

Kensington Capital Partners:

# A Corporate Role Model for Diversity in the Financial Industry

*Written by the author of the Rich Thinking series of white papers*

WHITE PAPER

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## About Kensington Capital Partners

Kensington Capital Partners is a leading Canadian investment firm in alternative assets, with over \$1.1 billion invested to date in private equity, venture capital, hedge funds, and infrastructure. Founded in 1996, the firm is employee owned and fiercely independent. Kensington's active management approach and relationship based business has generated top quartile returns for investors, consisting of institutional investors such as pension and endowment funds, foundations, corporations, wealth managers and individuals. For more information, visit [www.kcpl.ca](http://www.kcpl.ca).

## About Barbara Stewart

Barbara Stewart, CFA; is a researcher, writer, speaker and consultant. She is deeply knowledgeable in the area of women and finance and will publish the seventh installment of her Rich Thinking series of white papers on International Women's Day in Stockholm on March 8, 2017.

Barbara is a frequent keynote speaker at global events relating to women, money and financial literacy, participating in events across three continents. She speaks at both larger public conferences and at private corporate functions. Barbara is a regular interview guest on TV, radio and print, both financial and general interest, as well as a former columnist both in print and online for Postmedia newspapers in Canada. Barbara is a contributor to the CFA Institute's Enterprising Investor website.

Barbara is a currency expert and former portfolio manager with 25 years' experience in the investment industry. For more information please visit [www.barbarastewart.ca](http://www.barbarastewart.ca).



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## Introduction

### *Kensington Capital Partners: A Corporate Role Model for Diversity in the Financial Industry*

Against a backdrop of undeniably grim statistics around diversity in the global finance sector, Kensington Capital Partners is a shining example of a firm that is ‘doing it right.’ In this report we will share the positive story of a company that didn’t set out to become a champion of diversity but rather ended up there simply as a result of their relentless focus on being the best. This clarity of vision led to the acquisition of a talent pool that is diverse in gender, ethnicity, educational background, upbringing, age, interests and personalities.

A collection of people with different skillsets and ways of thinking has resulted in a team that outperforms their industry competitors. In the last three years, Kensington has nearly doubled in size in terms of assets under management.

Cambridge Associates, a global investment research firm, ranks Kensington’s most established fund of funds and private equity fund as (respectively) top decile and top quartile performers as measured by IRR since inception <sup>1</sup>.

The most commonly discussed type of diversity that is lacking in the financial industry is that of gender diversity. Preqin Research reported that as of 2014, only 11% of global senior venture capital employees were female and in private equity buyout firms the number was only nine percent <sup>2</sup>. Even in the more general world of finance, women represent less than one in five CFA (Chartered Financial Analyst) charterholders globally as of 2016, with the Canadian number being 19.7% <sup>3</sup>.

The most oft-quoted reasons given for this lack of female talent in the industry are the long hours, the difficulty balancing work and family life, and the general shortage of available qualified female candidates. But Kensington has

over 50% smart women, and across all areas of the company, which shatters this common wisdom and challenges the prevailing status quo in the industry.

According to Christine Lagarde, Managing Director of the International Monetary Fund, adding women is critical. In fact she estimates that the impact of eliminating the current gap of seven percentage points between male and female labor force participation would mean real Canadian GDP would be 4.5% higher <sup>4!</sup> Given that finance is arguably the most important sector needed to drive global economic growth, Kensington's story is truly an important story to tell.

**What does a real-life corporate role model look like for diversity in the finance sector? Read on.**

# Hire Diverse People

*Each person has their own innate drive to succeed and all for different reasons.*

Kensington was founded in 1996 and their investment platform consists of both fund investments and direct investments in the areas of private equity, venture capital, hedge funds and infrastructure assets. This diverse investment strategy seeks returns from as many uncorrelated sources as possible to help ensure they are not taking on undue risk.

This approach to investing in diverse asset classes is consistent with management's philosophy of embracing diversity in the context of the make-up of the firm and its employees. As well, Kensington is independent, employee-owned, and its diverse employees are also important investors in each of their funds.

