

The class of 2023

10 influential women in private equity

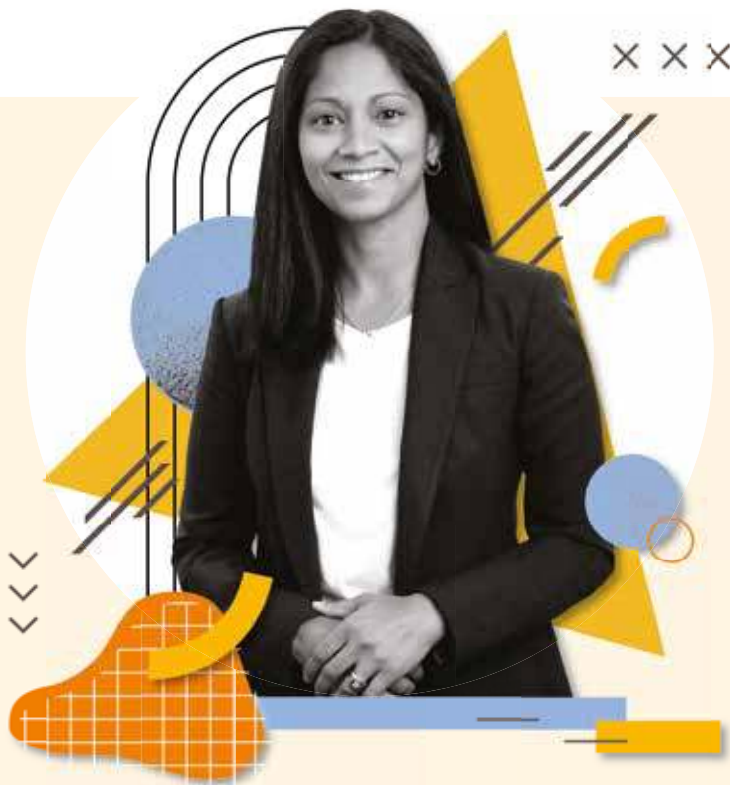
Suma Kulkarni

Partner
ACON Investments

Growing up, Suma Kulkarni had a singular, all-consuming obsession: tennis, *writes Iris Dorbian*. “I used to watch all the matches,” she recalls. “I even named my second dog after Boris Becker.”

Naturally, her first real job was working as a coach at a tennis camp in Potomac, Maryland, when she was 16. Fortunately for private equity, Kulkarni’s fixation never extended to playing professionally.

Since dropping her racket, Kulkarni has become a trailblazer for women in private equity. Hired 15 years ago as an associate at the Washington, DC-based buyout shop ACON Investments, she rose through the ranks to become a partner. Identifying as the “first female investment professional” at ACON, Kulkarni has prioritized diversity, helping to create



*“My motto: Be kind to people,
work through tough situations”*

a firm where 70 percent of US senior management are either women or individuals from diverse backgrounds. Compare and contrast this statistic to a decade ago, when the firm's diversity ratio was at 50 percent.

She has also focused on cultivating and building relationships within and outside the firm, forging deep ties with management, lenders and industry bankers or mentoring junior colleagues. Kulkarni has helped foster a warm, collegiate company culture.

"We don't give up," she explains, when discussing work challenges. "We stick through issues and just work our way through a positive outcome."

It is this kind of approach to relationships that resulted in a slew of notable deals in which Kulkarni played a key role. Among them are ACON's 2014 buyout of iconic cooler manufacturer Igloo Products from PE firm JH Whitney (and its 2021 sale to Swedish outdoor company Dometic for \$677 million); and the 2020 acquisition of food packager Novipax. For the latter, ACON generated a 33 percent return on invested capital in two years by growing company EBITDA.

But her success is tempered with an ability to face the unexpected. The sudden loss of her father at a young age infused Kulkarni with an awareness of life's fragility. Seeing her mom's strength was an important lesson.

"She never felt sorry for herself or gave up," says Kulkarni, who holds an undergraduate finance degree from the University of Maryland. "It's what you do to get to the other side. That's sort of my motto. Be kind to people, work through tough situations and that's what you have to do. That's how I live, raise my kids and approach my work."

