

Citadel, Point72 Boost Diversity-Focused Data Science Program

By Lydia Tomkiw December 9, 2020

The hedge fund industry has been relentlessly chasing after top data talent while also struggling to diversify its ranks for many years. Now, a new program backed by some of the industry's biggest managers – Citadel, Point72 Asset Management, Marshall Wace, and Two Sigma Investments – is aiming to scale hiring of diverse professionals in data positions.

Correlation One, a data analytics and tech assessment firm, launched its Data Science for All Empowerment Training program earlier this fall and is aiming to train 10,000 people over the next three years. The virtual program, sponsored by hedge funds and other businesses, offers data analytics training for free to U.S. students and professionals, with a focus on underrepresented communities, including Black, Latinx, LGBTQ+, women and military veterans.

The first 500-person cohort started a 13-week training program at the end of October. The program provides mentors to help with career coaching and aims to land jobs for participants.

There are three core barriers to entry for underrepresented populations in the data science and artificial intelligence (AI) fields, says **Sham Mustafa**, co-founder and co-CEO of Correlation One. The first is the high cost of bootcamps and graduate training, the second the lack of social capital such as job referrals and first-degree network contacts, and the third a lack of mentors.

“The idea is to create a new supply of this talent because it’s not there. You need to build the skills, invest in the talent and build the social capital,” Mustafa says.

While planning for the latest program was in the works, events such as the death of George Floyd over the summer pushed Correlation One to increase the scale and scope of the program, he says. The group ran a women’s training program last year that trained 400 participants, as reported.

And past programs have led to hedge funds hiring. Citadel and Citadel Securities have worked with Correlation One since 2016, including on the launch of Citadel's annual Data Open series. Citadel has made over 150 hires as a direct result of these competitions, according to a spokesperson for the firm.

"A diverse team and an inclusive culture are foundational to delivering on our mission, and we have long been committed to cultivating both," said Citadel COO Gerald Beeson in an email to *FundFire*. "We believe diversity accelerates innovation, strengthens our competitive advantage and keeps us at the forefront of finance."

Citadel is continuing to invest in initiatives that introduce data scientists, quants and engineers of all backgrounds to opportunities in finance, said Matt Mitro, the firm's head of campus recruiting. As part of its recruiting efforts, the Chicago-headquartered manager works with diversity-focused groups, including Inroads, Seizing Every Opportunity (SEO), the Toigo Foundation, and #100BlackInterns. And Citadel sponsors conferences, including the annual Grace Hopper Celebration and the Richard Tapia Celebration of Diversity in Computing Conference.

Point72 said it has had a "successful partnership" with Correlation One and hired "a handful of employees" from programs in various data roles, according to Alexandra Kelsey, a spokesperson for the firm. For the past two years, Point72 has been involved in the Data Science 4 All summit, with employees speaking on panels, volunteering as mentors, and participating in the career fair.

"We want people who think about and approach problems in different ways, and that often comes from a diverse set of life experiences," Kelsey said in a statement to *FundFire*.

Among the firm's other efforts, the Point72 Academy is hosting a diversity accelerator in January, when 10 to 15 sophomores will participate in two weeks of events, with some of those students expected to join the firm's summer 2022 intern class.

The Connecticut-headquartered firm has also partnered with SEO, Jopwell, and #100blackinterns and regularly recruits at the Grace Hopper Celebration and the Tapia conference. Point72 also partnered with Google and CUNY for the university's data challenge and works with student organizations such as ColorStack and oStem to mentor diverse data and tech talent, according to the firm.

Two Sigma and Marshall Wace both declined to comment.

As a current participant in the Correlation One program, Ilija Wan-Simm has looked at case projects ranging from how stock volatility relates to trading levels to the analysis of traffic patterns. “It gives you such a wide variety of topics, which prepares you for whatever industry you’re interested in,” he says.

Wan-Simm is considering a future career in finance. Raised by a single mother and identifying as bi-racial, Wan-Simm says the program’s emphasis on empowerment aligned with his values. Wan-Simm says as a first-generation college student at Harvard University, who took a gap year amid the COVID-19 pandemic, the program is helping him build up skills, given that he previously had no coding background.

“It has changed my lens on how important data science is and at least having a grasp,” he says.

The past year has brought intense attention to diversity and inclusion in the hedge fund industry, with dedicated due diligence questionnaires from investors asking managers for their staff statistics, dedicated cap intro events, and well-known investors such as Yale University’s David Swensen announcing plans to measure manager diversity efforts, as reported.

“There has definitely been a change in consciousness in the industry. The funds of their own volition really want to see this change happen,” says **Rasheed Sabar**, co-founder and co-CEO of Correlation One.

Hedge funds have been poaching talent from each other, as well as from tech companies and Silicon Valley, says Deepali Vyas, a senior client partner and global co-head of fintech at Korn Ferry and a senior advisor to Correlation One. Managers have to think about “playing the long game” and about their recruiting efforts in five- to 10-year timeframes versus one to three years, she adds.

“They are getting a fully vetted and trained candidate slate that happens to be in a diverse talent pool. It’s a win-win,” she says.