Hiring individuals with different backgrounds means that the company has a better ability to: access different networks; acquire new sources of information; tap into the creative power of each individual; and 'think different.'

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Tom Kennedy

Managing Director



*“My perspective is partly driven by the process of problem solving. Instead of involving 10 people with similar training and experience, we’d rather engage four people with very different backgrounds? That group is likely to come up with a faster, better solution.*

*For example, we hired Nagar who had little prior investment training but she knows how to get to know people and she understands how to get information – this is a big part of our business. Our industry trains people to look at the numbers but if we only look at the numbers we are going to miss something.*

*Everyone here has a unique background. Some grew up rich, some grew up poor. Some have a qualitative research focus; some have a quantitative research focus. We have people who never thought they would end up in the private equity business. But we’ve migrated into this group, and thrive on our differences.”*

Gerri Sinclair

Managing Director



*“Why did someone with a PhD in Shakespeare become the founder of an internet technology start-up then switch to a career in finance and then become a member of the Board of the TMX (Toronto Stock Exchange)? Well, I guess you could say that my belief in diversity extends across most aspects of my life. People generally observe that I am a divergent thinker. I’m the kind of person that always has to do more than one thing at a time – in fact, I live in more than one time zone.*

*I get up early and take calls from Toronto and Europe while walking on my treadmill. If I’ve got a great conversation going on I can walk forever. I’m a total information junkie and I spend all kinds of time reading, learning and watching. The internet is the universe’s gift to me. I used to hang out at a library all the time but I don’t need to do that anymore.”*

John Walker

Managing Director



*“I’m a city planner by profession and I think this helps gives me a different perspective. I’m running an infrastructure fund but to me this is all still about planning. My philosophy of business is that we should aim to make mistakes on paper before pulling the trigger on a deal. That is what planners do.*

*Outside of work, I am an avid fly fisherman. I love the characters that you meet, the geography that you see and I just really like fishing. I clearly didn’t end up at Kensington through a ‘normal’ Bay Street profile and as a result I have a network that is very different from my partners.”*

**Nagar Rahmani**

Principal



*“It is quite simple when I think about what is unusual about me as an individual working for a finance firm. I don’t have a financial background; instead my degrees are in criminology and psychology. I enjoy research and wanted to study serial rapists and serial killers so I guess that makes me diverse ☺. More seriously, I think that just by talking to people I seem to have a better ability to understand what motivates them. This has allowed me to build a wide network that is a significant asset both to me and to the firm.”*

**Eamonn McConnell**

Managing Director



*“I lived for 15 years in Europe and 10 years in Asia and I speak Swedish, Thai and French. My three girls were born in three different cities in three different countries: Bangkok, Hong Kong and London. I am very comfortable in a diverse environment.*

*I don’t know why other private equity firms aren’t like this one. I relish the fact that there is tremendous diversity here, everyone has a story. We aren’t all white males from UCC (Upper Canada College) and in fact there are very few traditional private equity folks here. We are certainly not shy about our varied backgrounds; we have photos of all of our staff on our website.”*

**Rick Nathan**

Managing Director



*“My background is a mixture of financial, legal and computer science – but I like to think I have a creative side too. Most people in our industry are very financial engineering-oriented thinkers, for good reason. But I think it helps to have both left brain and right brain thinking. As a result, I try to be good at things like strategic thinking, public speaking, capturing and articulating new ideas, and that comes from focusing on creative things.*

*I have played the piano since I was a kid, and about a year ago I started taking guitar lessons. Music relaxes me and is very helpful for clearing my head. I also enjoy art. This creative grounding can be very useful at times – even in the boardroom when thinking through strategic questions.”*

**Michelle Scarborough** Senior Vice President



*“I did not take a traditional path to get where I am. I did an unusual dual degree program: science and communications – I thought I was going to be a doctor. I learned quickly that medicine was not the right track for me – I needed to be creative, to operate outside the box, to find new ways of doing things, and to be in an environment where I was able to build something meaningful and substantial.*