Now if only people would stop being surprised to hear the youthful-looking Kulkarni is 43 and has children aged 15 and 11. "People think I look like a high schooler."



Caitlin Riederer

Vice-president
Charlesbank Capital Partners

Caitlin Riederer's career in private equity began through serendipity, *writes Gregg Gethard*.

As a student at the University of Illinois, she aspired to become a doctor. However, the summer after freshman year, Riederer struck up a conversation with David Kidd, managing partner of Adirondack Growth Capital, while walking her dog. The chance encounter led to her first summer internship at Adirondack, where Riederer dove into sourcing and evaluating potential investment opportunities.

"I fell in love with connecting people, ideas and capital. The experience played a pivotal role in my career and

catalyzed my desire to pursue investing," Riederer explains. After interning at Thoma Bravo the following summer, she was hooked on pursuing private equity.

After launching her career in management consulting, Riederer joined Charlesbank in 2016. She took a sabbatical to pursue her MBA at Harvard Business School, then returned to Charlesbank in 2020. Now a vice-president, she focuses on technology, investing in IT services and software companies. Recent highlights include selling portfolio company Ensono to KKR and helping lead Charlesbank's investment in Bridgepointe Technologies, where Riederer holds a board seat and works closely with the co-founders on a day-to-day basis.

In her role, she credits intellectual

Cover story

curiosity as one of the driving forces behind her investing philosophy.

“I really believe in making your own luck. Taking an extra meeting or phone call could open the door to creating an amazing opportunity – or provide critical intelligence to steer away from unnecessary risk,” Riederer says.

Riederer also sees advantages to being a woman in a male-dominated industry. “I’m not just another blue suit in the crowd. I am able to bring my unique perspective and relationships to the table – and everyone remembers my name,” Riederer jokes.

Riederer leads Charlesbank’s women’s network and analyst recruiting initiatives.

“Raising awareness of career opportunities in investing is a key step in building a diverse talent pipeline,” Riederer explains. “After that, mentorship, sponsorship, and professional development opportunities are extremely important, as well as crafting thoughtful policies (such as parental leave) to retain women.”

She is also active in the industry more broadly, co-chairing the Women’s Association of Venture and Equity’s New York Steering Committee and contributing to other PE networks and organizations.

During her time at Harvard, Riederer and a friend interviewed more than 60 senior women in finance to learn how they built their careers. “The project demonstrated that the statistics don’t tell the entire story about women in finance,” Riederer says. “While the percentage of women in leadership positions is far too low, there are countless examples of successful female leaders in finance. It was tremendously inspiring to learn how these women blazed their own trail and hear their advice for the next generation.”

Outside of work, Riederer is an avid runner and non-fiction reader. However, her primary hobby is spending time with her family, including Murray, her six-pound Maltese dog.



Elizabeth Weymouth

Founder
Grafine Partners

When brainstorming what to name her new firm, Elizabeth Weymouth wanted something to reflect her intent to create a durable and high-quality investment platform. This made her think of various materials, and eventually came up with graphene – considered one of the strongest and most transparent substances in the world, *writes Gregg Gethard.*

The name Graphene was trademarked. Weymouth was discussing this issue with her mom, a native of Denmark, who came up with the solution. “My mom told me to just change it to Grafine,” Weymouth says.

Launched in 2019, Grafine Partners uses two strategies within its fund. The first invests in new general partners to help them develop and scale, much like a GP stakes fund. The second connects LPs (think family offices and sovereign wealth funds) to direct investment opportunities.

While bringing returns to its

investors is the firm’s top priority, Weymouth says Grafine’s “1A” mission is to “provide a place where women can thrive in careers in private equity.”

So far, roughly two-thirds of Grafine’s existing team are women.

Weymouth spent the first part of her career in JP Morgan’s private banking division, rising to the ranks of managing director and head of investments for the northeastern US. She said JPMorgan provided support not just for her, but for women and minorities throughout the company.

“Being a woman in leadership in the early part of my career gave me great perspectives to identify talented alpha generators. Being able to see different perspectives and having peers with different backgrounds and a diversity of ideas is critical for success,” Weymouth says.

