

State of AAPI Women Investment Managers: Venture Capital, Private Equity and Hedge Funds

A report by Fenix Global, Inc

The Fenix logo is a stylized, golden-yellow graphic of a phoenix rising from its own ashes. It features a central vertical stem with several curved, flame-like branches extending upwards and outwards, creating a sense of movement and rebirth. The logo is positioned on the right side of the page, partially overlapping the background image of the New York Stock Exchange.

FENIX

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EXECUTIVE SUMMARY

In recent years, there have been significant efforts to help BIPOC (Black, Indigenous, and People of Color) founders and fund managers with capital allocations within the investment management industry. These efforts were focused on facilitating racial equality for investment managers and funds. However, from our personal experiences and conversations with other AAPI women fund managers, we found AAPI women experienced barriers to funding allocated for underrepresented and underserved communities.

We delved into the experiences of over 150 AAPI women who have resoundingly echoed similar experiences in that they are highly qualified in their track record, seasoned executives with top tier educational pedigree, yet they experienced challenges specific to receiving funding. Raising capital in the Private Equity, Hedge Funds and Venture Capital industries is critical to fund managers success. We were compelled to understand the challenges and experiences other AAPI women fund managers face in advancing in their careers.¹

Fenix launched this report in effort to understand how AAPI women investment managers experienced:

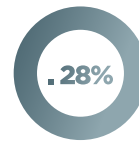
1. Access to capital for investment funds
2. Establishing a track record
3. Navigating their race and gender in their careers

The asset management industry (AUM) is estimated at \$100 trillion dollars. AAPI Women manage less than 1% of capital across the asset management industry². In parallel, the statistics for AAPI women as senior leaders across investment management firms is bleak.

Based on our findings across the asset classes from public equities, hedge funds, and private equity firms for AAPI women owned firms and funds, we estimate AAPI women own less than:



of firms and funds in public equities



of hedge funds,



of private equity firms and funds

In addition, AAPI women have some of the lowest rates of upward mobility into senior roles. In Venture Capital, Deloitte reported that in 2020 AAPI women represented 3% of investment partners positions. However, this was a decrease from 5% in 2018.³ In a recent report by AAAIM, their findings indicated a steep rate of attrition for AAPI women investment managers as they climbed towards senior level positions.²⁰ Women in the investment management industry face unique, gender-related challenges. For many AAPI women however, their double-minority status as women and a people of color can make it even harder to reach senior roles and to build their own firms.



AAPI women in VC investment partners positions.

...EXECUTIVE SUMMARY

We chose to tailor our study to specifically focus on financial industries with a common denominator—access to capital. The ability to fundraise is critical for investment managers across the Venture Capital, Private Equity and Hedge Fund industries to advance in their careers. Our study indicated that the number one priority and concern for the AAPI fund managers is the ability to raise capital. This need is quickly followed by the demand for LP and investor relationships, strong deal flow, and brand positioning.

Our study is based on secondary research publicly available and primary research from interviews conducted with over 150 AAPI investment managers across asset classes from private equity, venture capital, and hedge funds. Critical to the findings and solutions shared in this report was the desire of many AAPI female fund managers interviewed for this study to not be seen as victims of their AAPI ethnicity. There was a strong desire to be inclusive to other women and women of color that they believed also experienced the same challenges of gender and ethnic bias. However, AAPI female fund managers did express a cultural appreciation for a community to share concerns and support one another. As one AAPI fund manager stated, “It is lonely being the only woman at the table. It will be nice not just to be with other women but also to connect on being an AAPI and a woman.”



Our research suggests three main improvement opportunity areas to support the advancement of AAPI women investment managers:

- **Access.** Capital funding programs and initiatives available to AAPI women fund managers.
- **Network.** The desire for a community that creates introductions to capital connections, access to high quality deal flow, co-investing opportunities, and the ability to build strong relationships with others, men and women, in the industry.
- **Advancement.** The need for not only mentorship, but also sponsorship from others to help AAPI fund managers advance in their careers. Institutions can facilitate more inclusive growth and development of AAPI women in financial services.

Fenix is a network that propels AAPI women executives in the investment management industry. Our mission is to serve as a catalyst for change in the financial and corporate sector, by advancing diversity, equity, inclusion, belonging, and growth and access to capital with investment funds founded or led by AAPI women senior executives. In this report, we will be sharing our findings on AAPI women investment managers in the investment management industry and what can be done to advance their representation across the industry.

METHODOLOGY

This study embarks on a comprehensive exploration of the Venture Capital, Private Equity, and Hedge Fund sectors, with a particular focus on the experiences, challenges, and needs of Asian American and Pacific Islander (AAPI) women within these fields. Our research question is: "How do we advance the representation of AAPI women investment managers in light of structural barriers such as unconscious bias and access to capital for women and minority owned and managed funds?" To address this question, we have conducted a series of quantitative and qualitative interviews with individuals working in these sectors. We aim to capture a broad range of experiences, gather insights on the unique hurdles faced, and understand the support needed for success in these industries. This information will provide valuable insight into how diversity, equity, and inclusion and access to capital can be more effectively achieved within these financially pivotal sectors.

