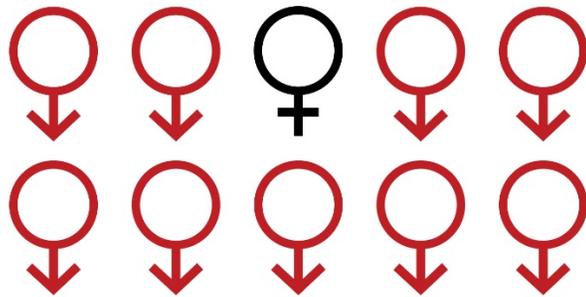


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THE BIG GENDER SHORT IN INVESTMENT MANAGEMENT

ELLEN CARR AND KATRINA DUDLEY

 Columbia Business School
Publishing

Undiversified: The Big Gender Short in Investment Management examines and diagnoses the lack of women in investment management (IM) at all levels of the supply chain—entry level, analyst, and portfolio manager—and proposes solutions to improve female representation in IM.

Although diversification is “Investment Management 101,” the ranks of portfolio managers (PMs)—the people who manage your money—are undiversified. The usual suspects—a culture of harassment and work-life balance—do not apply here. IM has psycho-cultural barriers that subtly but effectively discourage women’s from entering and staying in the industry. Our flywheel starts at the top where there are few visible senior women in the IM C-Suite, which discourages students from considering it at the entry level. Once hired, there are barriers to retention and promotion that lead to fewer women at the top. With no knowledge of how to advance their careers, no explicit training, no “boys’ network” to help them in navigating their career tracks, and a lack of female leaders at financial firms who could act as sponsors, mentors, and role models, women are at a disadvantage.

This book, written by two PM practitioners, provides an overview of active investment management and the role of the PM for the layperson, an analysis of its lack of women at each point in the pipeline, and—most important—solutions to the imbalance. Drawing on a combination of primary and secondary research, interviews with close to 100 prospective, current and former industry practitioners (female and male), and the authors’ own stories, the book uses an analytical approach (worthy of an investment analyst!) to diagnosing and solving a problem not widely appreciated outside the industry, and brings numbers and data to life with anecdotes. Rather than anointing a female “Warren Buffet” of investing, we create a diverse “constellation” of successful PMs – our equivalent of a “North Star” that women considering or already in IM can aspire to.

Our book takes care not to frame the lack of women in a negative light; our goal is not to blame the men who will be instrumental to change, but rather to make the case for gender diversity in a time when active investment management is facing structural challenges and margin pressure. Having more women PMs might lead to a revolution in active IM– and provide firms with a way to fight back against passive market share gains.