Weymouth left JPMorgan to become the only female partner at Riverstone Holdings, a boutique investment fund focusing on the energy industry – as male dominated a sector as one will find. But that, too, gave her valuable experience as the

“I like finding the area less traveled”

firm helped steer institutional capital to many founder-led firms.

“At the end of the day, I chose the off-the-beaten path. I like finding the area less traveled,” Weymouth says.

Raised in New Orleans, Weymouth spent significant time overseas while growing up. “Those global travels early on helped me understand how to connect with different people and see different perspectives,” Weymouth says.

Her global outlook is reflected in her being a member of the prestigious Council of Foreign Relations. “It’s a great group of first-class experts. It’s great to be able to talk with them and have the opportunity to ask questions and get their expertise,” Weymouth says.

Weymouth also serves on various boards for schools and others connected to education.

Weymouth, an avid reader, has an indirect connection to acclaimed business writer Michael Lewis (*The Big Short*, *Flash Boys*, *Moneyball*) as both attended the Isidor Newman School in New Orleans. (They did not overlap.) But she says her three sons are much more impressed with two of the school’s other famous graduates – legendary quarterbacks Peyton and Eli Manning.

Anna Tye

MD, Partner
Carlyle

As an MD and partner on the technology investing team for Carlyle, Anna Tye’s 14-year career with the PE giant is proof that perseverance and strategic positioning pays off, *writes Georgina Tzanetos*.

Technology is Carlyle’s largest sector by capital deployed – and Tye is the most senior woman on the global team and amongst the most senior women across Carlyle’s entire global private equity platform.

Starting her career at Morgan Stanley’s hedge fund division, she gained a passion for working collaboratively alongside management teams to drive

value creation. This eventually led her to private equity and then Carlyle.

Since joining in 2009, Tye has led or been a key contributor to Carlyle’s investments in YipitData, Abrigo and ION Group to name a few. She focuses on buyout and growth equity investments in enterprise software, financial technology and tech-enabled services businesses.

The technology sector is something she became interested in early on in her career.

“There is no industry like it – constantly growing, evolving, and impacting companies across sectors and geographies. The opportunities are limitless. I feel very fortunate to have built my career in such a dynamic sector that is only growing in importance.”



“I feel very fortunate to have built my career in such a dynamic sector”

Tye's background in key investments across enterprise software, financial technology and tech-enabled services businesses allowed her to recognize this untapped market of alternative data and analytics. She led the investment in YipitData's growing company in December 2021. Notably, the partnership between Carlyle and YipitData opened a new avenue for alternative data use in the private equity market, which had historically been underserved.

"YipitData is disrupting traditional research models which are lagging in nature and dependent on company reporting. Data is everywhere and companies who know how to capitalize on large sets of untapped data have a big opportunity ahead," Tye says.

Sector specialization is something Tye says provides an edge. "I am a big fan of sector [specialization] and even sub-sector specialization as I think it creates a competitive advantage."

Specialization can also help during times of market volatility. "Turbulent markets are not the time to experiment in uncharted waters, but if you know a sector well, have been studying it for years and across cycles, have invested in companies in the ecosystem, and already know the competitive landscape and market trends, turbulent markets can provide an opportunity to capitalize on attractive investment opportunities – as long as you stick to your knitting."

Her advice for those wanting to enter PE, given current market conditions: "You cannot control what the Fed does with interest rates or ongoing geopolitical risks, but you can control your level of effort and your contributions to the success of your organization and the companies with which you work."

And perhaps her most poignant piece of advice: "Make yourself indispensable to the people for whom you work. Someone gave me this advice very early in my career at Carlyle, and it has served me well over the years."

Kate Wallman

Managing director
Encore Consumer Capital

Kate Wallman, managing director at Encore Consumer Capital, says a big influence in her life, including a 14-year career in private equity, has been "my mom," *writes Kirk Falconer.*

Growing up outside Boston, Wallman says her mother was a busy technology executive. "She was always in senior roles but always found time for our family. She demonstrated you could have both."

