

Leading the charge: Women-led funds galvanising change in the alternative investment industry

While the trend of women-led funds is not a new one, increased visibility and demand in the last two years has helped to drive further diversity in the market. Lisa Lewin, director, prime services at BNY Mellon's Pershing, explores this trend in a discussion with Global Custodian.

How do you view the current landscape of women-led funds?

What's been really great is the focus we've seen on women in key senior investment roles over the last 18 to 24 months.

Some launches by female hedge fund managers have received a lot of great attention. They've been high profile launches, both because of the pedigree of the women launching the fund and also their ability to raise assets, which gets attention for any new fund manager, but particularly when it's a woman leading the charge.

The other thing we're seeing is a lot of demand being driven by the investor community to make sure there's more diversity amongst the managers that they're allocating to. That investor interest and demand has really been very positive in helping to carry the momentum for this particular trend.

Does a more diverse team attract investors and allocators when selecting a fund?

Absolutely - the feedback we're hearing from investors and allocators is that they're really making D&I a more central part of their due diligence process. Obviously, any investor still wants to make sure that it's sound from an investment and operational perspective and having diversity doesn't preclude that.

Some of the feedback that we've heard from different allocators is that, if they're in a situation where everything is apples to apples, they might go with a manager that has more diversity.



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On a panel at our annual INSITE conference, one of the things we talked about is that women-led funds or teams led by diverse investment professionals tend to have more diversity in the team than maybe some of their male counterparts.

How could the industry do more to improve and encourage diversity? And how is Pershing approaching this?

First, it's still a very male-driven industry. With that, firms are taking action to foster young female talent - whether it's starting women in junior analyst roles and nurturing their career or showing them a potential career path if they stay in the industry. That's really important, because it takes time to grow into a senior role. You don't become a portfolio manager overnight.

At Pershing, we've been really focused on this. As a firm, we have a minority business council, the goal of which is to really help provide diverse clients, of all walks of life, with an opportunity to get exposure and resources.

How do you see diversity in the space developing over the next five to 10 years?

I hope that the focus on this continues and builds momentum. We, as an industry, need to continue to recognise the value

of fostering young, diverse talent, help to attract women into the field and help them grow into these roles, giving them exposure.

If you're a university student, and you're a woman, you might not think that you could be a portfolio manager at a hedge fund. It's providing exposure around the different opportunities that you can have in this field, and then helping foster their growth if they decide to pursue that.

What would be your message to younger female colleagues and students who might be potentially looking to start a career in this industry?

My advice would really be: if you're at all interested, ask questions and explore. I was a history major in college - I never thought I would work in finance, that was probably the farthest thing from my mind. Even when I joined the industry, I was in prime brokerage sales - what does that do? Am I going door-to-door selling vacuums to people?

There are so many different types of career paths that you could take. It's really a great industry that provides a lot of opportunities to meet interesting people, to learn, to be challenged, with lots of benefits that can be exciting to young people.

Finally, don't allow yourself to be intimidated. It can be intimidating to walk into a meeting and be the only woman in the room, but that also provides you with a great opportunity to flourish and show how you add differentiated value.