AUTHOR	IDC	PUBLISHED	2022

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THEME	Importance of diversity and inclusion for the attraction and retention of IT talent	TIMEFRAME	2022
TYPE	Report	GEO. SCOPE	Worldwide
DIVERSITY	Overall (e.g. gender, disabilities)	FREQUENCY	--
KEY FINDINGS	Creating diverse and inclusive work cultures was identified as the most impactful strategy for attracting and retaining IT professionals globally.		
LIMITATIONS	Findings apply to a sample of 830 organizations worldwide.		

TITLE	Diversity, Equity, and Inclusion; Data Security; and Greenhouse Gases Remain the Largest ESG Issues Facing Organizations		
AUTHOR	IDC	PUBLISHED	2023
THEME	Continued development of ESG as a business priority	TIMEFRAME	2022-2023
TYPE	Report	GEO. SCOPE	Worldwide
DIVERSITY	Overall (e.g. gender, disabilities)	FREQUENCY	--
KEY FINDINGS	Diversity Equity and Inclusion and Employee Health and Safety are the main ESG issue for which companies see the greatest need for professional services in 2023 and 2022.		
LIMITATIONS	Findings apply to a sample of 1,021 organizations worldwide.		

Pending approval