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Laurie A. Thompson

2021 Talent and Compensation Trends in Institutional Fundraising and Investor Relations

Based on Willow Hill's survey of 476 distribution professionals

I want to express a massive thank you to survey participants who so generously contributed their insights. I sincerely appreciate your time and your trust.

Laurie A. Thompson

Contents

The 2021 Talent and Compensation Trends report is a wide-ranging overview of the leaders and teams driving the distribution ecosystem based on Willow Hill's survey of 476 distribution professionals across North America.

To provide as granular of a view as possible, survey participants self-selected in to firm types and roles.

Firm Type

- Traditional asset manager (primarily long only equities and/or fixed income)
- Diversified asset manager (long only and alternatives)
- Multi-product alternatives asset manager (primarily alternatives)
- Hedge fund (single-strat)
- Hedge fund (multi-strat)
- *Fund of funds
- Private equity
- Private credit
- Infrastructure
- Real estate
- Placement agent
- *OCIO
- *Venture Capital

Primary role

- Sales/Fundraising (individual contributor)
- Investor Relations/Client Service (individual contributor)
- Hybrid Sales & Investor Relations (individual contributor)
- Consultant Relations
- Product Specialist
- Client Portfolio Manager
- Project Management
- Head of Sales / Fundraising (player/coach)
- Head of Investor Relations / Client Service (player/coach)
- Head of Sales & Investor Relations (player/coach)
- Head of Consultant Relations (player/coach)
- Head of Distribution (pure management)
- Chief Operating Officer & Head of Distribution

**Sample sizes for these firm types were too small for inclusion in many sections.*

With a range of contribution levels among survey participants, the paper includes sample sizes for each topic for context and full transparency.

The Insights section includes two of Willow Hill's most relevant thought pieces. For additional thought leadership, please visit https://willowhilladvisors.com

Historically, this talent and compensation report was published every three years. Given the extraordinary year we've experienced, I decided a year-over-year comparison might be welcome. The next edition will be published in 2024.

The survey was conducted between March 14, 2021 and April 18, 2021.

Section I. Key Findings

Compensation

- Total compensation for individual contributor fundraising professionals increased between 2.9% and 9.5% (depending on experience level) between 2019 and 2020.
- Formulaic compensation models continue to decline in prevalence. Just 10% of respondents described their bonus as being formulaic/commission-driven in structure.
- Satisfaction levels between 2020 and 2019 were nearly identical regarding bonuses meeting expectations and total compensation reflecting one's contribution to the firm.
- At the leadership level, total cash compensation for Head of Sales/Fundraising was down 10% between 2019 and 2020; for Head of Sales and Investor Relations it was down nearly 5%.

Capital Raising & Retention

- With the exception of fundraisers at mega-funds, most fundraising professionals raised several hundred million in capital in 2020; this proved consistent across firm types and AUM.
- Only 31 of the over 200 survey respondents who shared capital raising insights reported raising over $1bn in 2020 (13 at mega-funds).
- Overall, 56% described the capital raising environment as moderately or significantly more difficult compared to the prior year.
- 46% described capital retention as about the same; only 23% said it was moderately or significantly more difficult.

Hiring Environment

- Overall, there is a very healthy balance between distribution professionals being open to change and hiring activity.
- All signs point to 2021 being a strong hiring and compensation year.
- The rise of product specialists was one of the top 10 future trends cited by survey participants.
- An extremely shallow talent pool exists for product specialists, resulting in a very competitive and creative hiring environment.
- COVID-19 did not cause distribution professionals to become more risk averse. Only 8% said it made them less open to considering a move; 40% said it made them more open.
- The strongest areas of anticipated hiring in North America were among private credit, diversified asset managers and multi-product alternative firms.
- Fundraising remains the most active function for hiring, with other pockets of strength reported for product specialists, investor relations and junior support roles.
- Few respondents (<2%) said their firms would reduce headcount in distribution in 2021.
- 18% of survey respondents changed jobs in 2020. Of the 45% with garden leave, the typical range was 4-6 months.
- The majority (68%) of respondents who changed jobs had a non-solicitation of clients and/or prospects of between 9-12 months. Enforcement rates varied widely.
- Of the 136 respondents with leadership roles, 24% are actively looking for a new role and 55% are not looking but are open to considering new opportunities.
- 2021, and likely 2022, are potentially shaping up to be years of significant movement at the leadership level, with both an uptick in hiring and a motivated talent pool.
- Once seats start opening up, hiring firms will have to carefully consider the potential advantages and pitfalls of promoting from within vs. recruiting experienced leaders from outside the firm.

Section II.

Compensation Trends across Functions

Fundraising

This section includes 241 survey participants who characterized the primary focus of their current role as individual contributors within:

- Sales/Fundraising
- Hybrid Sales & Investor Relations
- Hybrid Sales & Consultant Relations

In aggregate, the fundraising function had the greatest number of participants, with 164 sharing compensation and an additional 77 sharing general market insights.

While the majority (59%) cited fundraising as being moderately or significantly more difficult in 2020 compared to the prior year, fund managers and their marketing teams proved incredibly adaptable to the new environment.

Fundraising professionals (and LPs alike) appreciated the efficiency of a virtual environment and recognized the "humanization of the process" the pandemic offered as a silver lining.

Compensation for fundraising professionals remained strong, with median total compensation increasing between 2.9% to 9.5% between 2019 and 2020 depending on experience level.

Did being paid up during a pandemic year mean that fundraising professionals were finally happy with their compensation? The short answer is, no.

Overall, when asked how one's 2020 bonus aligned with their expectations, satisfaction levels between 2020 and 2019 we nearly identical. The same proved true when asked how well 2020 total compensation reflected their contribution to the firm.

Most respondents were either actively looking (25%) or open to considering new opportunities if presented (57%). Overall, there is a very healthy balance between hiring firm activity and marketers being open to change.

In summary, the unique skills, characteristics and hustle required to be a successful fundraising professional in this environment remain a valued entity.

Compensation | Fundraising

In addition to base and cash bonus, what components comprised your total compensation in 2020?

Stock options	8%
Equity-like participation	14%
Equity in the firm	11%
Sign on bonus	4%
Retention bonus	7%
Carried interest	19%
Co-investment opportunity (deal based)	4%
Co-investment opportunity (fund level)	8%
None	33%
Other	15%
Responses	**178**

"Genuine relationships have always mattered; I believe trust is more important than ever, so hopefully this is recognized by executives running the firms".

~ Managing Director

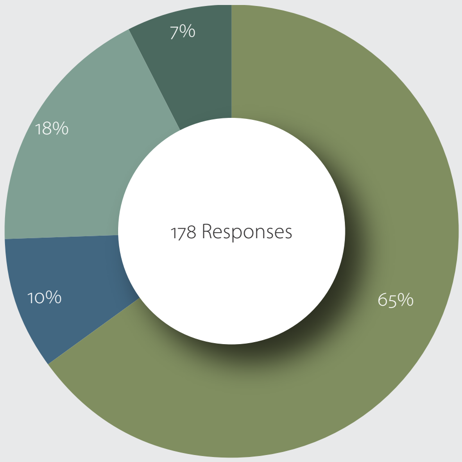
"We are all so lucky to have careers that prospered under COVID-19. Let's make sure we give back and help others who have suffered."

~ Executive Director, Business Development

All signs point to 2021 being another strong hiring and compensation year.

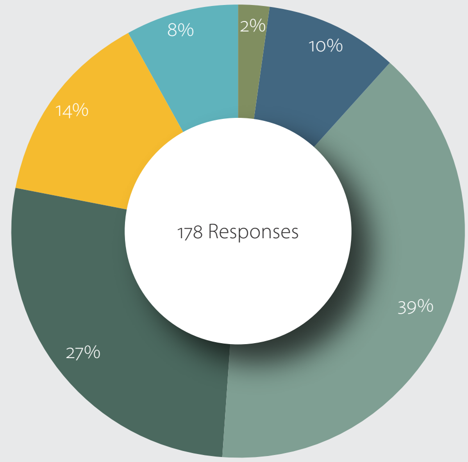
Compensation | Fundraising

How was your 2020 bonus structured?