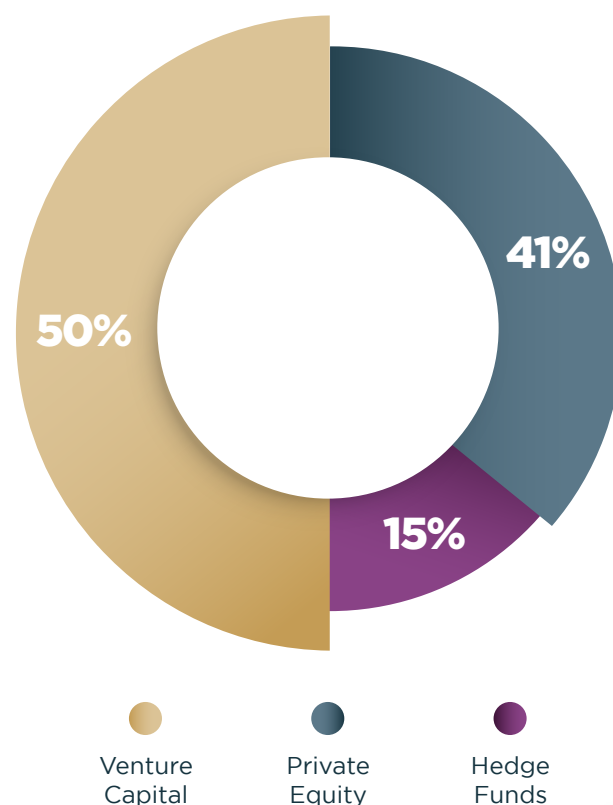
Fenix spent six months, November 2022 - April 2023 speaking and interviewing male and female fund managers, executives in the investment industry, pension funds, endowments, family offices, Black and Latino investment management professional networks, and experts on AAPI cultural identity. We were seeking to understand best practices and advice on how to create a network and best-in-class resources to support AAPI women fund managers in the investment management industry.

We analyzed existing data on AAPI women executive leadership and AAPI women fund managers in the asset management industry. As we culled the research, we found there were minimal

findings on the actual lived experiences of AAPI women fund managers. This prompted an effort for us to begin the process of interviewing AAPI women investment managers across Private Equity, Venture Capital, and Hedge Funds. We intentionally focused on these industries because of a dominant common denominator—access to capital.

Using Pitchbook, we compiled a list of women filtered by partner level and asset class. The list was then further narrowed down by names identified as Asian origin. This list gave a baseline of women to reach out to for the study. Each woman was sent an email to be invited to participate in the study and we received over 70 responses. Subsequent women interviewed referred us to other potential interviewees.

Respondent Demographics



...METHODOLOGY

In total, we conducted interviews with 150 AAPI women investment managers. Of the respondents, the largest segment interviewed are fund managers in Venture Capital (50%), with 41% of respondents from Private Equity, and 15% from Hedge funds.

Interviews were conducted via Zoom and in person, with each lasting between 30-60 minutes. Each interviewee was asked a series of questions ranging from their path into the industry, their experiences raising funds, challenges faced, perceptions on bias and diversity, and their needs to grow in the industry.

Collectively, the interviews represent over \$200 billion dollars in AUM and span the landscape from the emerging manager to the experienced investment manager. Excluded were five interviews conducted with women in Asia, specifically in China, Korea, and Japan. While their experiences as women in the investment management industry closely paralleled those of AAPI women, such as the challenges of being the "only woman in the room", AAPI women faced additional obstacles dealing with unconscious bias and gender and racial stereotypes.

The interviewees were queried about their personal experiences entering and navigating the Venture Capital, Private Equity, or Hedge Fund fields.



Their specific roles within the fund and the progress of the current fund they are working on were discussed. Questions also delved into their fundraising efforts, including the amount they aim to raise and the timeline of previous fundraising activities. They were asked to shed light on their investor demographics and how these relationships were built. Additionally, they were questioned about any obstacles they've encountered. Their opinions were sought on the unique challenges and biases that Asian American and Pacific Islander (AAPI) women face in their industry and whether existing diversity initiatives adequately address these issues. They were further requested to provide guidance for Asian American women who encounter racial and gender biases in fundraising. Lastly, the interviewees were encouraged to express any assistance they might need, such as mentorship, career progression opportunities, building networks, or establishing connections with potential investors.

AAPI WOMEN IN THE INVESTMENT MANAGEMENT INDUSTRY

The investment management industry's human capital portfolio lacks diversity.

