

No pride for tech: majority of LGBTQ+ founders withhold their gender or sexuality

In a first of its kind report from Proud Ventures, data reveals that 75% of LGBTQ+ founders don't reveal either their sexuality or gender identity in the workplace, highlighting the scale of the problem.

Proud Ventures, a UK collective of LGBTQ+ investors and investors, has released a new data report that, for the first time, shares data on the experiences, support and inclusiveness of LGBTQ+ members within the wider tech community. *The report* found 75% of founders and nearly 80% of investors withhold their identity from their peers in the ecosystem. Research has shown such 'concealment' potentially results in worse health conditions and lower cognitive performance.

Data on gender identity and sexual identity within the UK tech startup community has been non-existent until now. Proud Ventures, with the help of Founders Factory and Investec Wealth, has collected a unique dataset as a first step to shining a light on the problem and act as catalyst for change for a group that faces significant additional barriers to capital and growth.

Proud Ventures points out that has such data and stories have never been available before. There has, historically, been a massive knowledge gap in understanding of this minority group and answers the question 'is there a

problem?' with this concealed community.

The decision to hide their preference was because LGBTQ+ founders either found it irrelevant to the situation (45%), had discomfort in sharing this information (27%) or found it harmful to fundraising efforts (18%). It is not just founders who do not wish to disclose this information. Almost 80% of LGBTQ+ investors practice concealment with their peers, of which 26% said they would never share their identity with another investor.

The reluctance of LGBTQ+ people to be out in the UK startup community is only one half of the problem. Proud Ventures has also found that investors are not taking action to support LGBTQ+ founders in similar ways to female or black founders. While 80% of investors say they're taking steps to increase diversity of investments, only 26% of those were not doing anything to specifically support LGBTQ+ founders.

The extremely diverse and fragmented nature of the LGBTQ+ community also means that those who identify as 'women' or non-binary were affected most by barriers, discrimination and disadvantages. The research shows that cisgender gay men raised significantly more capital. Furthermore, it found that the more out a founder was about their gender identity, the less was raised and they generated less revenue.

The report only recorded responses from 118 founders, the majority of whom were men. Although a strong indicator of the scale of the problem, more thorough research should be undertaken in future.