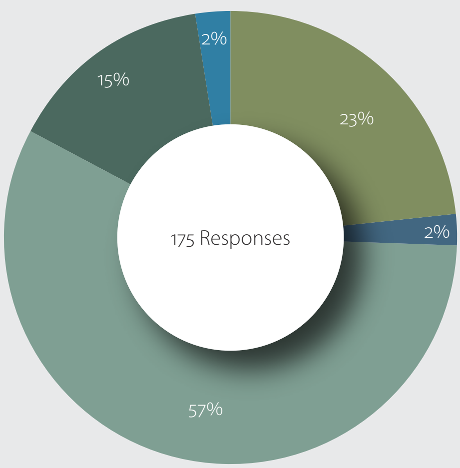
- Pure discretionary
- Formulaic/Commission
- Hybrid discretionary/formulaic
- Other

Overall, how did your 2020 bonus align with your expectations?



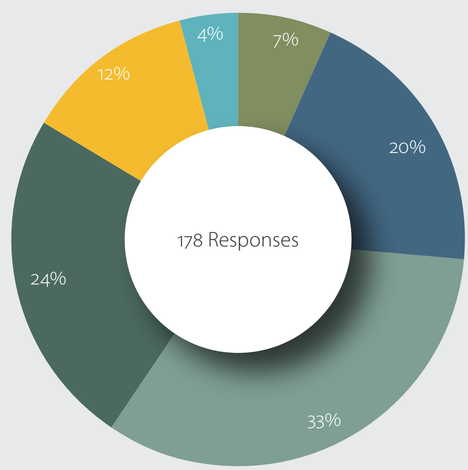
- Significantly exceeded expectations
- Moderately exceeded expectations
- Met expectations
- Moderately below expectations
- Significantly below expectations
- Other

How would you characterize your current state of mind?



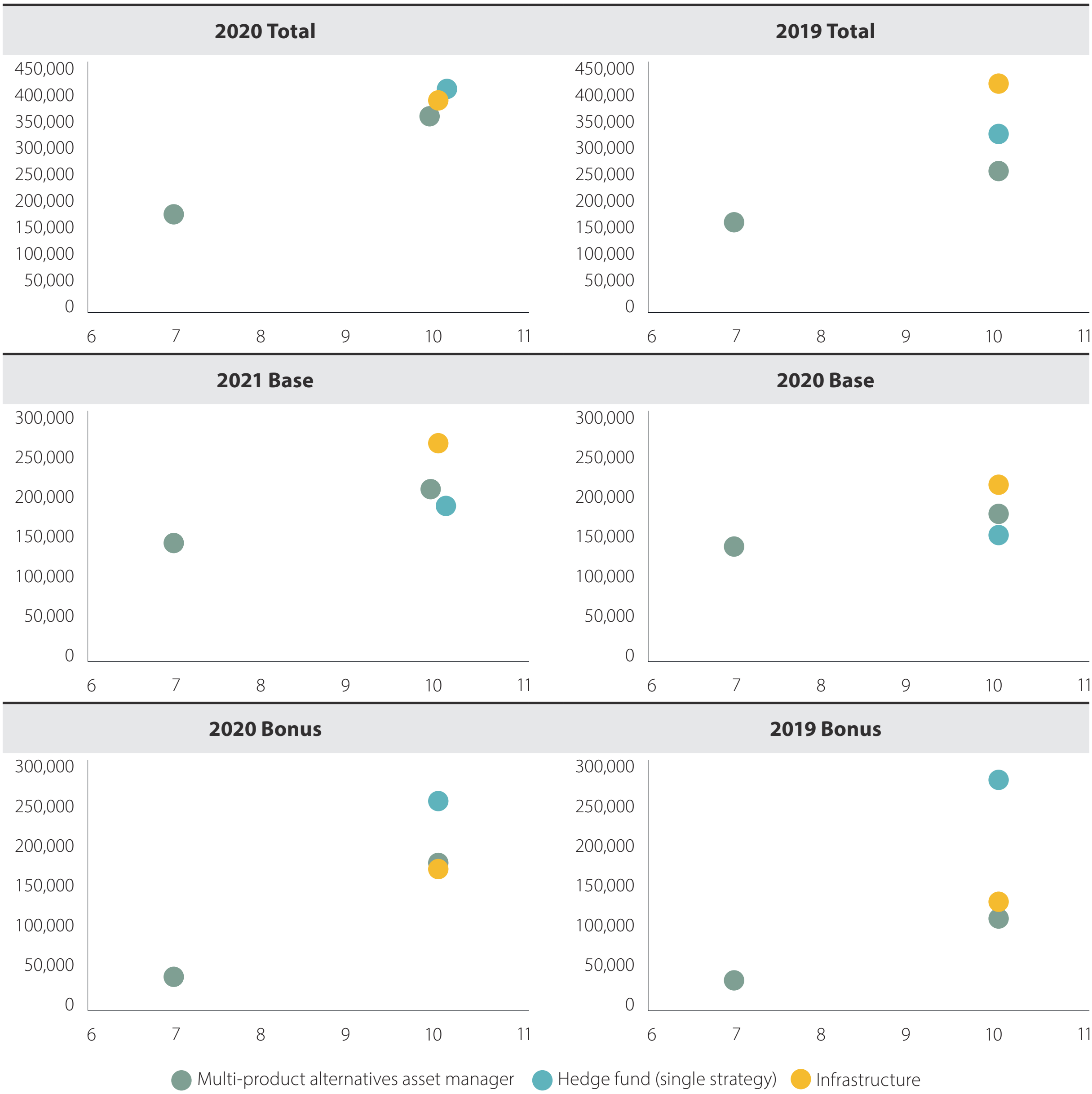
- Actively looking (employed)
- Actively looking (unemployed)
- Not looking but open to considering new opportunities if presented
- Firmly not open to considering new opportunities if presented
- Other

In your view, how well did your 2020 total compensation reflect your contribution to the firm?



- Highly accurate
- Moderately accurate
- Neutral
- Moderately inaccurate
- Highly inaccurate
- Other

