

# Stereotypes hinder diversity in the fund management industry

Gender, racial and social perceptions continue to deter many candidates from pursuing a profession within the fund management industry. These stereotypes prevent the industry from achieving greater diversity that has been proven to drive better results.



Cheree Dyers, CEO of Prescient Investment Management

“It has been proven, for example, that greater gender diversity is correlated with higher returns,” says Cheree Dyers, CEO of Prescient Investment Management, pointing to research by [Morgan Stanley](#) which found that over a six-year period, companies with more gender diversity enjoyed a one-year return on equity that was 1.1% better than companies with low female representation.

## Diverse range of opportunities

She believes that widespread misconception around what a career in fund management actually entails, coupled with miseducation around the diverse range of opportunities available within the industry, are to blame for the existence of such stereotypes.

“Too often, fund management as a sector gets inaccurately lumped into the investment banking space, which incorrectly paints the picture of a privileged, male-dominated workforce and fails to recognise the wide and diverse range of positions that are currently available within the industry.

“From the more traditional roles within business development and dealing, to research-based positions like that of an analyst or the various administrative roles that support the industry across various houses; there is not a one-size-fits-all fund manager spec that requires a specific personality type, sex or upbringing.”

## Character traits

To avoid getting put off or misled by the stereotype trap, Dyers provides a few general character traits that may better serve to direct a job-seeking individual towards a profession in the fund management industry. “Fund management, across the various industry houses, tends to be very outcomes-based and is therefore best suited to people who are organised, driven and self-motivated to achieve their specific objectives.

“It is an industry where interaction with people is of high priority, so while there are positions available for more introverted individuals, the ability to effectively communicate is usually important,” she adds.

## **Academic prerequisites**

Regarding academic prerequisites, Dyers says that while a financial qualification will be necessary to perform certain roles, all that is required to enter the industry is a flair for business and a high level of curiosity. “Fund management professionals come from various academic backgrounds. However, it is not important to know everything about finance to work in our industry, as the individuals who succeed will be those who take an interest in the various topics and want to understand how things work.”

In order to break the existing fund management stereotypes and attract a more diverse group of candidates, Dyers suggests better advertising and education from within the industry itself. “If a person hasn’t had exposure to the fund management industry or the broader financial sector growing up, their aspirations to want to achieve something within that space may understandably be limited.

“As such, there needs to be an education drive on behalf of fund management practices around what it is they do and what positions they are hiring for,” she says, adding that it is also important to generate publicity around the various company-driven initiatives that currently serve to attract new talent into the industry,” she says.

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