This experience stayed with Wallman as she pursued her education, including studying economics at Boston College. She joined the campus venture capital group, giving her a first taste of investing. "I knew I wanted to get into investing," she says. "I feel fortunate to have found something early in my career that I was passionate about."

Wallman joined Lineage Capital in 2008 as an investor in owner-managed

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businesses in the lower-mid-market. During her time there, she did her MBA at Wharton School part-time and worked remotely in California, all with Lineage's blessing. "They were very supportive," she says.

While at Lineage, Wallman participated in a handful of consumer deals, finding "it was an area I really liked." This helped put Encore, an investor in food and consumer products manufacturing, marketing and distribution companies, "on my radar," she says. She joined the firm in 2016 as a vice-president.

Encore was the right fit. "It's a meritocracy," Wallman says, "reflected in how quickly I was able to rise in the ranks."

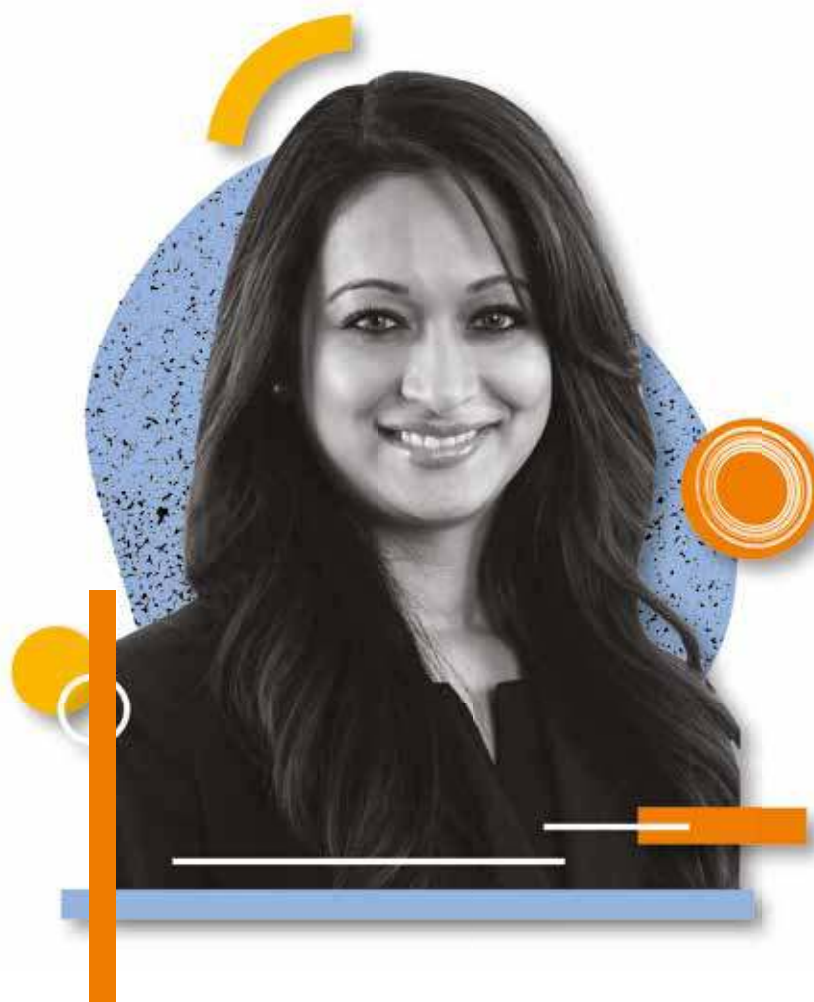
Wallman was made a director in 2019, and then a managing director in 2021, a top leadership position alongside Encore co-founders Robert Brown and Scott Sellers. These promotions owed to her "leading an outsized share of new deals" and "bringing in a lot of new dealflow," she says. "They reward that."

Encore has also shown a commitment to diversity. "We're a nine-person investment team and roughly half are women," Wallman says. Business owners in the consumer products industry "appreciate that, they think that's unique."

While focusing "first and foremost" on driving strong performance, Encore has discovered that diversity in the portfolio can pay off, Wallman says. "Some of our best investments have come from female-founded and female-run companies."