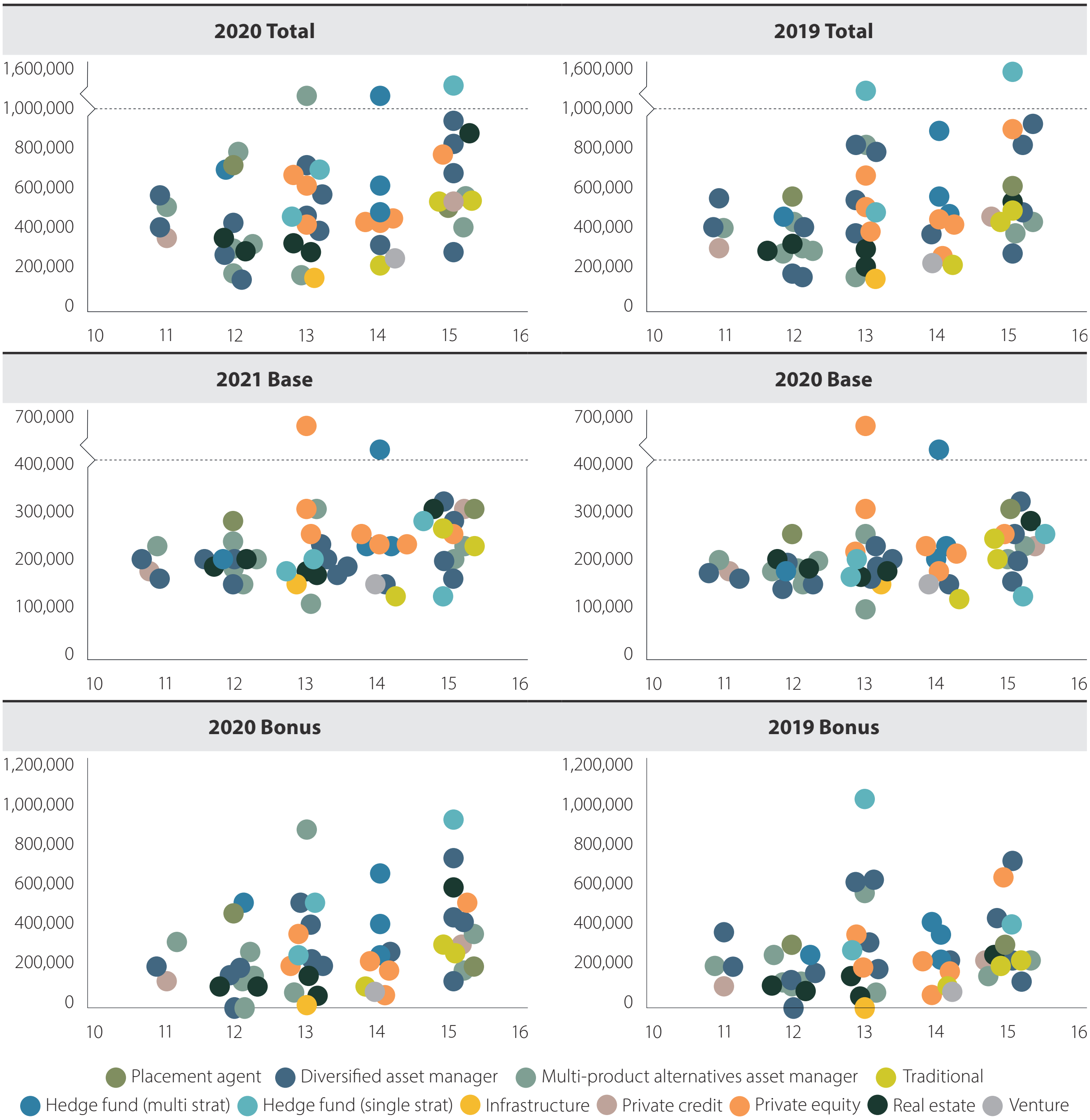
Fundraising: Compensation by Years of Experience (7-10 years)



7-10 Years of Experience				
	Mean	**Median**	**Range**	**Respondents**
2021 Base	197,750	195,000	141,000 - 260,000	4
2020 Base	167,750	162,500	136,000 - 210,000	4
2020 Bonus	158,148	171,795	39,000 - 250,000	4
2019 Bonus	136,954	118,809	35,000 - 275,000	4
2020 Total	325,897	364,295	175,000 - 400,000	4
2019 Total	285,204	285,409	160,000 - 410,000	4

Note small sample size.

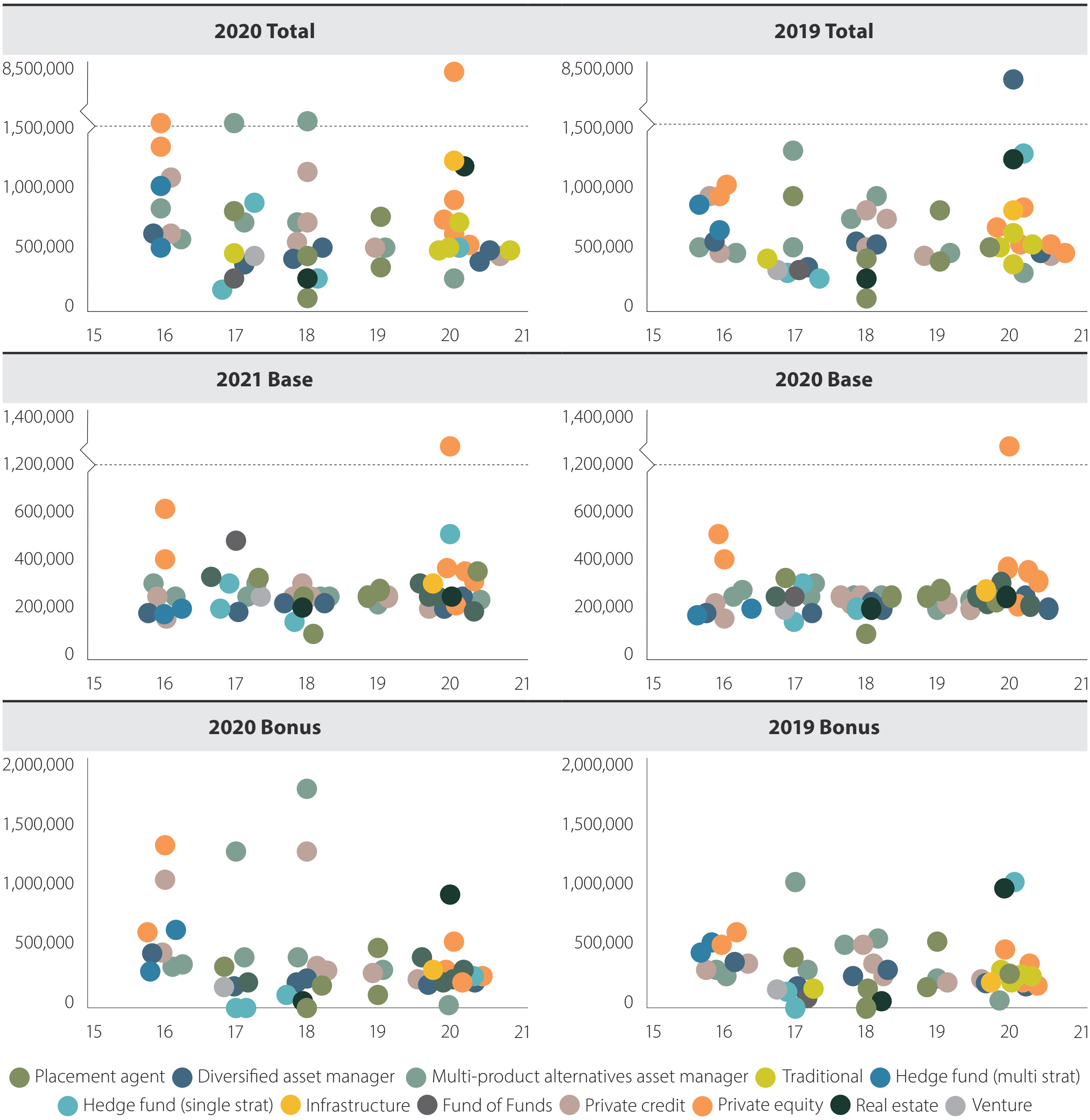
Fundraising: Compensation by Years of Experience (11-15 years)



11-15 Years of Experience				
	Mean	**Median**	**Range**	**Respondents**
2021 Base	215,584	200,000	110,000 - 600,000	52
2020 Base	202,009	195,000	100,000 - 600,000	52
2020 Bonus	282,559	228,869	0 - 900,000	49
2019 Bonus	255,093	225,500	0 - 1,000,000	50
2020 Total	508,064	453,869	150,000 - 1,250,000	51
2019 Total	479,026	425,000	150,000 - 1,475,000	51

6.7% (median) total compensation increase from 2019 to 2020.