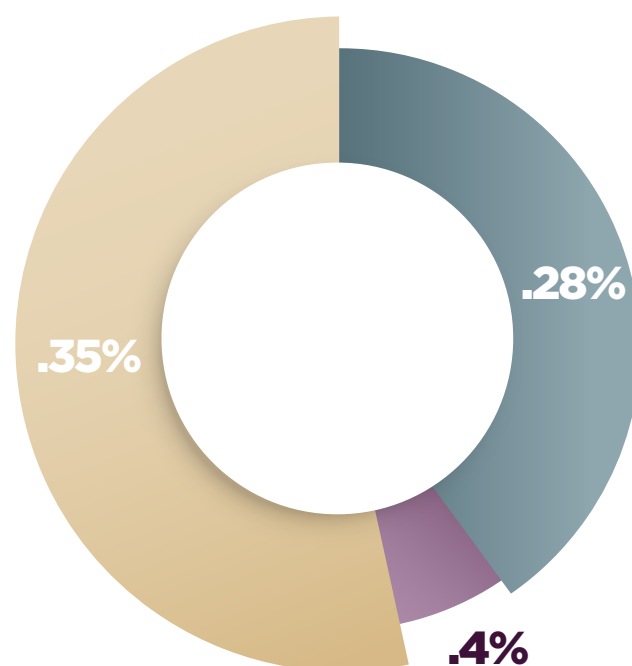
Diversification is vitally important in this industry. Studies consistently show that diverse teams lead to better outcomes in the corporate and financial sectors. However, this concept of "diversification" often does not extend to the people and teams managing capital. The asset management industry continues to grapple with diversity, despite the proven benefits. In a report by Investment Metrics, their analysis indicated "a strong case to build female led teams: their recent performance in down markets has demonstrated their ability to navigate volatile capital markets. More women should be given more opportunities to lead portfolio management teams at asset management firms and more institutional investors should be directing assets towards women led portfolios."²¹

The current capital allocation system is such that AUM typically flows to the largest asset managers.⁵ This system further leads to a growing monopolization of existing asset managers without the growth of a new pipeline of diverse managers. Less than 6.1% of U.S.-based asset management firms were owned by minority executives, which oversaw only 0.7% of overall AUM.⁶

Furthermore, women in senior investment positions remain a small number in light of this monopolizing cycle of capital allocation. Analysis from Goldman Sachs in 2022 revealed that women composed only about 11% of public equity fund managers. In alternative investments, women held only around 14%, 12%, and 11% of senior-level positions at venture capital and private equity firms, and

hedge funds respectively.⁵ Similarly, according to research by Bella Private Markets and the Knight Foundation in 2021, less than 5% of hedge funds are women-owned.⁸

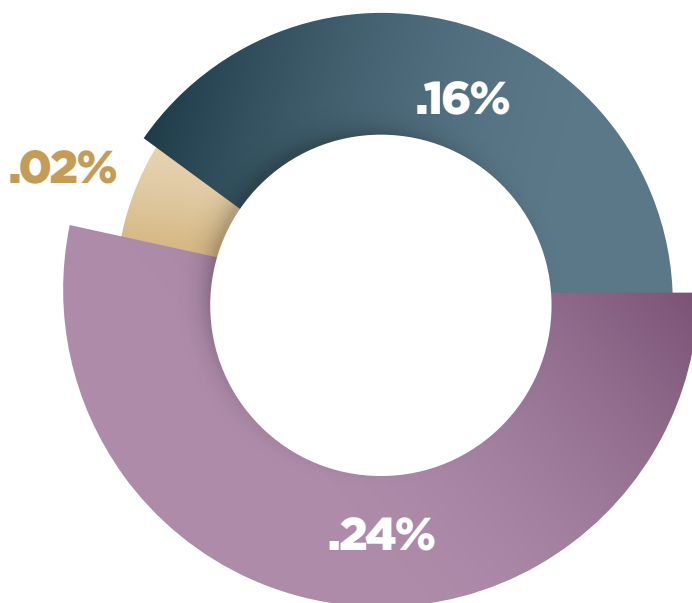
Our research indicates that when combining these data and accounting for the lower rates of upward career mobility for AAPI women, this group owns less than .35% of firms and funds in public equities, less than .28% of hedge funds, and less than .4% of private equity firms and funds.



- public equities
- hedge funds
- private equity

...AAPI WOMEN IN THE INVESTMENT MANAGEMENT INDUSTRY

Furthermore, when examining assets under management for the estimated number of AAPI women-owned firms and funds, our research suggests these numbers drop to less than an estimated .02%, .16%, and .24% for public equities, hedge funds, and private equity respectively.



- public equities
- hedge funds
- private equity

These findings resonate with the sentiments expressed in our interviews: 60% of women "strongly agreed" that despite their high levels of education and success, AAPI women face significant barriers to raising capital and leading firms due to their race and gender.

As one interviewee stated: "There are excellent and capable AAPI women in our industry, so it is surprising to me how their representation diminishes in roles where there seem to be no clear, quantitative criteria for success," said one member we spoke to. "That to me is the biggest indicator that bias, unconscious or otherwise, is at play."



THE CHALLENGES IMPACTING AAPI WOMEN INVESTMENT MANAGERS

What is the reason for these poor statistics on the number of AAPI women in leadership positions across the investment management industry? Our research indicates that AAPI women face many of the same issues that all women and people of color face—racial and gender bias. This bias is a significant barrier that is attributed to hindering women’s career advancement.