*I should have known I would end up in business because all my family are entrepreneurs and, throughout my career, I have always had very strong role models and mentors in the business world. I started out as an entrepreneur, building tech companies at the very edge of innovation. After those experiences, I moved into angel investing and then into venture capital. I had had the luxury of working with investors who challenged me but at the same time were supportive, open and honest, had high integrity, and were seen as leaders in their professions and communities. They helped cultivate my loyalty and drive to build both value and success for everyone around the table.*

*Transitioning to being an angel (an individual who invests substantially in an early stage company,) and subsequently a venture investor, I made sure those attributes were front and centre in my decision-making. Some have called such spirit ‘pioneering’ for this challenging industry. I would suggest that I am just paving the way for others to build their careers in an industry which, by its very nature, is constantly redefining itself.”*

**Jessica Salvador**

**Regional Sales Manager**



*“My lineage is a mix of Spanish, Chinese, Indian and Filipino: I’m all about diversity! I spent 10 years of my childhood in Saudi Arabia and five years in United Arab Emirates where the cultural norms are geographically distinct to say the least.*

*I studied in eight different schools with eight different systems so I had to learn how to adapt quickly. This was real-life learning and I think it has helped me a lot in my business career. In my role as Regional Sales Manager I need to adapt to the various personalities that I deal with on a daily basis. I draw strength from my ability to understand which part of my personality and skillset to draw on in various situations.”*

## Martin Kent

### Senior Vice President



*“What is diverse about me? That’s hilarious! Well I guess you could say that I am an accountant with a sense of humour. And I live with three women – my wife who is a career CFO (Chief Financial Officer) and my two teenage girls, ages 14 and 17. And I have a girl chocolate lab named Maggie. Let’s just say there is a fair bit of drama in my household! And I work with a lot of women at Kensington.*

*But seriously, I am very proud to have a successful wife and two wonderful daughters and I am optimistic that the world has evolved to a point where gender is not as much of a factor in career success.*

*After I graduated from business school in 1987, I worked with Morgan Stanley in New York. Back then we had only one female Managing Director in the M&A Department and she was known for being ‘a hard ass.’ Women were expected to wear little neck bows to work – it was very much an old boy’s club. Today, happily, there are significantly more women in investment banking and in the finance industry in general. Among other things, I think that women provide a broader perspective on issues and a better working environment. And their presence keeps some of the alpha male behaviour under control!*

## Lucy Zhang

### Senior Fund Accountant



*“I emigrated from China with my mother when I was 14 years old. My Mom was my role model – she did her undergrad in fashion design in Canada and I have always been interested in fashion. I realized that I am different in terms of my identity, but this difference is a strength and I believe I can leverage that.*

*To me, part of what keeps life fun is being a girl. Like talking about clothes in the middle of a tough class in business school.*

*I was Kensington’s auditor before I joined the firm. A job opening came up and I wanted the chance to see things from the client’s side. It was a great decision: this company changes constantly. There is a diverse portfolio composition (venture capital, infrastructure, hedge fund, private equity, mortgage-backed securities) so I am having a golden learning opportunity. I never know what I will be working on and I love that!”*

**Kirk Hamilton**

Vice President



*“Well...I don’t know how diverse I am: I think of myself as ‘busy but boring.’ I’m a Queen’s grad and I’ve spent most of my career working as an expat in Europe in investment banking and finance. I’ve recently returned to Toronto and now at Kensington I am working in private equity and infrastructure. I’m a transaction-focused guy.*

*I ski, I golf, I play rugby, I love to travel and I love to cook (sometimes from a recipe, sometimes not – a bit of both.) I am looking forward to spending lots of time with my girlfriend and my family here in Toronto.”*

**Suganya Tharmalingam** Managing Director & Chief Financial Officer



*“I try to never compare myself with anyone. I am thoughtful about what I enjoy doing, what I am good at and where I like to spend my time. I am always willing to get into situations where I’m **not** comfortable. This way I can learn more about myself and my strengths and weaknesses.*