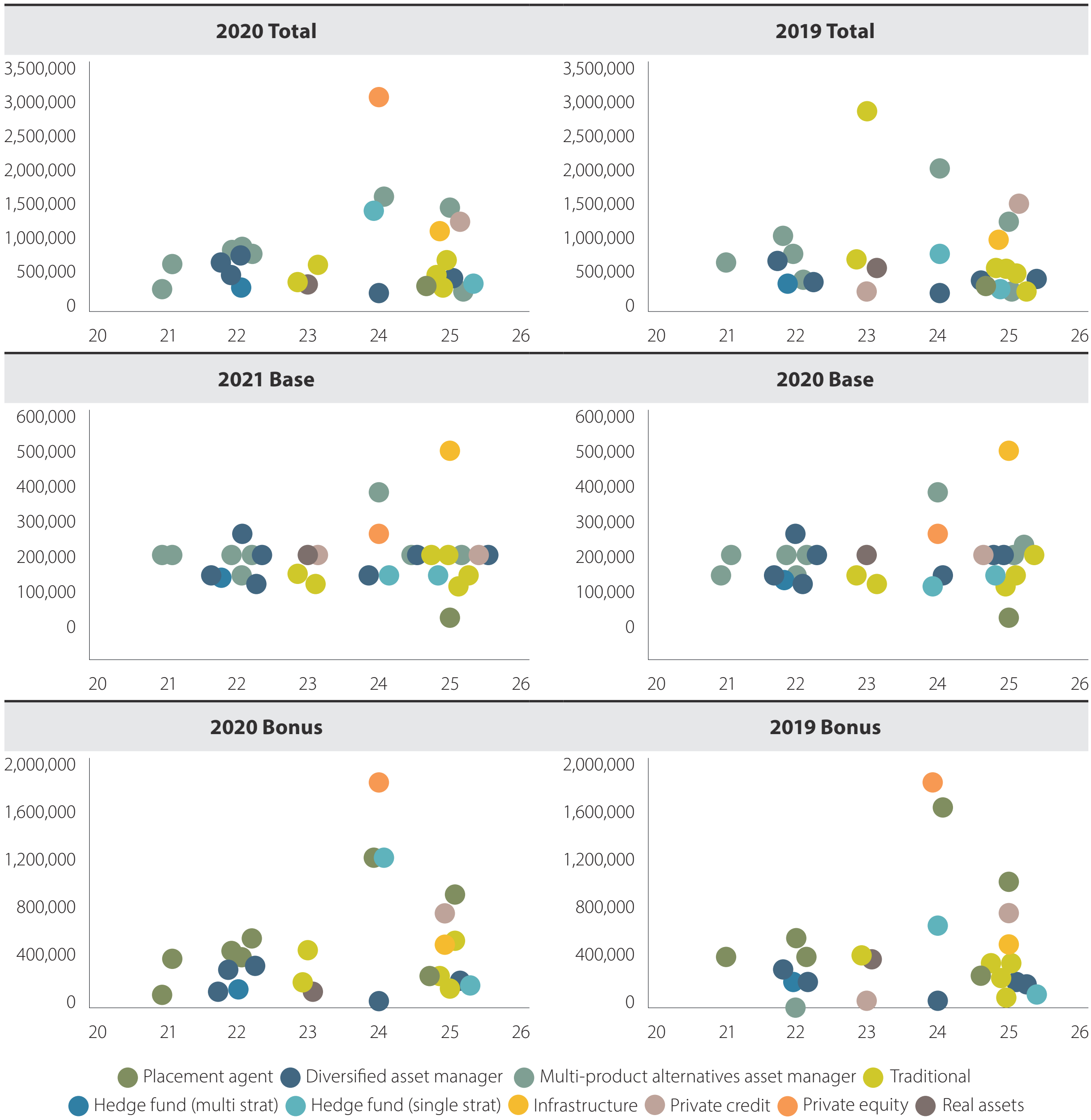
Fundraising: Compensation by Years of Experience (16-20 years)



16-20 Years of Experience				
	Mean	**Median**	**Range**	**Respondents**
2021 Base	287,780	250,000	100,000 - 1,250,000	50
2020 Base	265,940	250,000	100,000 - 1,250,000	50
2020 Bonus	388,968	295,000	0 - 1,750,000	47
2019 Bonus	317,552	255,000	0 - 1,000,000	48
2020 Total	827,204	545,500	100,000 - 8,200,000	49
2019 Total	708,704	510,000	100,000 - 6,500,000	49

6.8% (median) total compensation increase between 2019 and 2020.

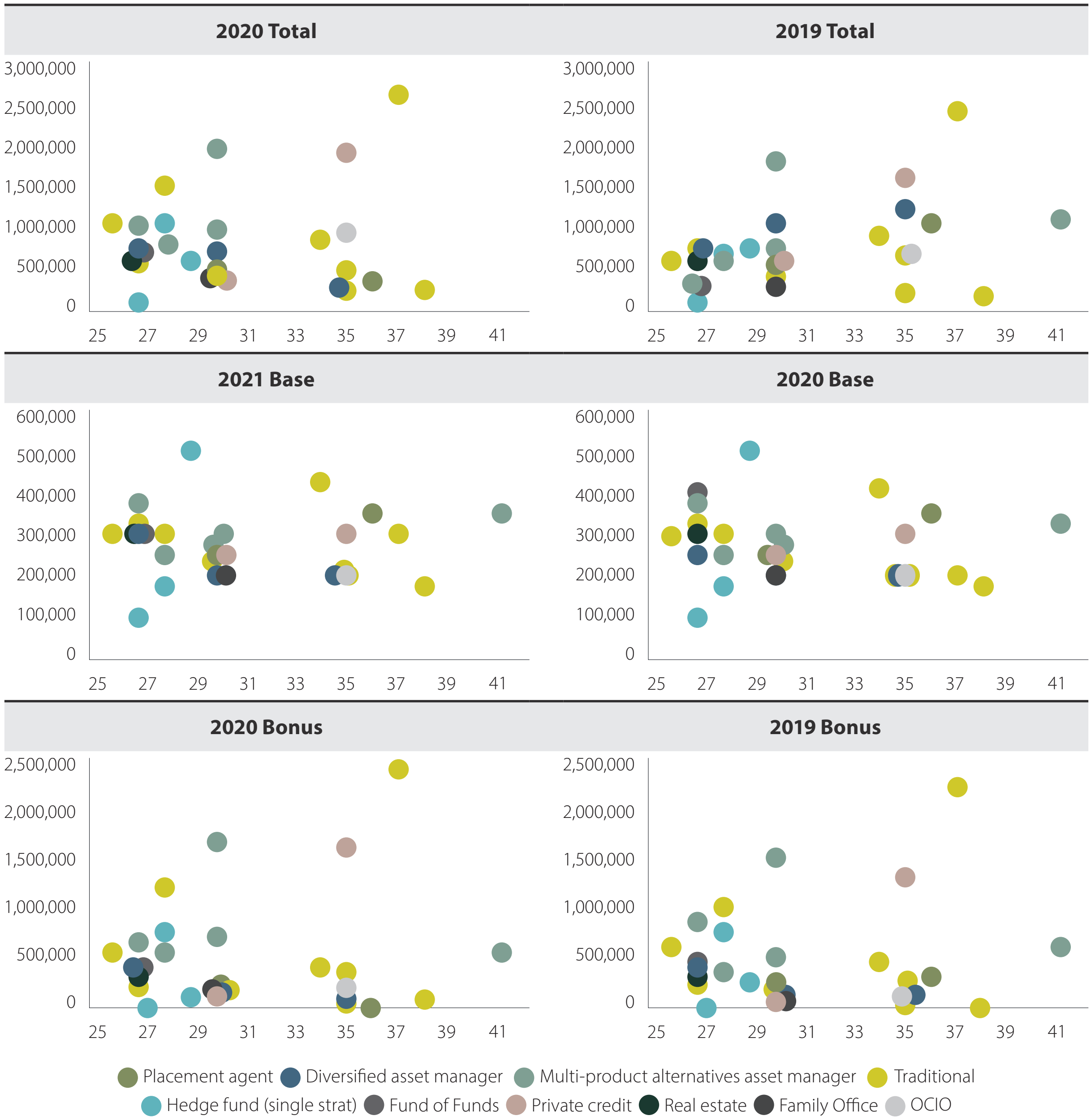
Fundraising: Compensation by Years of Experience (21-25 years)



21-25 Years of Experience				
	Mean	**Median**	**Range**	**Respondents**
2021 Base	241,170	250,000	100,000 - 500000	30
2020 Base	238,392	250,000	100,000 - 500000	28
2020 Bonus	461,320	332,000	50,000 - 1,800,000	25
2019 Bonus	438,840	350,000	0 - 1,800,000	25
2020 Total	779,961	652,000	250,000 - 3,000,000	26
2019 Total	747,923	595,500	250,000 - 2,800,000	26

9.5% (median) total compensation increase between 2019 and 2020.