Yet, AAPI women are often overlooked by initiatives and programs aimed at changing the leadership landscape within this industry. We found that many of the AAPI women we interviewed chose to ignore gender and racial bias in the workplace, potentially compounding the issue. However, if these challenges continue to go unnoticed and unaddressed, they will impede the success and performance of movements working towards improving gender and racial inequity plaguing the industry.

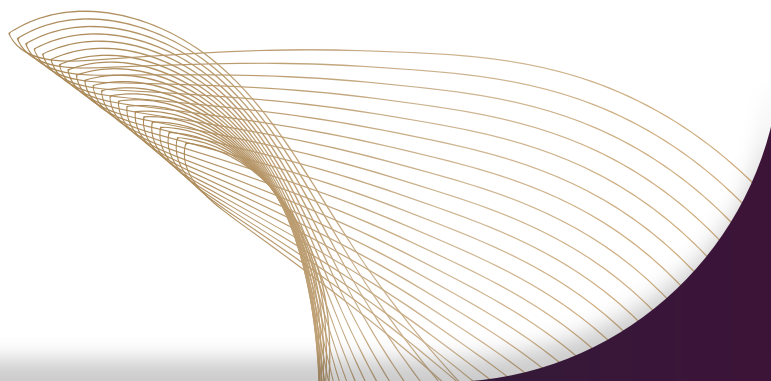
The Unique Gender and Racial Bias AAPI Women Face

AAPI women experienced and identified patterns of exclusion when moving into the upper echelons of career growth and faced unique, gender-related challenges. In our research, 80% of respondents reported AAPI women face significant barriers within their industry when raising capital and advancing to partner-levels due to their race and gender. For many AAPI women, however, gender and racial stereotypes of the “model-minority” myth and “bamboo ceiling” create a reinforced glass ceiling that can put executive roles and the resources to start their own firms, out of reach.

“We are a constellation of our experiences...from adeptly navigating the nuanced pressures of our bicultural identities to the bastion of assimilation. We want to join forces to develop partnerships and be in solidarity with other underrepresented communities.”

-Diane Yoo, Co-Founder of Fenix

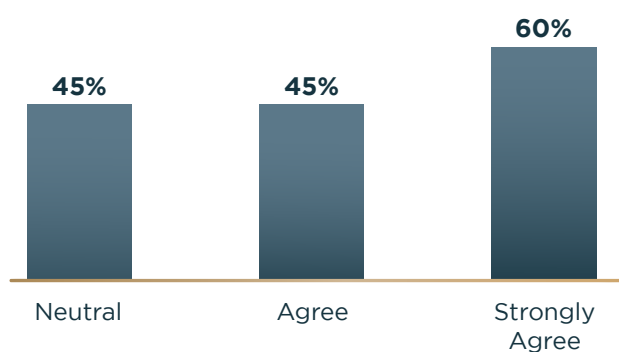
Coined in the 60’s by a white male sociologist, the model minority idea was developed to describe the relatively high levels of success experienced by predominantly Chinese, Japanese, and Korean immigrants, in contrast to other racial and ethnic minorities in the US. The “model minority” myth suggests that Asians are always successful and compared to other minorities, don’t need support. Looking beyond its broad and racially-biased assumptions about Asian people and culture, the model minority myth painted over the diverse and nuanced outcomes that AAPIs experienced. Over time, it also led many to believe that the unique challenges of AAPI people as a racial minority were less important. For many AAPI women especially, it’s an idea that has glossed over much more complex lived experiences.



...THE CHALLENGES IMPACTING AAPI WOMEN INVESTMENT MANAGERS

To what extent do you agree or disagree with this statement:

Despite high rates of education and success, AAPI women still face significant barriers in my industry to raising capital and advancing to partner-level due to their race and gender.



Another challenge to advancement for the AAPI woman is the "bamboo ceiling." This term is used to describe the impact that racial and cultural stereotypes of AAPIs have on their upward mobility. The perception that AAPI women are hard-working and good with numbers, but are better followers than leaders, can make it difficult for them to ascend from analyst ranks to the C-Suite.

"Most people may immediately see me as a 'hard worker' and not a 'leader,'" stated a GP of a \$50 million dollar Biotech fund.

One AAAIM study in 2021 of AAPIs in investment management, for example, found that more than three-quarters of respondents said they're considered smart and thorough workers by their peers, but almost 70% believed they're not perceived by those same peers as good leaders.⁹

The stereotype of AAPIs as hard but quiet workers and good followers can be all the more detrimental for AAPI women who have to overcome the additional hurdles of negative stereotypes surrounding women in a white male-dominated industry.

Another woman we interviewed said, "As an Asian woman GP, I ask for millions in funding, but a woman's voice can be swept under the rug." The problematic hierarchy culture where males are seen as dominant further pervades AAPI women stereotypes and is also mirrored in Asian companies: "Boards of directors at publicly traded South Korean firms are 98% male; out of 109 companies, only one has a female boss. Just over one in ten managerial positions in the country are held by women."¹⁸

Still, while many AAPI women acknowledge the negative effect their double minority status can have, they often persevere through it, and more often than not, they are not eager to complain about it either.

