

## Client Focus Women in Investment Management

# The Rising Influence of Women

In investing and other arenas, women are trending higher—and their diverse voices, together, can improve decision-making and success.

### WHAT DRIVES GREAT DECISION-MAKING?

Diversity improves our probability of success.

### POWER AND STATURE

Everywhere you look, women continue rising.

### INTERVIEWS

Female leaders share their passions and experiences.



# Decision-Making: Broadening Our Perspectives and Improving Results



What drives great decision-making—and how do we improve our probability of success?

The answer will vary widely depending on the topic—investing, strategic decision-making, or even personal life choices. But I like to think that avidly investigating a topic then making a decision with about 85% of the information—while making necessary adjustments along the way—are hallmarks of great decision-making. But what happens if that isn't the case? What happens if, despite your best intentions, you are a prisoner to your own “mind-forged manacles,” as William Blake referred to them in his poem “London”?

Too often, we as individuals have blind spots. We are each a product of our life experience, our academic background, our current environment, and our own personal and professional preferences and biases. This shapes who we are as individuals, as colleagues, and as investors.

While individually we strive to be creative, explore the unknown, and connect the dots, doing so requires elastic thinking, consistently searching for the unobvious, and critically reflecting on our beliefs. And while we all must be curious enough to ask

“what if?” and to shift our perspectives, we must also seek out diverse inputs, thoughts, and experiences. These voices, together, can improve decision-making and success.

This “diversity bonus,” as Scott Page describes in his book of the same name, can actually be quantified mathematically.<sup>1</sup>

But whether measuring diversity quantitatively or sensing it through an organization's culture, it does make a difference. I feel it in my teams at William Blair, where there is diversity of thought, roles, and experiences. Cross-sectional working groups collaborate on key issues affecting our investment outlook, industry, and company. It takes time to connect with individuals who have different perspectives and experiences around a cohesive purpose, but I've found that the solutions these teams develop are that much more robust.

Philip Tetlock and Dan Gardner also highlight the benefits of diversity in their book, *Superforecasting: The Art and Science of Prediction*, asserting that “aggregating different views is difficult for one person. That's why different perspectives are important.”

It surprises me that the asset-management industry has not more

actively embraced diverse thought, and the gender imbalance in senior ranks is still as significant as it is. But William Blair, too, is early in its journey. We are creative in our recruiting, in our networking, and in our collaboration with external partners and organizations as we seek to develop talent in the investment arena as well as in key infrastructure roles. These efforts are meant to broaden the universe—not to subscribe to any quota or target. While we have made good progress, over time we will continue to broaden and deepen our talent pool. I strongly believe it will lead to more robust decision-making within our investment-led culture and, in the end, better client outcomes.

That is why, in this publication, we celebrate the diverse voices of experienced women in the asset-management industry.

I hope you will find, as I did, inspiration and lessons in their professional journeys and successes.

Sincerely,

A handwritten signature in black ink, appearing to read 'Stephanie Braming', with a long horizontal line extending to the right.

Stephanie Braming, CFA, Partner  
Global Head of Investment  
Management

<sup>1</sup> Crowd Error = Average Error - Diversity:  $(c - \theta)^2 = \frac{1}{n} \sum (s_i - \theta)^2 - \frac{1}{n} \sum (s_i - c)^2$

# Power and Stature

The profile of women has never been higher.  
Everywhere you look women continue rising.

Today, more women graduate from college<sup>1</sup> and vote than men.<sup>2</sup>

We see these demographic changes reflected in politics. Women now hold 107 of the 535 seats in Congress and 23% of all statewide executive offices.<sup>2</sup> Around the world, of the 15 women national leaders today, eight are their country's first female head of state.<sup>3</sup> Then there are global policymakers like IMF head Christine Lagarde and former Fed Chair Janet Yellen.

In sports and entertainment, women have never had more influence. Serena Williams, Meryl Streep, and Beyoncé are just a few that come to mind.

