

Less than 12% of Senior Roles in Alternatives Are Occupied by Women

The global alternatives industry now employs more women, but large gaps remain at senior levels

More women are working in private capital and hedge funds compared with two years ago, but at the Managing Director level and above, a significant gender imbalance remains, Preqin data shows. Our findings highlight the work still to be done as the global alternatives industry looks to improve the representation of women at all levels.

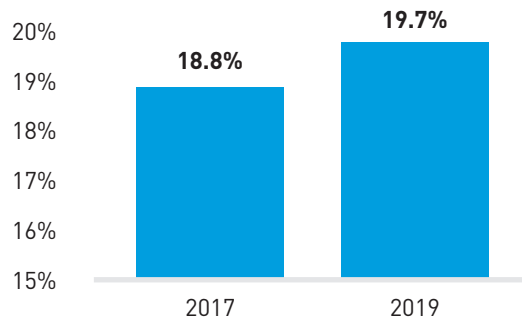
Our forthcoming report, **Women in Alternative Assets 2020** – a follow-up to our 2017 study – does show some encouraging trends in the data, suggesting that initiatives to improve inclusion and global conversations on gender equality may well be having an impact. Today, women represent 19.7% of the alternatives workforce, a 0.9 percentage point increase compared with 2017 (Fig. 1).

However, this rise was unevenly shared across the asset classes. Overall, private equity, venture capital and hedge funds now have a larger proportion of female employees, but private debt, real estate, infrastructure and natural resources recorded decreases in female representation (Fig. 2).

Senior Ranks Still Lack Women

Our data shows that all asset classes follow a consistent trend in terms of female representation (Fig. 3). The lion's share of female employees occupy junior roles, such as Analyst and Associate positions. There is a small drop-off at mid-level positions, which includes Senior Associates, Vice Presidents, Managers, Directors and Principals. There is then a precipitous decline among senior ranks, which spans Managing Directors, Partners, Senior Managing Directors/ Advisors, Managing General Partners and C-Suite Executives.

Fig. 1: Female Employees in Alternatives



Source: Preqin Pro

At junior levels, women make up roughly a quarter to a third of the total number of employees – the range is from a low of 26.7% (hedge funds) to a high of 36.3% (venture capital). These percentages decline at the mid-level, ranging from a low of 21.0% (hedge funds) to a high of 29.9% (venture capital). At senior levels the proportion of women is significantly lower – the asset class with the lowest share (8.5%) of female employees in leadership positions is real estate.

It is notable that the venture capital industry – which has come under significant pressure in recent years, following gender discrimination allegations at high-profile firms – showed the most improvement. Venture capital surpassed all other asset classes in achieving a higher representation of women across junior, mid-level and senior roles. Women in junior positions made up over a third (36.3%) of all employees; at the mid-level, this figure was 29.9%, and at the senior level, 13.4%.

European Private Equity Leads; North America Pulls Ahead in Venture Capital

Different regions claimed the top spot when comparing female representation by geography and asset class (Fig. 4). In private equity, Europe was first with 20.4%.

Europe also pulled ahead in private debt (22.0%), infrastructure (21.7%) and natural resources (22.9%). In venture capital, North America took the lead with 22.9% while Asia ruled the roost in the hedge fund space (21.6%).

Real estate had the lowest numbers in all parts of the world – North America (18.2%), Europe (17.2%), Asia (15.6%) and Rest of World (14.1%).

Work Still to Be Done

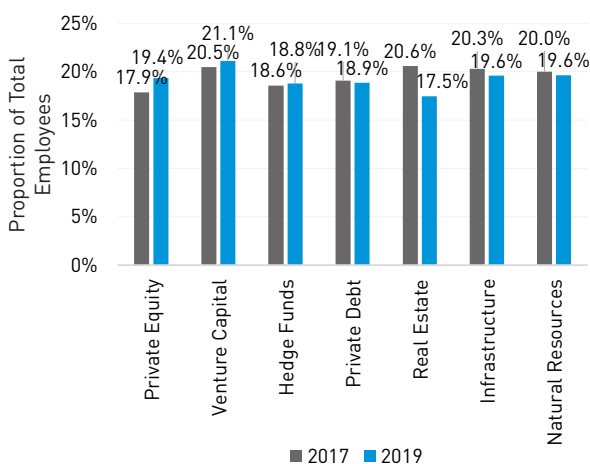
The alternatives industry is not alone in reporting low female representation in senior positions. In global banking for instance, women hold less than 20% of board seats and account for less than 2% of bank

CEOs, according to a 2017 study by the International Monetary Fund.¹ And while topline growth in female representation is welcome news for the alternatives industry, many questions remain. For example, which teams employ the highest percentage of women? Are significant numbers of women in high-paying roles, such as investment or portfolio management? Or do they tend to be in lower-paying roles, such as investor relations/marketing? Are there more women in the C-suite today than there were in 2017?