The need for more syndicates was also given as feedback, as shown in our data with AAPI women GP's. A \$300 million AAPI VC Fund Manager reported, "It's important to find like minded venture capitalists and investors who truly understand what we do and are interested in investing in our thesis of deep tech." Another AAPI woman GP echoes the same issue, citing the importance of access to syndicates, "The LPs that we engage with are a unique class of LPs because they have to be comfortable with our long term horizon. It's important to have strong Seed A relationships with other investors as this useful leverage to help close more LPs".

When asked about the impact ethnicity had on their advancement during the interviews, AAPI women fund managers replied on proving themselves through their hard work and acumen. Their tenacity to achieve served as a barrier against the barrage of gender stereotypes and

...THE CHALLENGES IMPACTING AAPI WOMEN INVESTMENT MANAGERS

racial bias they faced from investors or other partners in their fund.

While the resilience the women expressed in navigating the gender and racial stereotypes serves for many as the winning strategy in their career, the fight to overcome these challenges is not their sole burden to bear. **“It is not the responsibility of Asian women to fix all of the issues that affect Asian women,”** says Michael Chui, a partner at McKinsey who co-authored the study. **“It is the responsibility of all of us. And to the extent to which there are more men, we who are men need to help address this problem.”**

The Double Ceiling to AAPI Women Advancement

Even though the floor for many AAPI women is higher, the ceiling is much lower.

AAPI women have some of the lowest rates of upward mobility into senior leadership roles. AAPI white-collar professionals are the least likely group in the US to be promoted into upper management positions. The problem is worse for AAPI women who often experience the lowest upward mobility rates in the workplace out of any other female minority group.

At J.P. Morgan and Chase in 2021, for example, while AAPI women made up roughly 11% of the bank’s professional staff, but only around 3% of senior and executive roles.⁹ Similarly, at Goldman Sachs in 2020, AAPI women comprised approximately 12.5% of their professional workforce, yet accounted for about 3.75% of senior and executive roles.¹¹ These statistics are estimates based on their own data, and when considering the lower promotion rates experienced by AAPI

women, the actual numbers for senior and executive level positions are likely to be even lower.

Together, AAPI and Black women in the corporate sector have the lowest shares of executive-level representation compared to their representation in lower-level roles, according to research by Denise Peck, an executive advisor at the Ascend Foundation.¹²

Similarly, a McKinsey study conducted in 2022, analyzing over 400 large US and Canadian companies, found that the ratio of promotions for AAPI women to AAPI men in senior manager and vice president roles was one to two. However, this ratio falls to one promotion for every six promotions to the c-suite, indicating that AAPI women comprise only 1% of the total category of promotions.¹³

Looking at the tech sector in San Francisco, another study by Ascend in 2022 found that AAPI women experienced the lowest upward mobility rates out of any other racial and gender group. Compared to white women, they were roughly 270% less likely to become executives.¹⁴

From our interviews, 80% of AAPI investment managers agreed that the so-called “bamboo ceiling” for AAPIs in the investment management industry was not only real but it also had a greater impact on women than men. These interviews with industry leaders in our organization also tracked with the experiences of AAPI women at various levels throughout the industry, with another major study from AAAIM in 2022 finding that over 90% of AAPI women in the investment management industry believe the “bamboo-ceiling” has been a problem for their career trajectory.¹⁵

...THE CHALLENGES IMPACTING AAPI WOMEN INVESTMENT MANAGERS

AAPI Women Inclusion in Current DEIB Initiatives

As stated in the New York Times article, “DEIB is defined as ‘Diversity and Belonging’ instead of ‘Diversity and Inclusion’. The question of belonging has become the latest focus in the evolving world of corporate diversity, equity and inclusion programming.”¹⁹ Despite recent efforts to increase diversity, equity, inclusion, and belonging (DEIB) in society at large and in the investment management industry in particular, our research indicates that many AAPI women still feel left out of what they consider to be an exclusive club crafted for men. Additionally, AAPI women feel that access to opportunity and advancement is blocked by stereotypes, and unconscious and systemic bias.

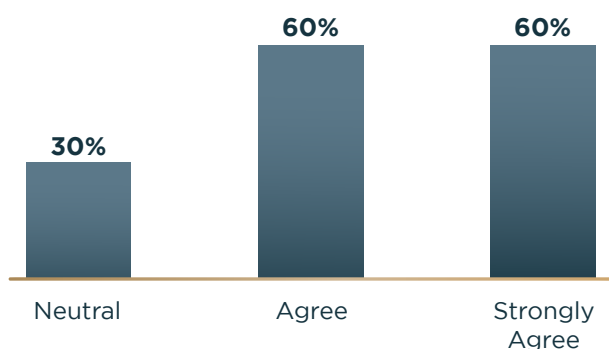
For example, Goldman Sachs’ most recent employee disclosure report outlined diversity goals for Black and Hispanic women in positions of leadership but failed to include any goals for AAPI women. It is crucial that we understand AAPI women and see them for who they are, beyond the stereotypes. Despite the racial, cultural, and gender barriers, they’ve persevered, the struggle is over.