Fundraising: Compensation by Years of Experience (26+ years)



26+ Years of Experience				
	Mean	**Median**	**Range**	**Respondents**
2021 Base	273,178	287,500	100,000 - 500,000	28
2020 Base	269,250	250,000	100,000 - 500,001	28
2020 Bonus	499,153	325,000	0 - 2,400,000	28
2019 Bonus	471,450	300,000	0 - 2,200,000	28
2020 Total	813,352	700,000	100,000 - 2,600,000	27
2019 Total	774,593	680,000	100,000 - 2,400,000	27

2.9% (median) total compensation increase between 2019 and 2020.

Consultant Relations

29 dedicated consultant relations professionals contributed to the survey (18 provided compensation insights and an additional 11 shared general perspective).

Considering the greater comfort levels with "known" managers exhibited by LPs in 2020, it was no surprise to see investment consulting firms continue to wield strong influence in key market segments.

Compared to 2019, hiring for dedicated consultant relations professionals to serve this community remains steady across firm types.

While acknowledging the limited sample size, the survey showed a 4.5% increase in median total compensation between 2019 and 2020. Half reported their bonus met expectations, but sentiment was all over the map when asked how well their total compensation reflected their contributions to the firm.

As in years past, this cohort tends to be more open to change and the pandemic seems to have further strengthened the trend, with 52% saying that COVID-19 has increased their willingness to consider new opportunities. Overall, 32% reported actively looking for a new role and 59% were not looking but open to considering a new opportunity if presented. This leaves just 9% firmly committed to their current situation.

With more managers competing for attention from fewer consulting firms each year, the skill set required to successfully cover this channel will continue to evolve.

Compensation | Consultant Relations

In addition to base and cash bonus, what components comprised your total compensation in 2020?

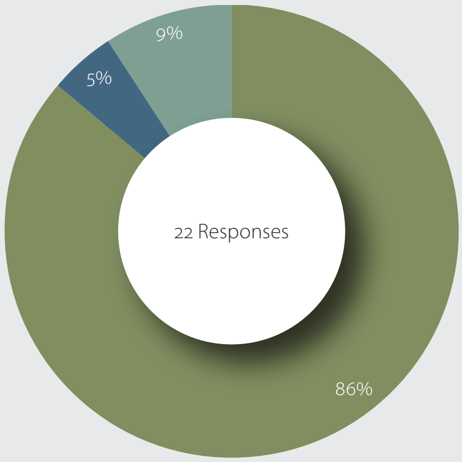
Stock options	18%
Equity-like participation	9%
Equity in the firm	23%
Sign on bonus	0%
Retention bonus	9%
Carried interest	0%
Co-investment opportunity (deal based)	0%
Co-investment opportunity (fund level)	0%
None	45%
Other	9%
Responses	**22**

"Deferred compensation helps with retention but it would not ***really*** matter if an exciting new employer were to make me whole."

~ Director, Consultant Relations

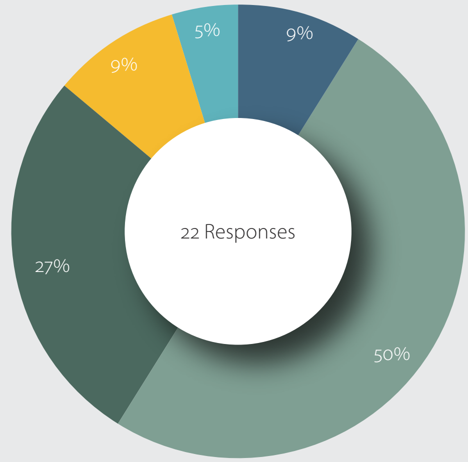
Compensation | Consultant Relations

How was your 2020 bonus structured?



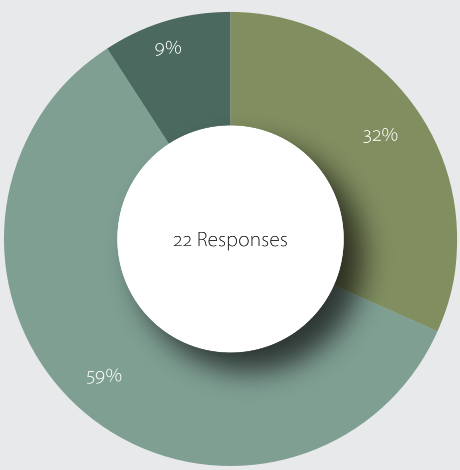
- Pure discretionary
- Hybrid discretionary/formulaic
- Other

Overall, how did your 2020 bonus align with your expectations?



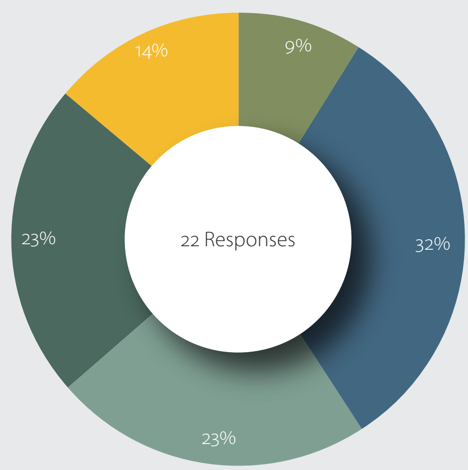
- Significantly exceeded expectations (0%)
- Moderately exceeded expectations
- Met expectations
- Moderately below expectations
- Significantly below expectations
- Other

How would you characterize your current state of mind?