For young women contemplating a career in private equity, Wallman has a piece of advice. "Women," she says, "tend to feel they have to be over-prepared and really buttoned-up. Be yourself and show your personality. You'll be more memorable that way."

Wallman, 37, lives north of San Francisco. Outside of work, she enjoys spending time with her husband and two-and-a-half-year-old son.



Nishita Cummings

Managing partner, private equity
Kayne Anderson Capital Advisors

Nishita Cummings is known by her colleagues at Kayne Partners as a "pro-active leader and critical driver of the firm's strategic growth," writes *Mary Kathleen Flynn*.

Her job title is a mouthful, but it reflects the range of roles she plays at the Los Angeles firm. She is a managing partner, co-head and co-portfolio manager of Kayne Partners, the growth private equity group at Kayne Anderson Capital Advisors. She serves on Kayne Partners investment committee, as well as on Kayne's board of directors.

Her contributions to Kayne

Partners are many. She has helped refine the firm's proprietary sourcing strategy, including expanding into Canada. She has identified significant investment themes, such as supply chain technology. And she has driven value creation at portfolio companies, including overseeing 10 exits over the past year.

Her dealmaking prowess is considerable. Since joining the firm in 2007, she has been a key player in many of the 43 platform investments and 22 exits completed by the Kayne Partners team across five funds and five co-investment vehicles.

Cummings spearheaded Kayne Partners' supply chain technology thesis, which has resulted in investments in 14 companies over the last

decade. They include: KlearNow, (a customs clearance technology provider), FreightWaves (a provider of supply chain research and intelligence), DriveWyze (a transportation tracking technology software provider sold to Sageview Capital) and DiCentral (an e-commerce payments processor sold to TrueCommerce).

“Supply chain technology has all the ingredients that we look for in a sector – significant headroom for technological adoption, complex end-user requirements that warrant the use of technology, and strong secular growth within a dynamic and rapidly changing environment,” Cummings tells *Buyouts*.

“The origin of our thesis began in 2012 when we saw these key drivers combined with regulatory change and federal mandates for technology adoption in transportation; consumer behavior transitioning to on-demand availability of goods and services, and inefficiencies in supply chains to catch up with these expectations.”

Supply chain tech deals show no signs of slowing down. “The effects of the pandemic increased awareness of the issues within supply chain, and these concerns continue to be impactful in how broader supply chains operate,” she says.

“We continue to be very bullish on this sector. Supply chains are not going anywhere, and the companies we invest in are applying well-established playbooks to a massive sector that has been slow to adopt modern best practices.”

In her role as co-portfolio manager, Cummings has set her sights on value creation, now more than ever.

“A lot of firms talk about partnership, but we take this very seriously, we are proud that we are always willing to roll up our sleeves in challenging times like this, and the fact that this approach is successful not only for our portfolio companies, but manifests in returns for our limited partners as well.”



Stephanie Geveda

Founder and managing partner
Coalesce Capital

Private equity in New York City is a long way from Iowa, where Stephanie Geveda grew up in a third-generation farming family, *writes Gregg Getbard*.

But Geveda has kept the values and lessons from her childhood throughout her career and into her biggest move yet, launching her own firm, Coalesce Capital.

“There are a lot of honest, hard-working people in Iowa with very little pretense – and it’s those values that resonate and have helped me develop trust and rapport with management teams and entrepreneurs,” Geveda says.

Her focus has been on business services investments, which she led at Warburg Pincus, where she worked for 12 years. Investments she worked on included Aramark, Grubhub/Seamlessweb, WEX among many others.

“Human capital is the most important driver of company success”

She’ll continue that focus at Coalesce. “Human capital is the most important driver of company success. The need to embrace the power of technology to empower human capital has never been more acute than it has been following the challenges brought about by covid,” Geveda says.

Her career started while studying at the University of Notre Dame (where she graduated Summa Cum Laude in three years.) A professor recommended her to a former student who worked at Morgan Stanley. Geveda was then invited to New York City, and started her career in Morgan Stanley's investment banking division as part of its M&A Group.

"Back then, private equity was a much less mature industry. I could count on two hands the others in my analyst class who were excited to try out a career in the asset class," Geveda says.