In an interview on Identity Unveiled with Dr. Karen Eng, CEO of CSMI and prior Board Chair of National ACE, stated, “...a lot of business takes place on the golf course.” Dr. Karen Eng, a trailblazing AAPI woman executive, is a great example of how she learned to play golf to not be excluded and how she earned a seat at table in her ascent to the top. As the children of immigrants, many AAPI women who did not grow up on the country club golf course or have the same social networks as

their peers are often left with less access, mentors, sponsors, and investors.

To what extent do you agree or disagree with this statement:

Diversity, equity, and inclusion initiatives in my industry often overlook the unique challenges of Asian American women.



One McKinsey study in 2022 of the corporate sector, for example, found consistent disparities between AAPIs and white employees when they were asked about how meritocratic and supportive their companies are. In one survey question, researchers found that only 58% of AAPI respondents believed their sponsors were supporting their career development, compared to 73% of white workers¹⁷.

Trapped between a high floor and a low ceiling, many AAPI women feel excluded from DEIB initiatives that overlook the diversity of their experiences or disregard them altogether. While things are moving in the right direction, it’s still not uncommon to see DEIB initiatives exclude AAPIs, perpetuating the stereotypes behind the model minority myth at this group’s expense.

Despite having achieved so much success in their industry, the vast majority of women GPs we interviewed believe the double glass ceiling of being an AAPI

...THE CHALLENGES IMPACTING AAPI WOMEN INVESTMENT MANAGERS

woman still creates significant barriers around their ability to raise capital for their firms. Despite the increase in DEIB efforts over the past few years, almost 80% of our members believe the industry still isn't doing enough to address their unique concerns.

Ultimately, AAPI women remain systematically excluded from senior leadership positions suggesting that bias and discrimination against them still exist.

These variables create a uniquely challenging environment for AAPI women investment managers working to launch and grow their own investment firms. Even with the financial skills to start and grow a firm, capital markets are built around relationships, and without inclusion, AAPI women GPs are often disadvantaged. For many AAPI women who are often foreign-born or the children of immigrants, developing relationships with investors across cultural, racial, gender, and lived-experience barriers can be all the more difficult. Working to overcome many of the stereotypes that uphold the double glass ceiling, AAPI women have to work harder to earn an investor's trust in



an industry that has historically allocated the majority of capital towards white men.

Moreover, the lack of representation and visibility of AAPI women in leadership positions can exacerbate these challenges. With fewer role models and mentors to offer the right support and connections, barriers to entry and growth are even harder to overcome.

We conducted an interview with an institutional investor that has identified their GP archetypes. We asked an executive of a \$10 billion dollar pension fund, "Who is your ideal candidate to invest in?" The pension fund executive said, "While we invest in Fund 4 and Fund 5, the perfect manager would be a manager running Fund 10. We would like to see the same team being consistent in fund growth over the years, have a similar investment strategy over the past funds, a 2.5x return and a strong IRR. We view how strategy sets them apart from other folks. Our minimum check size is \$100 million per fund."



...THE CHALLENGES IMPACTING AAPI WOMEN INVESTMENT MANAGERS

Further, when we asked the institutional investor about sourcing diverse managers, the institutional executive said, “We are generally aware of all the good managers out there. We are a small team and we know that we can not beat the bushes for all the diverse funds because all the diverse funds are too small for us. If you put us in a room, we can count all the qualified diverse managers on our hands. We rely on introductions through conferences to source diverse fund managers.” This data points to not only a lack of access to capital for AAPI women, but also to the lack of network. If this statement is true, then there are very few BIPOC or people of color at the very top of the funnel who have survived 5-10 years together as fund executives without experiencing significant change or dissolved partnerships. Firstly, the chances of business partners lasting for a decade alone is a challenge. Secondly, the fund partners need to have sustained a similar investment thesis through the years. Unfortunately, this creates a systemic issue of privilege for the few and leaves behind a large class of fund managers who cannot qualify.

The rise of fund accelerators provide an opportunity to incubate funds and spur growth in the investment industry. VC Labs, a premier venture capital accelerator has impacted the venture ecosystem by incubating 65% of international venture capital funds. In an interview with a \$300 million AUM private equity fund manager, she stated, “Accelerators can feed and spurn more VC funds. We are now at a level where we can see institutional funds targeting very early stage funds.



So when you have more institutional funds investing across stages, this actually improves the visibility into those markets and allows investors to have options to invest really fully across the portfolio spectrum.”

Our findings align with the broader research: investment leadership that is diverse, empowers the AAPI community and drives higher outcomes in business for all. If structures that protect bias and exclusive systems continue to thrive, the effects will be devastating for AAPI women advancement in the industry. The pipeline to get to the top of the funnel needs to increase drastically. It is critical that we increase not only the number of AAPI fund managers, but also AAPI women emerging fund managers to further ensure a higher success rate.