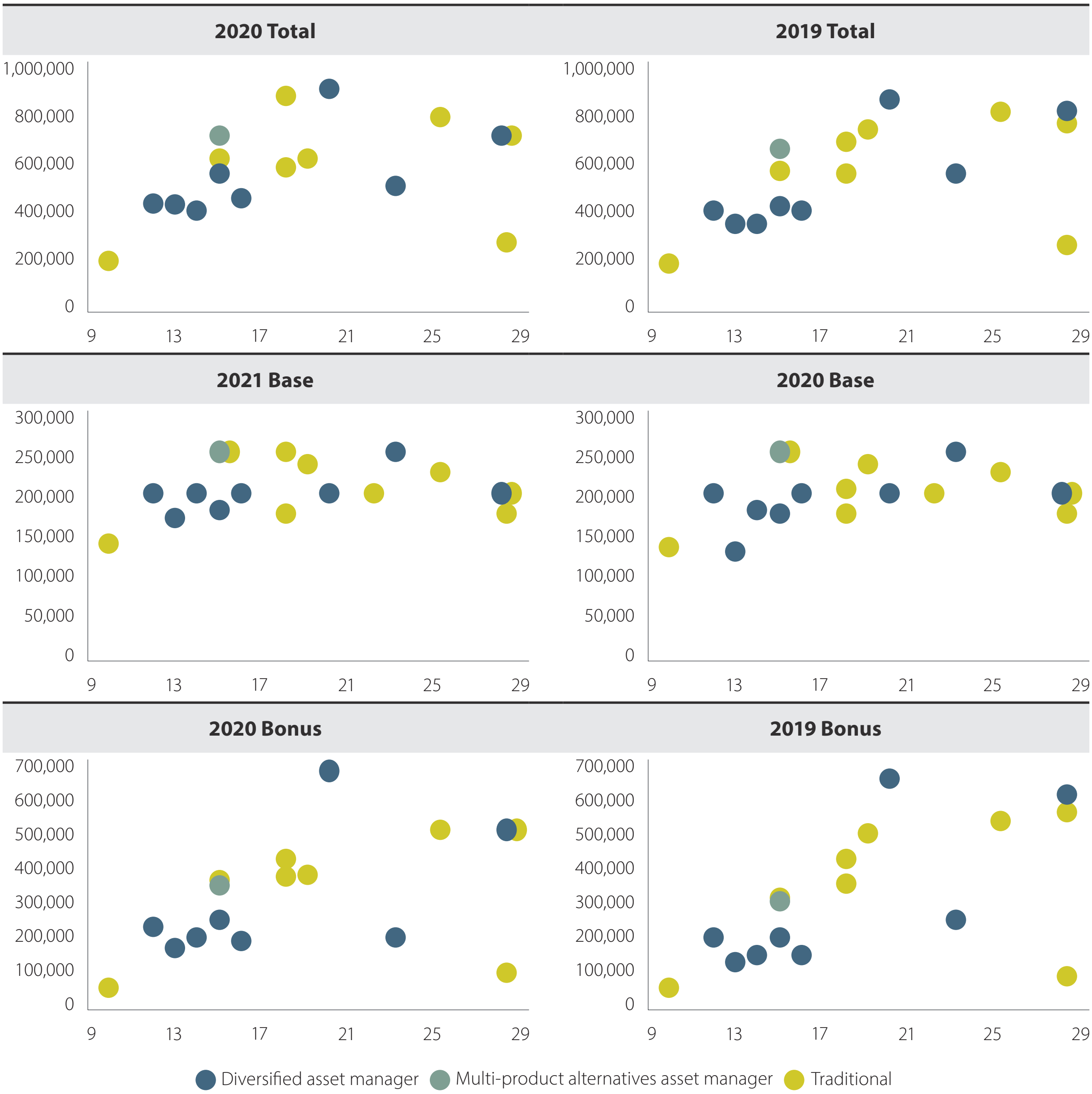
- Actively looking (employed)
- Actively looking (unemployed)
- Not looking but open to considering new opportunities if presented
- Firmly not open to considering new opportunities if presented

In your view, how well did your 2020 total compensation reflect your contribution to the firm?



- Highly accurate
- Moderately accurate
- Neutral
- Moderately inaccurate
- Highly inaccurate

Consultant Relations: Compensation by Years of Experience (All)



10-28 Years of Experience				
	Mean	**Median**	**Range**	**Respondents**
2021 Base	205,511	200,000	139,200 - 250,000	18
2020 Base	199,178	200,000	130,000 - 250,000	18
2020 Bonus	320,058	345,000	60,000 - 687,500	17
2019 Bonus	318,823	300,000	60,000 - 645,000	17
2020 Total	567,559	575,000	200,000 - 887,500	17
2019 Total	545,764	550,000	190,000 - 845,000	17

4.5% increase in (median) total compensation between 2019 and 2020. Note small sample size.

Product Specialist/Client Portfolio Manager (CPM)

This section includes the 23 survey respondents who described their primary role as either product specialist or client portfolio manager (CPM). Only 19 contributed compensation insights, but it's an important function to explore as much as possible given several factors:

- Product specialist and CPM roles are among the most complex and challenging hires.
- Anticipated hiring for this function was up year-over-year across every firm type, without exception.
- The rise of product specialists/CPMs was one of the top ten future trends cited by survey participants.
- An extremely shallow talent pool exists for experienced professionals leading to a very competitive hiring situation.
- Managing the dynamics between sales and product specialists/CPMs can be challenging, with little industry standardization in defining the scope of the role, compensation structures and reporting lines.
- Investor demand for access to the investment teams, data and transparency was already on the rise pre-COVID-19. The pandemic only strengthened this trend.
- A product specialist/CPM can serve as a critical liaison between a firm's portfolio management teams and current and prospective investors, thus adding meaningful leverage in a competitive capital raising environment.

Compensation | Product Specialist/Client Portfolio Manager (CPM)

In addition to base and cash bonus, what components comprised your total compensation in 2020?

Stock options	0%
Equity-like participation	0%
Equity in the firm*	32%
Sign on bonus	5%
Retention bonus	5%
Carried interest	16%
Co-investment opportunity (deal based)	0%
Co-investment opportunity (fund level)	16%
None	47%
Other	5%
Responses	**19**

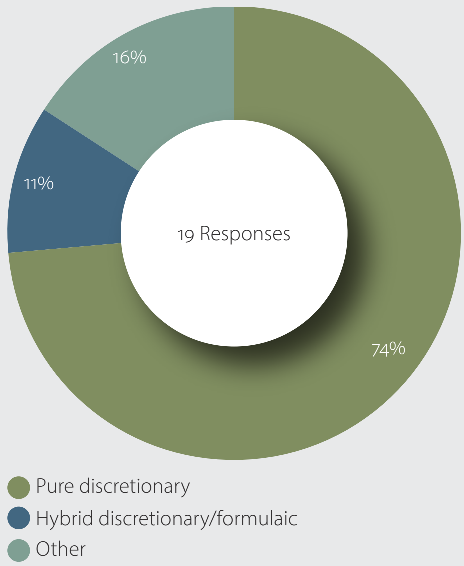
**Surprised by this, I took a closer look. 6 of the 19 respondents had equity in the firm. I think this is a reflection of the small sample size rather than an industry norm.*

> "For the future, I continue to believe strongly in the value of a quality product specialist... those professionals who can carry conversations far down the path with limited resources (investment professionals) are ever more valuable."

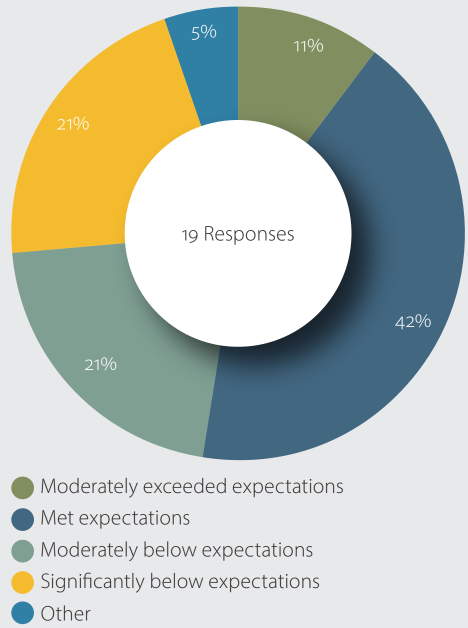
~ Managing Director, Client Portfolio Manager

Compensation | Product Specialist/Client Portfolio Manager (CPM)

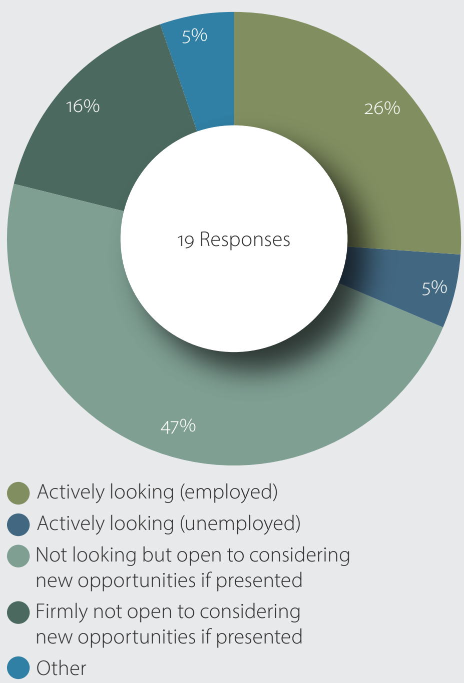
How was your 2020 bonus structured?