After graduating from Harvard Business School and two decades working in private equity, Geveda embarked on her latest challenge: launching a new shop in a rocky environment. "I'm at the point of my life where I can devote the remainder of my career to running a substantial business. It's not something you can build in a short period of time. But it's a very exciting time, and there is a lot of potential in value creation right now," Geveda says.

Part of her mission in launching Coalesce is to encourage women to enter and advance in the private equity space. "I hope to showcase what is possible. I hope this inspires young women," she says, adding that intellectual curiosity is the principal trait she looks for when hiring.

"Successful investing requires thinking in new and different ways that may lead to finding new frontiers for growth," she says. "Historically, when I have noticed something that has piqued my curiosity, I have always tried to lean into that curiosity and dig deeper, which has differentiated me as an investor and partner."

She also has launched Coalesce Capital while juggling the many demands as the mother of four children – the oldest of whom are twin girls. "I have a really good support system and my husband is a big part of that equation," Geveda says.

Laura Held

Partner
Shamrock Capital

Laura Held has vivid memories of what it was like for her when she began her career in a male-dominated industry, *writes Iris Dorbian.*

"I remember very well how I felt when I was starting out in finance," she recalls. "As a young, junior female, it felt very uncomfortable. As I gained more experience and confidence, I changed my mindset. Now I see being female in an industry that still skews heavily male as a huge opportunity to stand out, build authentic connections in a different way and provide unique perspectives."

Using her experiences as a catalyst,

Held has made it her mission to champion women with clear, decisive action. Last year, she led the Los Angeles-based buyout shop's investment in Answer Lab, a woman-founded and owned UX research firm, and helped establish a board of directors with a commitment to diversity. She also spearheaded Shamrock's investment in Highwire PR, a communications firm founded by female executives.

Held, who joined Shamrock in 2012 and became a partner eight years later, has been involved in internal and industry-wide initiatives to increase female representation in PE. One of the most significant includes the founding of Women in Media Investing, which provides education and networking opportunities to junior and

"I see being female in an industry that still skews heavily male as a huge opportunity to stand out"



mid-level female investment professionals. Launched in partnership with KKR, WIMI held its inaugural event last July and is planning additional events and activities for 2023.

Other highlights of Held's tenure at Shamrock include leading the successful sale of Wpromote, a digital marketing agency, to Zelnick Media Capital, and steering AnswerLab to be part of the Ownership Works program, a nonprofit committed to ownership and increased prosperity for all employees.

And, if you need further proof of Held's impressive credentials, she is one of Shamrock's seven partners and a member of the firm's executive committee. She also sits on six boards of Shamrock's portfolio companies, which include *Adweek*, for which she served as an interim CEO in 2021 when the advertising trade publication was scouting for a new CEO.

Being a mom of two young boys while working as a partner, Held, who has an MBA from Harvard, is proud that she's been able to balance the work/life dynamic. "This continues to be a constant juggling act, but it is very rewarding for me personally," says the 40-year-old Held.

Prior to joining Shamrock, Held worked as an associate in the corporate strategy group at The Walt Disney Company. She is also a former associate at Carlyle Group. It's quite a step up from her first job, in which she worked as a part-time sales associate at a shoe store in Cincinnati, where she grew up.

Asked what would surprise people the most to learn about her, Held said she's Canadian.

"My parents are from Vancouver and I was born in Toronto," she reveals. "My dad was transferred to the US for work when I was in kindergarten. Initially, they thought we would be here for a few years but we got settled and never left. I became an American citizen when I was 17."

The Great White North's loss is clearly America's gain.

Suyi Kim

Global head of private equity CPP Investments

Suyi Kim, global head of private equity at Canada Pension Plan Investment Board, was no stranger to gender discrimination as a young woman growing up in Korea, *writes Kirk Falconer*.

On entering Seoul National University to study economics, Kim was asked why she wanted an education that had nothing to do with getting a "suitable husband."

"Why not?" she asked. This determined mindset has guided Kim over a two-decade career in private equity and helped her rise in an industry with few female role models.

Kim first considered a PE career while obtaining an MBA at Stanford. "I was intrigued by investments," she says, especially in private markets where "hard work offered a better chance of getting results."

