

## Investment manager diversity

Wilshire asked 500+ investment managers, “How do you define diversity?” Managers cited both diversity of thought and experience as the most valued attributes.



### Motivation

Wilshire asked, “What is your primary motivation for building diverse investment teams?” **60% said, improving the quality of investment decisions.**



### Barriers

**Cited barriers include: limited depth in talent pool;** recruiters lack diverse candidates; diverse candidates without the right skills; low employee turnover; and small sized firm.



### Leadership

**More than 70% of firm’s diversity efforts are led by senior leadership** or board. **20%** have diversity goals or targets. **15%** have set up dedicated diversity committees. About **10%** have recruited dedicated diversity & inclusion officers.



### Implementation

**More than 50% of firms: integrate diversity into talent management;** cast a wide recruiting net; prefer voluntary diversity initiatives; incorporate diversity within their investment research/ portfolio construction.



### Incentives

**Compensation not linked to diversity:** Very few firms incorporate diversity into senior management’s compensation or compensate hiring managers based on diverse candidates.



### Data

**More than 50% of firms gather diversity statistics,** mostly gender statistics as part of the hiring process or underrepresented groups in investment teams, but **less than 40% are willing to share their diversity statistics.**

Wilshire distributed an educational survey to **500+ investment managers of public and private assets as well as hedge funds** to understand how they are approaching diversity and inclusion within the investment parts of the firm. The survey was designed to focus exclusively on the senior leadership and investment parts of the organization.