TAKING ACTION

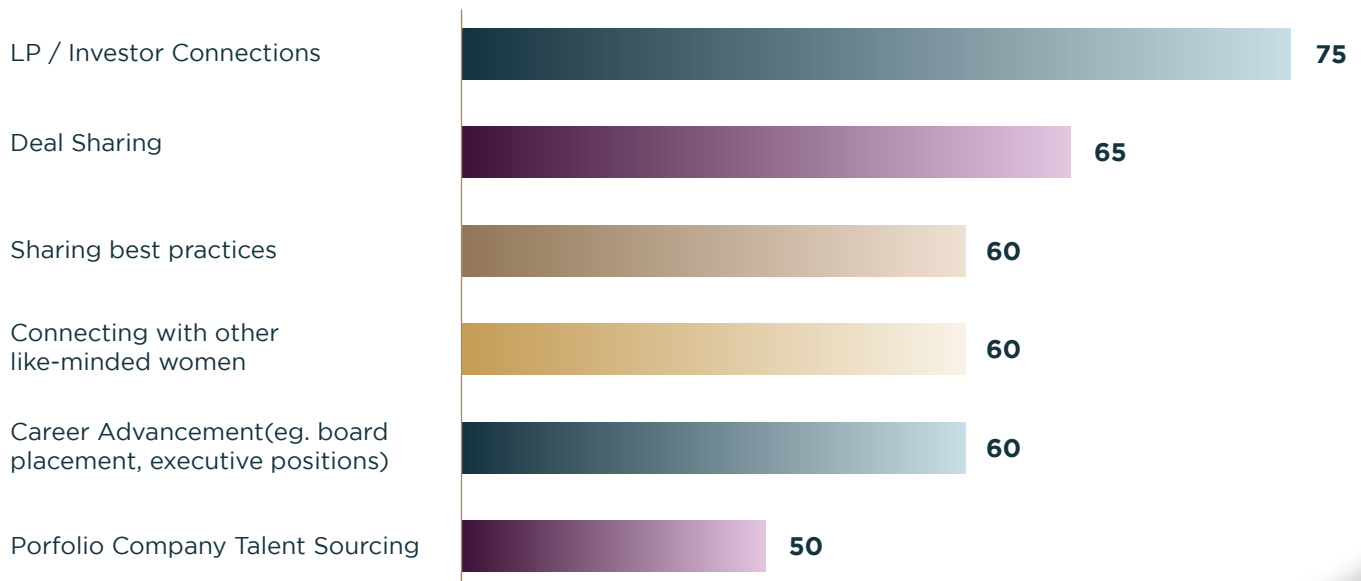
Changing the Landscape for AAPI Women Investment Managers

It is important that the asset management industry have allocations for all deserving people, including AAPIs as investing is a means for wealth creation and providing capital. The U.S. Securities and Exchange Commission Asset Management Advisory Committee provides the Commission perspectives for diversity in asset management and recommendations for diversity and inclusion. The asset management industry is absolutely critical to the capital markets as it allows investors to create diversified portfolios that include institutional clients, foundations, pension funds, insurance firms, and corporate and governmental entities.



What can be done to change the landscape and advance AAPI women investment managers?

Where AAPI Investment Managers Need Support



...TAKING ACTION: CHANGING THE LANDSCAPE FOR AAPI WOMEN INVESTMENT MANAGERS

Three primary improvement opportunities have emerged from our research:

ACCESS TO CAPITAL

Our research and conversations with AAPI women investment managers claim raising capital as their number one challenge and priority. Among the Emerging Managers, defined as closing their first fund, **85%** of them reported that it was “difficult” to “very difficult” to close their fund. They struggled to get an anchor or connections to family offices because of 1) track record 2) extensive network and 3) investor relation best practices. Mitigating this challenge is crucial to growing the pipeline of AAPI women emerging managers.

What can be done:

- **Identify resource pools and funding opportunities.** To effectively provide more capital and promote more AAPI women, it is necessary to make access visible by identifying global, federal, and local funding opportunities.
- **Government funding and capital resources**
 - Federal and local government programs for **matching or grants** can provide highly vetted, underserved emerging managers with access to capital opportunities and provide access to national networks.
 - Government can spearhead **public and private partnership** to forge new wealth creation for BIPOC communities. The process of investing in a diversified asset portfolio can also help communities attain personal financial goals.

- **Transparency leads to better DEI accountability**

- Due to the lack of transparency, there is an opportunity to develop **transparency mechanisms** that offer visibility into investment managers that are receiving funding.
- It's not enough to check the box for DEI funding. We need more **transparency in the allocation** of funds specific to underrepresented fund managers.

- **Larger funds(fund of funds or larger AUM)**

- Larger global firms that exceed a fund size or AUM can carve **allocations** and **work alongside** emerging managers contributing value to the larger firm and also handling complementary operational duties.

- **Institutional funding**

- Institutional, corporates, endowments, and other significant investors can also join our **pledge** to commit to DEI initiatives and invest in highly qualified diverse managers.