In 2002, she joined Carlyle,

becoming the "first female private equity professional in South Korea." The novelty caused some confusion, including being mistaken for a secretary. "Secretaries don't need to work this late," a cleaner told her.

Kim next went to Ontario Teachers' Pension Plan before joining CPP Investments in 2007 and establishing the pension's first global office in Hong Kong. Promoted to head of Asia-Pacific in 2016, she grew the regional PE business, cutting mega-deals like the 2017 acquisition

*"We have
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of Nord Anglia Education for \$4.3 billion. In 2021, Kim was appointed to CPP's top PE job, giving her oversight of a C\$141 billion (\$106 billion) strategy of direct, fund and secondaries investments.

While progress has been made, Kim says gender discrimination persists, especially in the form of "unconscious bias." She recalls negotiating a deal a year ago, when a male business executive insisted on talking to a senior person. "I had to tell him three times I was that person."

As the world's largest investor in private equity, CPP has a special responsibility to promote diversity, Kim says. "My job is to generate strong and long-term gains" and one way of achieving that is having "diverse views on investments."

CPP does this as a limited partner and as an owner of private companies. "For both, it starts with asking the questions. All of the sudden, they have to answer." Then, the focus is on setting up the right expectations and policies in areas like board effectiveness and tracking the results.

"Over time, I've seen improvements," Kim says. Today, for example, almost no PE-backed portfolio company is without a woman board member.

For its part, CPP tries to set an example, seen in the more than 30 percent of a 166-person PE team who are women. "We still have more to do," Kim says, including creating more senior-level female representation.

Pointing to a McKinsey & Company study showing low gender diversity in private equity's upper ranks relative to corporate America, Kim says, "we have a long way to go in our industry." She is encouraged, however, by a "strong pipeline of young people" who can help realize a better balance.

Kim lives with her husband in Toronto. Outside of work, she sits on the board of JA Korea, the Korean branch of Junior Achievement, and practices meditation.



Veena Isaac

**Partner, private equity and
co-head of equity secondaries
Apollo Global Management**

Veena Isaac learned over a 20-year career in finance that not every day will be perfect. The key is to not let it get you down, *writes Chris Witkowsky*.

That goes for life outside of work too. Isaac is mother to three boys: 10-year-old twins and a three-year-old. "Having our families help and sharing responsibilities has been really critical for us," she says. "I won't be able to go to every event, and that's ok, when I am home, I try to just be more focused on the time I have with the kids."

That sense of balance has taken Isaac through her career that now has her and two colleagues co-leading Apollo's foray into GP and LP secondaries and hybrid services, which the firm is calling S3. Formed last year, S3 launched with \$4 billion in capital, including a multi-billion-dollar commitment from Abu Dhabi's sovereign fund.

Her career started at Goldman Sachs, later joining a team in investment management doing secondaries. This was in 2003, at an early moment in the evolution of secondaries.

"I kind of fell into it," she says. "I liked the velocity of deal flow, the diversity of deal types, the emphasis on

purchase price and finding situations with structural alpha." From there she went to business school at Stanford. Isaac was born in India and spent much of her childhood in Saudi Arabia before attending boarding school in the US.

Isaac then joined Pantheon in New York, helping to build out the London firm's presence on the East Coast. It was at Pantheon that Isaac realized she thrived in an entrepreneurial environment where "the business-building component and the investing component go hand in hand," she says.

After a couple years at Jasper Ridge Partners, she joined BlackRock and helped raise a \$3 billion secondaries fund in 2021. She joined Apollo last year.

She says the secondaries industry has evolved in a specific way for LPs and GPs: "There's been a shift in the mentality of secondaries really going from a distressed option with episodic selling to something more systematic and tied to regular-way portfolio construction and fund management."