It is no surprise to see the business world is also changing. Even though men far outnumber women as CEOs and stubborn challenges remain, including the gender pay gap, women hold powerful corporate positions. IBM, General Motors, PepsiCo, and Fidelity are all led by women. In 2017, women and minorities accounted for half of the 397 new independent board members at S&P 500 companies, according to executive recruiter Spencer Stuart—the highest since it started tracking the data in 1998.<sup>4</sup>

Within the financial world, the power of women—in assets managed, donated, and invested—also grows.

According to a Boston Consulting Group study, in 2015 women controlled 30% of the private wealth globally, or \$50.5 trillion—up from \$33.9 trillion in 2010.

“Women’s wealth is a natural byproduct of greater integration into the labor force,” says Olga

Bitel, partner, global strategist at William Blair. “In developed markets where women can work, they are getting more wealthy, more independent. In emerging markets, the male-female dichotomy is different but you’re getting women to be empowered out of economic necessity.”

Women’s wealth is also having a tremendous social impact.

“On a whole you have women who are very engaged and passionate about their communities and they understand the value of combining financial resources with volunteerism and relationships to really make an impact,” says Laura Coy, William Blair’s director of community engagement.

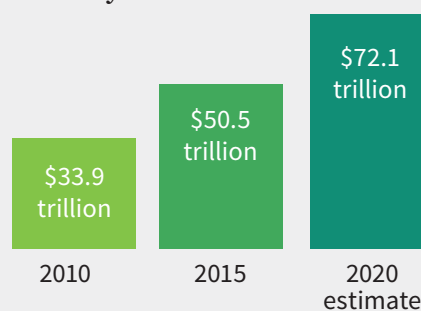
Socially responsible assets have grown significantly over the past year as investors have sought strategies that include progressive environmental, social, and governance (ESG) factors.<sup>5</sup> This trend has been largely influenced by women.

The growing influence of women presents challenges and opportunities for institutional investors and managers.

Women, says the CFA Institute, are the “universal diversifier.”<sup>6</sup> But they are under-represented in the field of investment management. In no country do women represent half of CFA members.<sup>7</sup>

It’s not surprising, then, that the CFA Institute has implemented a “Women in Investment Management Initiative” that seeks to improve

## Global Private Wealth Held by Women Investors



Source: The Boston Consulting Group

investor outcomes by encouraging gender diversity in the investment management profession.

That is our goal as well, and we are sharing the views and experiences of four women with William Blair relationships who are forging new paths in their investment management careers and personal lives. Thank you to Kristina Blaschek, director of business and technology solutions for William Blair Investment Management; Amy McGarrity, chief investment officer of the Colorado Public Employees Retirement, Association (PERA); Tina Rönnholm, a portfolio manager for First Swedish National Pension Fund API; and Rita Spitz, partner, consumer analyst at William Blair Investment Management.

<sup>1</sup>U.S. Census Bureau, 2015

<sup>2</sup>Center for American Women and Politics

<sup>3</sup>Pew Research Center 2017 analysis

<sup>4</sup>Wall Street Journal, 11/3/17

<sup>5</sup>Bloomberg, “Industry Focus”

<sup>6</sup>CFA Institute, Women in Investment Management Initiative website

<sup>7</sup>CFA Institute, “Gender Diversity in Investment Management”



## Kristina Blaschek

Director of Business and Technology Solutions  
William Blair Investment Management

The best word to describe Kristina Blaschek, she says, is “curious.” Her friends and colleagues might agree. But they might also argue for “hard-working,” “inclusive,” “leader”—or just “dynamo.”

Blaschek joined William Blair in 2007 as a sell-side healthcare researcher and moved up the ranks to become director of business and technology solutions for the Investment Management group. In this new role, created for her, Blaschek evaluates the way technology is evolving in society and identifies opportunities for the firm to develop, innovate, and embrace technology to make better investment decisions for our clients.

The role builds on her investment banking experience at J.P. Morgan, where she began work in 2002, and later at Lazard Middle Market. It keeps her on the cutting edge of the energy in the markets, which first dazzled her as a summer intern in the pits of the Chicago Mercantile Exchange. She had been pre-med, but ended with a degree in finance.

“I think it was because I’m more of a doer,” she says. “Given my personality, there’s no way I could be in school for another 10 to 15 years.”

Blaschek also heads the Women’s Alliance at William Blair, a business resource group to help women network with one another and to

develop their careers and lives inside and outside work. She brings a lot of experience from her own family life and career as a first-generation Chinese-American.