*I don’t have any role models. The way I look at it is that if I’m going to ‘look up to’ someone else I am basically losing my character. That person is who she is and that is why she is unique; I don’t want to be the same as her.*

*I like to talk with older people in their 70s and 80s to find out about their life experience. I ask them to go back in time with all the experience they have accumulated up until now: “What would your life look like?” Hearing other people’s stories and backgrounds gives me perspective.*

*I love to test myself by putting myself into highly stressful situations. This is how I validate my strengths. If I fall down 10 times I don’t care. In time, I know I will get back on my feet. This applies to both my personal and professional life. At the end of the day you need to feed your soul. Am I satisfied? Am I happy? This isn’t about proving anything to others.”*

**Kimberly Yeung**

Principal



*“As a Canadian-born Chinese, I grew up in a culture of strong family values.*

*I went to an all-girls’ high school and the school was great for sending us all one clear message: you can do whatever you want. No one was afraid to put up their hand and say something.”*

## Thilipan Mariyan

Sales Associate



*“I immigrated to Canada in 1994 from Sri Lanka. I always liked numbers and the concept of being a ‘business man’ so I got a Bachelor of Commerce from Ryerson where I majored in Finance.*

*In the Sri Lankan community it was rare to study business so no one in my network of family and friends could relate to what I was doing. I realized that I was on my own: I had no contacts in the business world. I knew that I would have to make my own connections and I would have to hunt for my own job.*

*I got a position at Best Buy during university and I turned it into an amazing job. I came to the realization that I could either sell TVs or I could sell TVs and get to know the person that I was talking to. The store was located in an area that attracted customers who were all successful people, people who worked in careers that I aspired to. I would ask people about their jobs and I would ask them what they thought I should do. I realized the power of networks while I was in university and kept in touch with the people I met. One of my customers ended up being one of my reference checks during my interview at Kensington.”*

## Rees Barnett

Associate



*“I’m a bit unusual in our industry because I am a very straight forward communicator. I’m fairly candid: I’ll say things like “I really don’t like this investment for such and such a reason.” I try to boil things down to the most simplistic level and I don’t like wasting time on B.S.*

*I grew up partially overseas and we didn’t have much in the way of wealth. If I work with you I don’t care if you are black, white, female or male – it just doesn’t matter. I care if you are respectful and if you are doing your job. I’m all about equality. I would be worried if someone was being favoured or discriminated against but I haven’t seen it. I think diversity is just a lot more accepted as normal in my generation (millennials) and more so in the following generation.”*

# Build Diverse Teams

*A collection of diverse, motivated individuals stands a good chance of becoming a high-performing team provided that they are a) aware of how they each add diversity and b) all focused on the success of the team.*

It is important to note that diversity and inclusion are about much more than gender. As demographics evolve, there is a corresponding change in customer preferences so efforts to build diversity are more relevant than ever.

What do our customers look like in the financial industry?

According to a recent Thomson Reuters report that referenced a Pew Research Center study, racial makeup in the U.S. has changed significantly in the last 50 years <sup>5</sup>. From 1960 to 2010, the percentage of Americans identifying themselves as Black, Hispanic, Asian or Other increased from just 15% to 36% of the population. In Canada (where we use different definitions than in the US) the percentage of Canadians who identify as a “visible minority” was 19% in 2011 <sup>6</sup>.

A diverse team will more accurately mirror a diverse customer base. And a diverse team will have a better ability to understand what motivates each and every customer.