Isaac has been one of the few women in the room during her career, and secondaries has only gradually opened up to more diversity. She's glad to see more women enter the industry as more opportunities open for them, through mentorship programs and networking organizations and events. "It's really positive," she says. ■

Shannon O’Leary is the chief investment officer of the Saint Paul and Minnesota Foundation, which provides support to non-profit organizations in the Twin Cities and greater Minnesota. O’Leary has emerged as an irreverent voice among institutional investors through her biweekly newsletter named “Say It Out Loud.” In fact, one issue is focused on the importance of being irreverent, and how having a quirky approach when chatting with potential managers can separate the wheat from the chaff. (Another recent issue was entitled: “Have we reached peak stupid?” And, sadly, the answer appears to be ‘no.’)

Q You’re a supporter of emerging managers and diverse-owned firms, what do you like about that side of the industry?

There are tons of data points out there about the benefits of diverse-owned funds and the higher IRRs they produce. And I don’t see a reason why that would change overnight. Not investing in diverse-owned funds means you’re not only missing out on people with unique backgrounds that help them think differently, but you are also missing out on working with people who are very hungry. If you have a super-established firm and all of the founders are in their 60s, most of them are not hungry. They’re already millionaires.

If you’re looking at a diverse-owned fund, they are hungry. Working with a diverse-owned fund means you are working with individuals who know they have to scrap when they fundraise. They will be very appreciative of their LPs and, most importantly, they are going to hustle. And hustling matters a lot in ensuring successful financial results in private markets.

Q You are quite possibly the only LP to review your DEI



Say it out loud

Shannon O’Leary on diversity and steering clear of ‘peak stupid.’ By Gregg Gethard

grades with people seeking your business.

A lot of large LPs have mandates where they score managers and potential managers on their DEI efforts, but it sure seems like a lot of it actually is just checking boxes. For us, it's not about checking boxes. Our foundation has a very strong commitment to diversity, equity and inclusion and we want to reflect that in our investment decisions. What we invest in here at the back of house should reflect the same values our foundation so clearly expresses at the front of the house in our grant-making work.

By reviewing a manager's DEI results, we can get information from firms that sometimes they may not even have shared internally. We can help move managers in a positive direction in diversifying their investment staff.

And we can also learn more about how they developed their investment philosophies, too. At this point, we have developed a reputation where some managers will come to us not just because they want to pitch us, but they heard from another manager that we acted almost like a consultant and helped them improve their approach to diversity efforts.

The industry's decision makers are by far majority white and male. Our approach is: "Hey, look, this is where we are as an industry. If we aren't willing to work with white male dominated managers for a potential investment, then how are we going to make any substantial change? We need buy-in from these folks." And I'll say that the tone in our diversity conversations has really shifted dramatically since 2019.

Q You've written hilarious material about mistakes managers make.

I've talked with a lot of other CIOs and we all collectively agree that a significant part of our day is devoted to deleting emails. It's very hard for managers

"If you're looking at a diverse-owned fund, they are hungry"

SHANNON O'LEARY
Saint Paul & Minnesota Foundation

to even get in the door of a potential investor. But let's say you do get in the door. If we're on a Zoom call to screen a potential investment, we frequently see managers constantly interrupting us while we are asking them questions. They show an inability to listen. If you're not listening enough, it prevents me from being able to ask the questions that I want to ask, and that's not a good thing for either of us.

We almost certainly know a manager's strategy when we begin talks with them, and we have met with many of their peers. We want to find out how a manager is differentiated from its peers. Some managers lack an awareness of how they are differentiated, or they may be unwilling to make that clear. Then it becomes our staff's job to find those differentiators, when it could have just been explained earlier in our conversations.

Q How does private equity fit into your \$2 billion investment portfolio?

We're not short-term investors; we can be strategic. Our long-term policy is a roles-based allocation strategy. We have about 65 percent targeted to equity and equity-like risk and return profile assets in our portfolio, both public and private. We also have large components for fixed income, private credit, hedge funds and for the "hard stuff" like real estate, infrastructure and clean energy. But we really do maintain a lot of flexibility.

We have a well-seasoned private investment portfolio. We're not in the part of the J-Curve where you're paying a lot in fees without getting anything back. We focus on managing our private pacing schedule, but we can lean in on things that are more interesting, and we're not afraid to be creative. We're not depending on a consultant to bring us a Fund XII or a Fund XV. We can be nimble and participate in new and creative private market approaches. ■