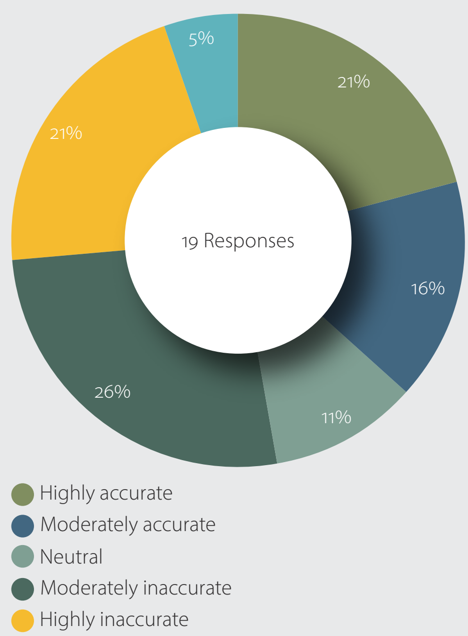
Overall, how did your 2020 bonus align with your expectations?



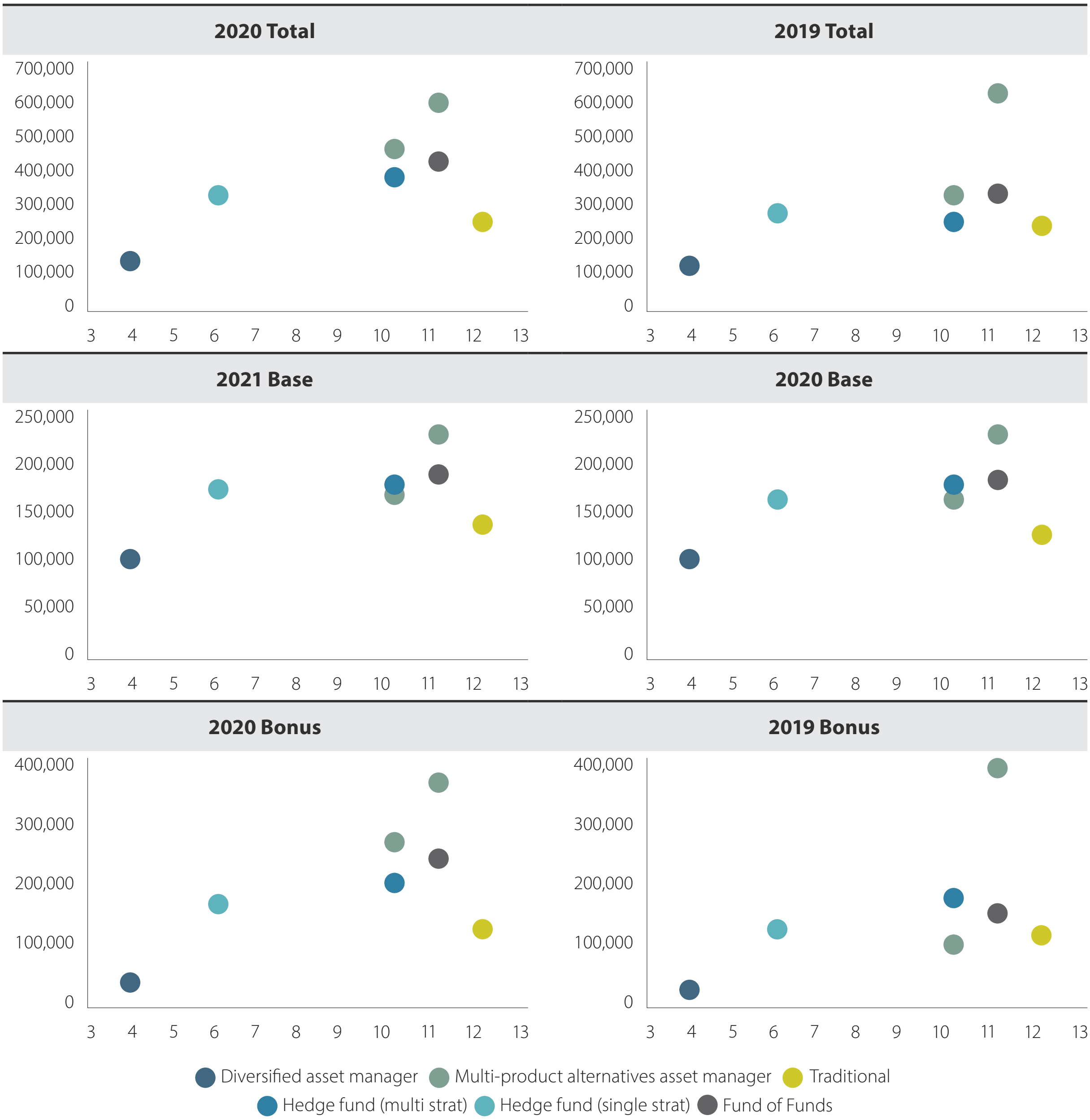
How would you characterize your current state of mind?



In your view, how well did your 2020 total compensation reflect your contribution to the firm?



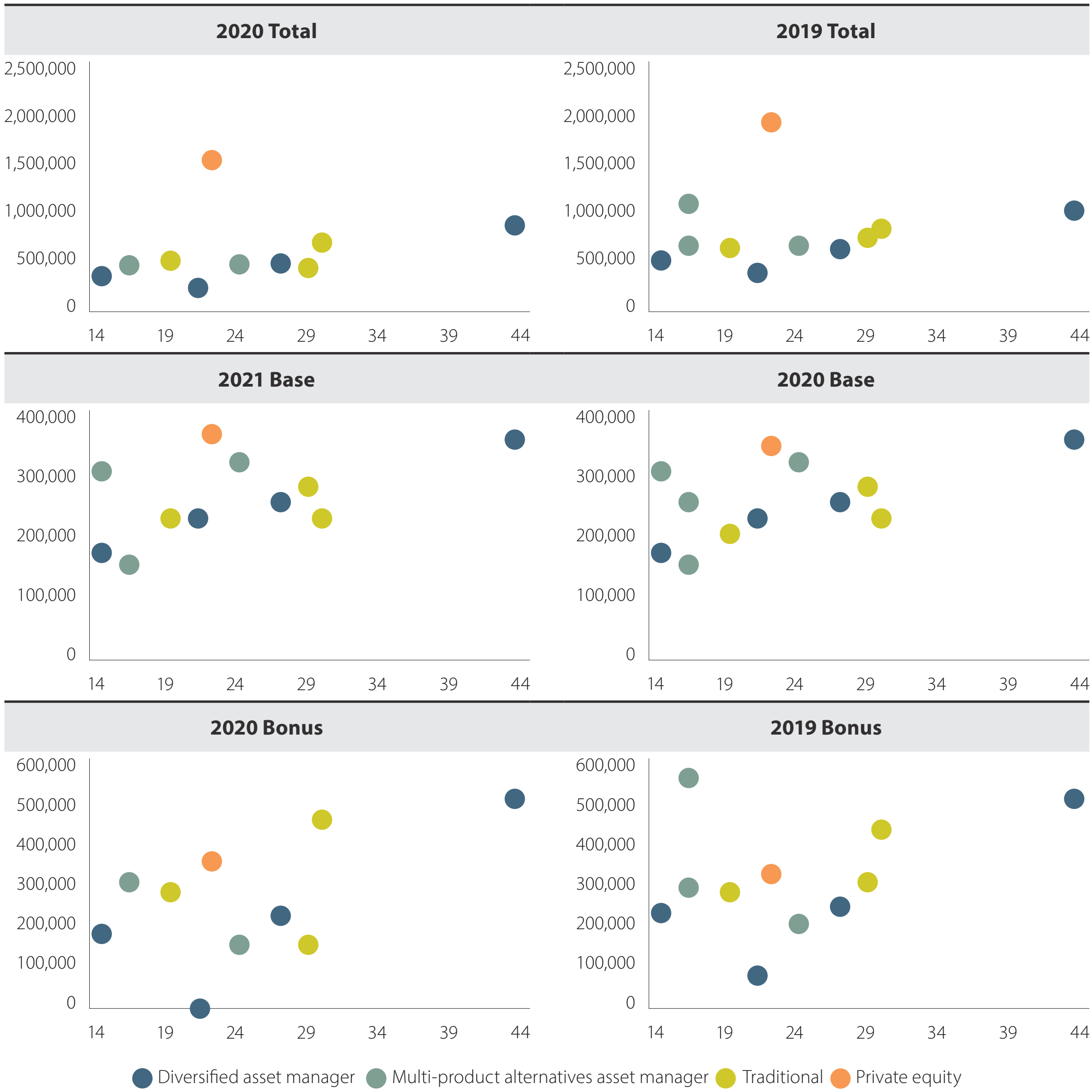
Product Specialist/CPM: Compensation by Years of Experience (4-12)