# 2

Rick Nathan

Managing Director



*“I think the main advantage of working in a diverse environment comes from the fact that no single person ever has the right answer to every question. Ideas often arise organically from the contribution of different perspectives: none of the individuals in the group would have conceived of them alone. This collaborative brainstorming process often leads to the best results.*

*It is interesting to me that Kensington has evolved in a way that is ethnically diverse, age diverse, and gender diverse. This was not a deliberate effort in some sort of corporate recruiting policy, but simply a by-product of always looking for the best people, and not having any preconceived ideas of what they would look like or where they would come from. Toronto has such a great diverse talent pool and we have an open-minded hiring process that embraces creative thinking, and that ended up producing a lot of diversity!”*

Gerri Sinclair

Managing Director



*“Part of the reason that I decided to start working in the investment field was that there were so few women in the field. Actually, there continues to be a shortage of women in senior executive roles in finance. When I was a green and struggling female CEO with a venture capital-backed start-up, all of my investors were men and so were all of my Board members.*

*I am very new to Kensington but I can tell you from my initial experience that there was no way that I would have joined if this was a firm of only white guys! I was impressed that at our first dinner, there were three women and two men at the table, and I also liked the fact that the Kensington culture was also reflected in the wide diversity in age, ethnicity, and personality of its people.”*

John Walker

Managing Director



*“If you have an inclusive leader, a team will work very well. We have a ‘deal team’ meeting every Monday afternoon and Tom pulls absolutely everyone in – they all get involved so they learn a) what we are working on and b) what makes a good investment (or not.) I have never seen this level of openness before at any other firm.*

*I think of our team as mirroring Toronto’s diverse population. The people who work here have lived all over the place: one grew up on a remote island in the Philippines, two were once refugees. Everybody’s got a story.”*

**Suganya Tharmalingam** Managing Director & Chief Financial Officer



*“There is no real hierarchy at Kensington so titles don’t mean much. We believe in what I call the ‘true openness of everything’ – everyone in the company should know everything that is going on in the business. We invite all staff to the weekly meeting because we all need to hear what is going on. Even the top guys openly talk about anything and everything.*

*We all think ‘I am an investor’ and ‘I am making an investment.’ We want all employees to believe in who we are as a firm and understand what we do so that it makes sense to them.”*

**Rees Barnett**

Associate



*“The reality of business is that it is still very competitive and people know that. You will always have high pressure situations and people will get tired...no one is perfect. I think it is a great sign that we use humour for stress relief. We have a good laugh several times a day. Sometimes our banter across the room is contagious and even the most introverted person in the firm will join in!*

*But believe me when stuff gets serious, people shut up. Especially for a deadline. Everyone wants to see everyone do well.”*

**Lucy Zhang**

Senior Fund Accountant



*“I love the feeling that the office gives me every time I walk in. The best word to describe it is open. With the glass walls, I feel like I sit at the centre of the universe. If I make a personal phone call, you’re probably going to hear it. There is no ‘face time,’ no pretending to be busy. People come in and get work done. If you want to go for a workout you go for a workout. You manage your own time. You are respected and trusted.*

*We work hard. And these are the coolest people to work with and chill with. And as much as I know that our firm will evolve, we’ll never be like an accounting firm. We are all diverse characters, yet we still have great chemistry.”*

**Elaine Turnbull**

Manager, Administration



*“We have an overwhelming interview process at Kensington where a potential candidate meets every single person in the company! We like to make sure that the chemistry is there before a decision is made. We have ended up with a higher percentage of women working here than is common in our industry...but they were just the brightest people out there for those roles.”*

**Kimberly Yeung**

Principal



*“I have learned to speak up and be comfortable in myself. Put me in any room; whether it is full of men or full of women, we are all the same. It’s just a room of people! This attitude works well in my work environment at Kensington. We all show up at the weekly meetings and we challenge each other and beat up ideas to ensure we’re making the best decisions.”*

# Diverse Individuals and Diverse Teams = Outperformance

*A diverse group will ask different questions when analysing investment opportunities and when making critical business decisions. These questions may not even occur to non-diverse teams.*

A 2016 research report 'Gender-Balanced Teams Linked to Better Business Performance: A Sodexo Study' is based on the premise that gender balance impacts performance only when the *optimal* balance is reached <sup>7</sup>. The Sodexo study analyzed key business performance indicators (KPIs) from 100 global entities and 50,000 managers in 80 countries – from C-suite to site management. It looked at how gender balance impacts both financial and non-financial performance.