“I come from a very close-knit, extended family with strong women who work hard and have become successful,” says Blaschek, whose mother and aunts immigrated to the United States from Hong Kong as teenagers. “I grew up with the challenges that my mom and aunts faced, having English as a second language, and just being minorities and women.”

Blaschek learned early the value of going after your passions.

“Women often don’t open up about what they want to do because they feel like they’re not ready,” she says. “If there’s a job they want, they won’t raise their hand unless they’ve met every qualification. Men could meet none of the qualifications and say: ‘I’m interested.’”

“So when I meet with my team members I ask them, what are you interested in?”

Blaschek has also stood up against preconceptions that women can’t balance the demands of a career and family life. As a mother of two who earned an M.B.A. while working full time, she says you make things

## Leadership

*“I’m not so sure everyone is focused on inclusion and they really need to be.”*

happen, asking for help when you need it, and re-prioritizing every day.

Blaschek advises colleagues to stay true to themselves—lessons learned from her first boss out college. He always stressed “know who you are and always follow up.”

His advice still resonates with Blaschek. She knew his story, a successful banker without fitting the mold she’d imagine.

“He was very religious, he didn’t drink, he didn’t smoke and, on top of it, he didn’t like to golf,” she laughs.

She is encouraged by the broader sweep focusing on diversity in business—the diverse viewpoints you only get with different races, genders, and backgrounds.

“It seems like everyone is focused on diversity. I’m not so sure everyone is focused on inclusion and they really need to be,” says Blaschek.

“The Women’s Alliance, for example, started with networking and morphed into something bigger.”

The evolution has included bringing in men as members.

“A natural boys’ club does exist, but how do you get them to start including women?” she asks. “You don’t know what you don’t know. So we thought: ‘Let’s make an inclusive environment and bring in men and learn from each other.’”



## Grit

*“I want to be in my job because I am the best investor and the best person for the job, not because I’m a female.”*

### Amy McGarrity, CFA

Chief Investment Officer

Colorado Public Employees Retirement Association (PERA)

Amy McGarrity, who as chief investment officer of the Colorado Public Employees Retirement Association (PERA) oversees a \$48 billion portfolio, attended the University of Wyoming on a piano scholarship. That suggests an unusual journey.

“In high school, I excelled at math and would go to finance and credit competitions,” McGarrity says. “I had, in my dad’s view, a gift in the field so he encouraged me to consider majoring in finance. I ended up getting a scholarship in piano performance.”

“For two years, I majored in piano performance but took the required courses to maintain a four-year track in finance. I loved it and never turned back.”

The story illustrates some truths about McGarrity. She is multi-talented, is hard-working, and made it to the C-suite—a level few women reach. But McGarrity is also passionate about her work and is grateful for those who have helped her, past and present.

“I haven’t had the golden route to the C-suite by any means,” she says. “I’ve worked a lot of hours, in a lot of different roles, to try to position myself for success. But my experience is that a lot of it has to do with luck and the people you meet along the way.”

After college graduation, McGarrity became a trading assistant at a hedge fund while pursuing an M.B.A. Her career included a few more stops along the way including a stint with William Blair and another with Denver Public Schools Retirement System, which was later acquired by Colorado PERA (an institutional client of William Blair).

“I was super fortunate to get a job on the equities team with PERA, where I learned how to analyze and manage equities,” she says. “That single experience is really what put me where I am today.”

McGarrity says the support from family, friends, and co-workers helped her reach her goals. A big part of that has been the changing roles for both men and women in the last 20 years.

“As I set out on my career and got married, I don’t think there was ever anything in my mind that maybe I’d have a stay-at-home husband where, in fact, that’s actually what happened,” McGarrity says.

She has two daughters, 11 and 13, and her husband, also trained in finance, was a stay-at-home dad for eight years.

“When we had our kids, we both felt pretty strongly that if we could afford it, we wanted one of us to try to stay home,” McGarrity says. “We were making about the same amount of

money but the difference was I loved my job and my husband didn’t. So, that’s how we made that decision and we haven’t turned back.”