...TAKING ACTION: CHANGING THE LANDSCAPE FOR AAPI WOMEN INVESTMENT MANAGERS

NETWORK

Goldhouse Ventures and Asian Hustle Network are examples of successful AAPI funds who have closed Fund 1 (\$35 million and \$25 million respectively). One of the secrets to their success can be attributed to visibility. These examples resonated with the interviews from men who raised over a \$100 million dollar Fund 1 or at Fund 2 to close their funds successfully. They used shared networks to create an inherent community to help each other succeed. The lack of network for AAPI women serves as a strong barrier to their success with closing their funds and advancing in their careers.

What can be done:

- **Communities can offer pathways to bring visibility to their members.** Incubate communities so that deserving voices and issues are heard. Create a safe community to accurately mitigate risks and combat unique challenges that AAPI women fund managers face on their ascent to the top, specific to upward mobility, access, and capital raising.
- **Create a hub of investor and syndicate networks** for GPs to have larger pools of capital access and ability for fund managers to use syndicates as leverage for capital raise.

ADVANCEMENT

A traditional path into the investment management industry is an Ivy League education or working in investment banking. However, 83% of AAPI women we interviewed did not come from the

traditional investment management career path. These women highlighted the importance of sponsorship by other members in their organization and the support of other “industry leaders” in their advancement. Industry leaders can be other Fund Managers that have closed Fund 2 or beyond, Consultant relationships, and Investors. Sponsors can play a significant role in advancing investment fund managers by breaking down high barriers to networks of capital, such as family offices and key allocators.

The need for advancement among Senior Investment Managers slightly differed. Among the 62 senior investment managers we interviewed, 40% of them indicated an interest in improving their brand positioning in the industry and 82% of them indicated an interest in private and public boards.



...TAKING ACTION: CHANGING THE LANDSCAPE FOR AAPI WOMEN INVESTMENT MANAGERS

What can be done:

- **Executive Placement & Board Placement Agencies.** In our efforts to shape a new future and drive a more diverse investment industry forward, it is imperative that we identify how women of color can succeed at securing funding. Based on our data, institutional investors have a high level of due diligence that requires asking the track record of the General Partner. This includes how many boards seats has the fund executive actively served and what effective changes and improvements has the fund executive made. If the fund executive is seated on the board seat of a company, an investor's due diligence will entail asking the board company's CEO on how the fund executive has contributed. Track record is a proven path to secure

funding for investors and it also requires higher levels of due diligence. Fenix identifies this gap and therefore has actively sourced partnership with executive placement and board placement agencies to fast track board opportunities for our members. Fenix Global vigilantly creates paths to empower women fund managers.

- **AAPI Men in the Investment Management Industry.** AAPI women have an advantage in that they have an inherent network of successful AAPI men who have advanced successfully and closed funds multiple times. AAPI, as a whole, shares a vested purpose in advancing AAPI investment manager communities.



THE FENIX MISSION



“With Fenix, we want to offer women in the VC, PE, and hedge fund industry a network of support, powerful opportunities, and capital connections to effectively impact a new generation of power players that have more equity at the table.”

- Shveta Pillai, Co-Founder of Fenix

At Fenix, we hope to serve as a catalyst for change in the investment management industry, by building an organization built by and for AAPI women. Fenix is the premier network of senior AAPI Women investment managers and provides access to curated capital connections and executive advancement opportunities.

Fenix has designed bespoke programs to create greater opportunities to empower more AAPI women in the investment management industry:

- **Capital Connections:** We enable members to access a broad range of investment opportunities and leverage the collective networks and expertise of our highly experienced and engaged community of investors and fund managers. Our organization is committed to helping AAPI women GPs raise capital for their own funds by establishing strong LP connections within and outside of the AAPI community. Fenix provides highly curated capital connections to experienced and qualified fund managers through roadshow, events, and lunch and dinner meetings. Fenix has a growing network of 200+ family offices for matching capital to funds.

- **Community:** Fenix brings together women who can learn from their unique, shared experiences. Individuals can tap into the collective networks of our members to discover and explore, co-investing, opportunities to share deals, and investor connections.
- **Development:** We understand the unique experiences of AAPI women and what it takes to be successful. Fenix has partnered with experienced coaches, executive talent organizations, and media partners to offer a portfolio of services that address the specific needs to raise capital and advance in your career.

Our mission for AAPI women is a crucial part of the broader effort to support women and women of color in the investment management industry. We commend and stand as an ally to the numerous organizations working to move beyond single-digit representation within the industry for the BIPOC population. **The time is now for transformation, we are no longer an invisible problem.** We need to change the archaic best practices in the investment industry, at the very highest levels. Fenix Global aims to create systematic change and pave the way for a more inclusive future for all women of color. With an even stronger resolve, we must rise together to advocate for more equitable capital allocations with diversity, equity, and ESG initiatives that support deserving diverse investment fund managers.

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Join us in advocating for Asian American women investment managers to help them gain the visibility they deserve to raise capital and grow.

Special thanks to Columbia University Professor Robert Y. Shapiro

Looking beyond our own work, here are just a few of the other incredible organizations working to make a difference in the lives of Asian American women in our industry that we follow.



The Asian American Foundation

Fenix Global, Inc.
www.fenixwoman.com