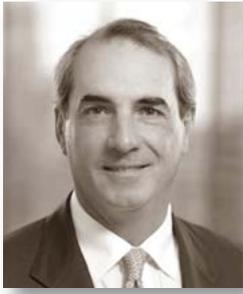
The results of the study clearly confirm that the optimal balance corresponds to a male-female ratio between 40% and 60%, reinforcing that no one gender is better than the other; rather, diversity is key to enhanced performance.

In the portfolio management field, a 2015 Morningstar study shows that mixed gender equity teams beat all male or all female teams over all of 3-, 5- and 10-year periods <sup>8</sup>.

At just over 50% women, Kensington operates in this sweet spot.

# 3

**Eamonn McConnell** Managing Director



*“I think a lot of the reason that we are so diverse comes from the vision of the senior leaders at the firm. They run the business as a meritocracy so if you are good, we want you to work here and it doesn’t matter where you come from or what you look like.*

*In the past 18 months we have won some big government mandates, and I don’t think it hurt that we included our smart and talented female partners Suganya Tharmalingam and Gerri Sinclair in the presentations.”*

**Michelle Scarborough** Senior Vice President



*“I am all about building value, in businesses and in people that make a difference. Whether it is an esoteric difference or a practical one, I still ask, “Does it make us better in some way? Is there something deeper here that can help us?” I enjoy working with other investors and entrepreneurs who are similarly motivated.*

*Of course I’ve had challenges along the way but I don’t see a glass ceiling – and I certainly don’t see the glass as half-empty either, although I have been shown both scenarios often. Some angel investors didn’t want me to play or to raise the stakes. But I kept building my network until they asked me to sit on the Board. I told them, ‘I’ll only be on the Board if you let me actually say something.’ Later, I became the Chair.*

*When I was in discussions with Kensington, I said “It is important to me to be a leader, to build, to grow the business, to shine. It is important that I leverage my skills and networks for the good of the firm, our investors and the funds and entrepreneurs we invest in”. After all, I’m doing this because I’m good at it; and fulfilling that potential is good for everybody.*

*There are only a few pockets of women in venture capital and private equity. There is no good reason for that. I do think you need thick skin to be in this business, regardless of gender. It’s tough. Unless you have strong self-awareness, you can very easily get caught up in the drama.*

*There are different styles of communication but ultimately I’ve realised that listening is more important than speaking. Is it necessary to stomp on the floor or pound the table? Maybe we should pause, wait a few minutes, regroup, and have a real conversation. With a professional and respectful approach, over time, a firm can excel.”*

Nagar Rahmani

Principal



*“This firm is very successful. As fund managers we have the responsibility of investing other people’s money, we want and need to make the **best** decisions. If you had just the older three males making all of the investment decisions you would have very different outcomes because they all come from similar perspectives and backgrounds. I think we make better decisions because we have more females – they are just as smart, and add different perspectives and ways of looking at things.*

*People in our industry notice that Kensington is different, and that makes me feel proud. Yes we are in tune that it is the year 2017, and yes we are progressive.”*

Kirk Hamilton

Vice President



*“I think that as you move farther into your career, your value is less about your ability to execute and more about your network. My network is mostly expats – either still overseas or those that have moved back to Toronto - so that’s different than the rest of our team, which is a kind of diversity, I guess. I’m looking forward to meeting new people and increasing the diversity of my network.”*

Martin Kent

Senior Vice President



*“Let’s think about this. From a sales perspective, a lot of women control a lot of money. Whether they are high net worth individuals looking for a place to invest or whether they are entrepreneurs looking to sell their business, are you really going to continue to present an all-male front to win business? Our firm is a meritocracy with women in significant leadership roles, and you can clearly see how diverse we are by looking at the faces on our website.*