McGarrity describes herself as a capitalist. She believes the most qualified candidate should be selected to a position, whether male or female, and does not believe in discrimination or quotas.

“I want to be in my job because I am the best investor and the best person for the job, not because I’m a female.”

Still, there is no substitute for working hard.

“I don’t want to make myself sound like a workaholic, but it’s probably a fair characterization,” she says. “I’m a very driven person. I think that’s why I’m in this role. I have a lot of respect for people who aren’t as driven, and I don’t require people who work for me to be as driven. But that’s who I am.”

On career advice, she recommends surrounding yourself with people who are smarter than you are.

“It’s really important to be humble about who you are and what you’re bringing to the table because there are a lot of really smart people out there,” she says. “I encourage them to share their opinions and ideas so we get better together.

“I learn from my colleagues every day.”



## Tina Rönnholm

*Portfolio Manager*

*First Swedish National Pension Fund API*

It's always been crystal clear to Tina Rönnholm that she would have a career in finance. As an only child growing up in Finland, Rönnholm spent a chunk of her daily play time reading the stock market section of the local newspaper, comparing company numbers.

"I was investing in a paper portfolio when I was young," she laughs during an interview at William Blair headquarters in Chicago. "It just came naturally to me."

Today, the native of Finland is a portfolio manager for First Swedish National Pension Fund API (Forsta AP-Fonden), which manages more than 300 billion Swedish krona. API is an institutional client of William Blair.

It's a big job. Rönnholm interacts with external managers globally, which involves evaluating their investment organizations, philosophies, and processes.

"It's not short term. It's longer term. Which companies will survive? What new opportunities do we have?" she explains, adding that her focus of evaluating companies has become more qualitative through the lens of environmental, social, and governance (ESG) factors.

ESG investing involves making decisions by considering sustainable, socially responsible factors alongside financials.

"That's something the machines can't do," Rönnholm says. "When you do a qualitative assessment of a company, then your background plays a role."

Rönnholm's own background is one of learning her business from the ground up. She's been in financial services industry for 20 years, spending the first 17 1/2 years with SEB, a Sweden-based bank. She had an academic degree in hand, but started in the back office calculating net asset values on SEB's mutual funds. She ended up as one of the bank's chief investment officers, a position few women hold.

"Starting in operations and ending up as the chief investment officer for multi-assets, I was in a minority," she says. "Curiosity and a need to learn more drove me to gradually take on more responsibility."

That same drive led her to API.

"You always find a new avenue where to take your career. That's why you never get bored," she says.

Asked about the importance of diversity, Rönnholm says she sees diversity in the teams she works with—their life experiences, backgrounds, age, education—as the lodestone for quality ESG evaluations.

"I'm not a feminist," she says, "and I don't want to talk about gender diversity, although we do pay attention to it. But it has never been a core focus.

## Curiosity

*"Curiosity and a need to learn more drove me to gradually take on more responsibility."*

It's much more about diversity of thought and including this in the decision-making."

So now, her key focus is on asset management and driving the industry to more sustainable investing.

"We have such big problems in society and they are growing larger, so we will need every person we have to help solve them," she says. "I would like to see more action than talking."

Looking back, Rönnholm says neither her personal life nor career have been straightforward roads. There is always more than one path.

"I was brought up to believe that every day is a new opportunity. My parents always gave me confidence to try and if I failed it was OK."

That's part of the reason Rönnholm carries around a favorite quote from Malala Yousafzai, the Nobel Peace Prize-winning school girl who advocates for women's education in Pakistan and survived a Taliban assassination attempt in 2012 for her efforts.

"She said, 'I was lucky to have a mother and a father who gave me the opportunity to learn and the freedom to imagine a bright future for myself. Every girl deserves this same support.'

"She is a wise girl and it's impressive," says Rönnholm.



**Rita Spitz, CFA, Partner**  
*Global Research Analyst,  
William Blair Investment Management*

William Blair partner Rita Spitz has seen a lot of changes over more than three decades at the firm and in the financial industry. But solid goals and hard work are still keys to success.

“I was the only woman analyst when I came to William Blair and I don’t remember anybody laying out a plan for me,” she says. “But my personal goal was to become an equity owner as opposed to an employee and that made a huge difference in my career.”