We are excited to share the answers to these questions, and many more unique insights, when we launch our **Women in Alternative Assets 2020** report early next year.

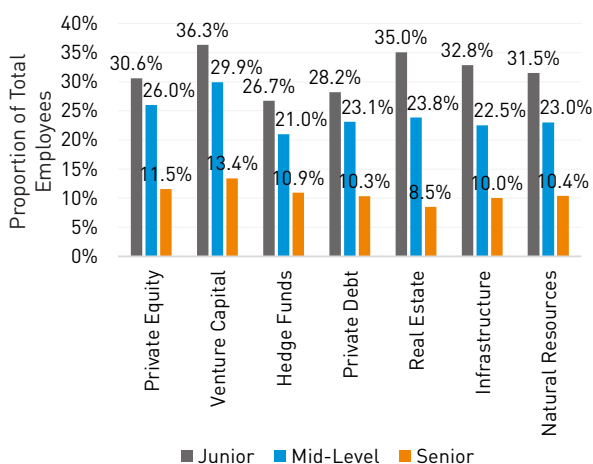
¹ IMF Working Paper, "Banking on Women Leaders: A Case for More?" September 2017 <https://www.imf.org/en/Publications/Staff-Discussion-Notes/Issues/2018/09/17/women-in-finance-a-case-for-closing-gaps-45136>

Fig. 2: Female Employees in Alternatives as a Proportion of Total Employees by Asset Class, 2017 vs. 2019



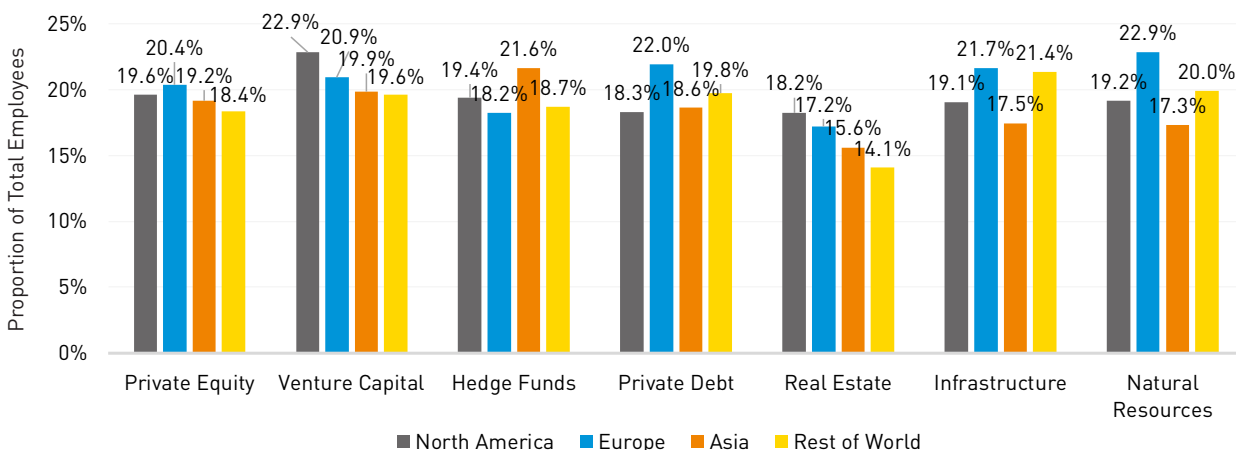
Source: Preqin Pro

Fig. 3: Female Employees in Alternatives as a Proportion of Total Employees by Seniority and Asset Class



Source: Preqin Pro

Fig. 4: Female Employees in Alternatives as a Proportion of Total Employees by Location and Asset Class



Source: Preqin Pro