*So is diversity the reason that people invest with us? Our whole offering consists of a diverse portfolio of ‘smart alternatives’ but ultimately I think it is about the people behind the offering. Entrepreneurs share their vision with us and they want to work with people who understand their philosophy. The business of wealth management is about trust-- this requires open, honest face-to-face communication.*

*And, at the end of the day, you want to do business with people that you like and people that you trust.”*

Jessica Salvador

Regional Sales Manager



*“I am very ambitious and everyone in the firm has the collective ambition to put Kensington on the map. All of us see the potential for growth. In terms of your individual area of responsibility, nothing is etched in stone. If you are willing to stretch yourself a bit more, you will soon have the opportunity to do more, achieve more and be rewarded for it.”*

Thilipan Mariyan

Sales Associate



*“Most families are a mix of both genders, so it is natural to have diversity and it creates a healthy dynamic in the workplace. If you work for a diverse company it says a lot about the firm’s values.*

*If I were a potential client with lots of money to invest I wouldn’t feel good about walking into a firm of only men. It would make me wonder why there is no female representation. People know that most jobs are replaceable regardless of gender. This means that every time that firm was hiring they were capable of hiring women. So why didn’t they?”*

Tom Kennedy

Managing Director



*“I encourage everyone to have a loud voice and a strong opinion. In a heated exchange recently, one of our (female) executives said “It’s up to you. You guys decide what you want – it is your choice.” I countered with “No. It is up to all of us – what is **your** opinion? You are as responsible as any of us.”*

*I push this type of exchange not because I’m a good guy or a nice guy. It is because I want us to make more money! To do a better job investing, you need to make better decisions. Diversity creates more robust thinking.”*

## **Conclusion**

According to the 2016 report ‘Gender Diversity in Investment Management’ by the CFA Institute Research Foundation, “The most enduring principle of sound investment management is diversification, yet it is remarkably absent from construction across all spectrums of the investment profession.”

The report goes on to say “The growth of behavioural finance in recent years has not only demonstrated how our emotions can impact investment decisions, but it has also awakened the industry to the persistence of biases that can hamper performance. These biases – both conscious and unconscious – affect all investment industry workplaces as well.”

Why is diversification an effective strategy for a company? Because:

- Hiring individuals with different backgrounds means that you will have a better ability to: access different networks; acquire new sources of information; tap into the creative power of each individual; and ‘think different.’
- Building diverse teams is a great way to more accurately mirror a diverse customer base. A diverse team will have a better ability to understand what motivates each and every customer.
- Combining diverse individuals and a diverse team leads to outperformance. A diverse group will ask different questions when analysing investment opportunities and when making critical business decisions.

The diversity that we each have as part of our background and experience lends different perspectives, and it is these differences that lead to more robust outcomes in business.

We can learn from global leaders like Kensington Capital Partners. They are stepping up and acting as a corporate role model on the topic of diversity. In the financial industry, this diversity will enhance any firm’s ability to ask better questions and obtain better results.

## **Methodology**

In November 2016, the author conducted hour long interviews with more than half of the employees at Kensington Capital Partners. The selection criteria was random and the interviewees varied by age, gender and ethnic background. Half were women.

The broad questions of “What makes you diverse as an individual?” and “What makes your team different?” are clearly open-ended and therefore solicited diversity in thoughts and responses.

Research findings are based on quotes prepared by the author and permission to use a quote was granted by each individual interviewee.

## **Acknowledgements**

I am grateful for having the opportunity to interview so many of the smart and talented employees of Kensington Capital Partners: a company that truly ‘walks the talk’ about diversity.

It is a privilege to share this collective intelligence and hopefully encourage other firms in the financial industry also to become corporate role models for diversity.

## Endnotes

- <sup>1</sup> Cambridge Associates. Data provided as is and at no cost to Kensington Capital Partners. Currency is Canadian Dollars. Data is continuously updated and therefore subject to change. As of Q2 2016.
- <sup>2</sup> Preqin Research Shows Women are Still Significantly Underrepresented in Senior Roles at Private Equity Firms, Despite Recent Improvement, Preqin Research, 11 March 2014:  
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