Active first as a sell-side analyst when she came over from Northern Trust in the 1980s, Spitz later moved to the buy-side as an analyst and subsequently became a research director. As an entrepreneur inside the firm, she made her mark as an analyst spotting trends, evaluating companies for success, and creating teams and tools within the firm that continue to drive client success.

“Early in my career I was very deliberate in finding a role where there was some objective measure of my contribution, and a stock price going up or down was that,” says Spitz. “There was a clear record of what I recommended, what happened, which may have made it easier to establish a track record and be recognized than it might have been in a different role.”

“My premise was there were going to be obstacles. I didn’t resent it; I

accepted that was the condition and asked, ‘OK, how do I fit in? How do I maneuver?’ You can whine about it or get with it. It was important to find a win for clients, the firm, and me.”

She made partner in 1992, joining a small but growing group of women at the firm. Then, around 2000, Spitz switched to the buy-side with investment management, expanding both the fundamental and quantitative research talent and investment tools that provided clients leading insights.

“I hired a lot of people and we were able to take the firm to the next level,” she says of the buy-side days. “It was a period where we really established our group as a strong internal presence.”

Spitz, who earned a B.A. in finance from the University of Wisconsin, an M.B.A. from the University of Chicago, and her CFA, believes women have made strides within the financial industry and business in general, but “we have further to go.” Organizations are more transparent today and women share information. That makes it easier to figure out which companies are willing to be fair and promote women.

She is impressed and encouraged by the millennial generation, which includes her two daughters. One is 31, training to be a surgeon, and the other is 30, working in marketing.

## *Determination*

*“My premise was there were going to be obstacles. I didn’t resent it.”*

“They’re much more aware of the scope of choices and making choices fit with what they want as opposed to accepting things they find suboptimal. It’s clear you have to do your homework,” Spitz says. “Otherwise you will be slowed by gender bias. It’s still pretty pervasive.”

Spitz encourages women not to be afraid to change when things aren’t going the way they want.

“A lot of times women won’t take on a challenge because they don’t feel like they’ve demonstrated competence. Whereas men do not have the same point of view, they just say yes. Women can do the same thing. It’s definitely in their interest to step up.”

In juggling life and career, Spitz says William Blair has been important.

“I made partner when I had three young children,” she says. “I asked for help, I got good help at home, I had a supportive husband, I always found the firm to be very supportive.

“What came first, the most important things in my life, was my family and children. I didn’t feel compromised on that.”

# Book and Podcast Recommendations from our Interviewees

## Books

- *An Inconvenient Sequel: Truth to Power* (Al Gore)
- *China's Asian Dream: Empire Building along the New Silk Road* (Tom Miller)
- *Factfulness: Ten Reasons We're Wrong About the World – and Why Things Are Better Than You Think* (Hans Rosling and Anna Rosling Rönnlund)
- *Principles: Life and World* (Ray Dalio)
- *The Monk Who Sold His Ferrari* (Robin Sharma)
- *Never Split the Difference: Negotiating As If Your Life Depended On It* (Chris Voss and Tahl Raz)
- *The Obstacle Is the Way: The Timeless Art of Turning Trials into Triumph* (Ryan Holiday)
- *The Second Machine Age* (Andrew McAfee and Erik Brynjolfsson)
- *Subliminal: How Your Unconscious Mind Rules Your Behavior* (Leonard Mlodinow)
- *Wild: From Lost to Found on the Pacific Crest Trail* (Cheryl Strayed)

## Podcasts

- Curious Minds: Innovation in Life and Work (with Gayle Allen)
- The Economist
- Freakonomics Radio
- HBR IdeaCast
- The Knowledge Project with Shane Parish
- Masters in Business

## Magazines

- *Monocle*

*“Throughout my life I have always been intrigued by maps, atlases, and photo books. I guess travelers always are. My favorites include Pocket Atlas of Remote Islands (Judith Schalansky), The Iconic Photographs (Steve McCurry), On this Earth, A Shadow Falls (Nick Brandt), Bulletproof (Vee Speers), and Perpetual Calendar of Life (Jane Goodall and Mattias Klum).”*

—Tina Rönnholm

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