4-12 Years of Experience				
	Mean	**Median**	**Range**	**Respondents**
2021 Base	165,000	170,000	100,000 - 225,000	7
2020 Base	160,714	160,000	100,000 - 225,001	7
2020 Bonus	199,142	200,000	40,000 - 360,000	7
2019 Bonus	153,928	125,000	27,500 - 385,000	7
2020 Total	364,143	375,000	140,000 - 585,500	7
2019 Total	308,214	275,000	127,500 - 610,000	7

Note small sample size.

Product Specialist/CPM: Compensation by Years of Experience (13+)



13+ Years of Experience				
	Mean	**Median**	**Range**	**Respondents**
2021 Base	258,636	250,000	150,000 - 360,000	11
2020 Base	254,166	250,000	150,000 - 350,000	12
2020 Bonus	257,000	247,500	0 - 500,000	10
2019 Bonus	339,700	287,000	75,000 - 550,000	11
2020 Total	590,500	467,500	225,000 - 1,500,000	10
2019 Total	689,727	515,000	300,000 - 2,000,000	11

Note small sample size.

Investor Relations/ Client Service

Just 22 survey respondents described their current role as Investor Relations/Client Service or Project Management. 17 offered compensation insights and an additional 5 shared market views. The following section offers compensation insights with this caveat.

As described in last year's paper, investor relations and client service professionals are often unsung heroes within investment management firms, particularly during times of market volatility and crisis.

With 2020 being a year of re-ups and retention, these professionals provided fund managers with a strong backbone and continuity during a challenging year.

There is a wide range of variability in how much firms expect of their investor relations professionals. Those at the highest compensation levels generally bring deep investment knowledge along with top tier relationship management and communication skills. They are skilled at identifying cross-selling opportunities, and can often serve as a proxy to the investment team, which provides important leverage, particularly at smaller firms without product specialists.

As previously mentioned, investor demand for greater transparency, data and access to the investment teams has only increased during the pandemic. To the extent firms provide their investor relations professionals with the tools to meet these demands, they can be instrumental in retaining capital during a broad economic crisis or periods of challenging sector or fund performance.

In addition, investor relations professionals play a critical role in maintaining connectivity and deepening relationships with a firm's existing investor base between fundraises, thus better positioning managers to attract additional capital in subsequent years.

Historically, investor relations and client services professionals have been compensated below their fundraising colleagues and 2020 was no exception.

Compensation | Investor Relations/Client Service

In addition to base and cash bonus, what components comprised your total compensation in 2020?

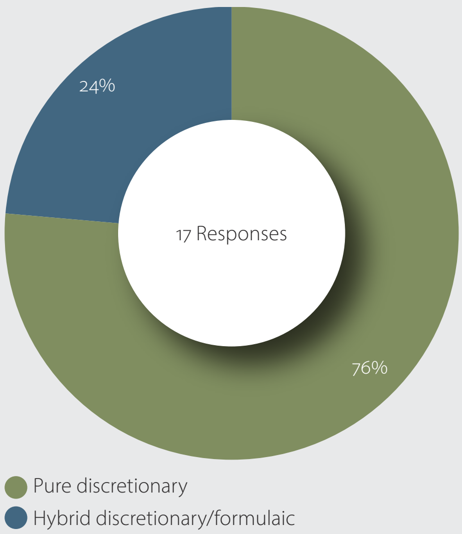
Stock options	0%
Equity-like participation	12%
Equity in the firm	12%
Sign on bonus	0%
Retention bonus	0%
Carried interest	6%
Co-investment opportunity (deal based)	0%
Co-investment opportunity (fund level)	0%
None	65%
Other	12%
Responses	**17**

"In the future, distribution professionals will need to be adaptable. Product knowledge will be at a premium. Relationships will be built more on knowledge and adding value than old-fashioned entertainment, likeability, etc."

~ Managing Principal

Compensation | Investor Relations/Client Service

How was your 2020 bonus structured?



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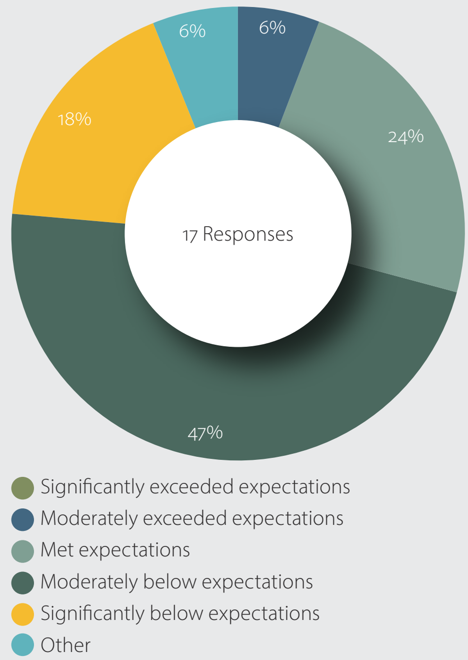
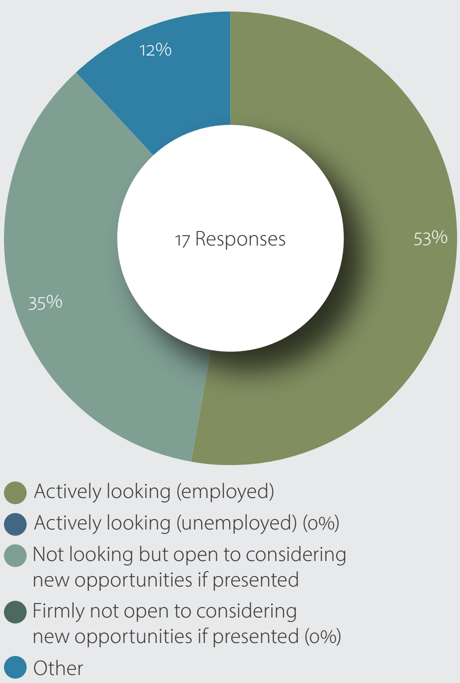
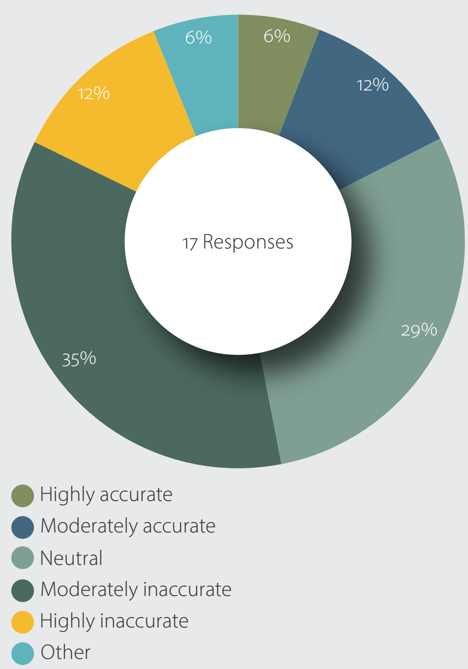


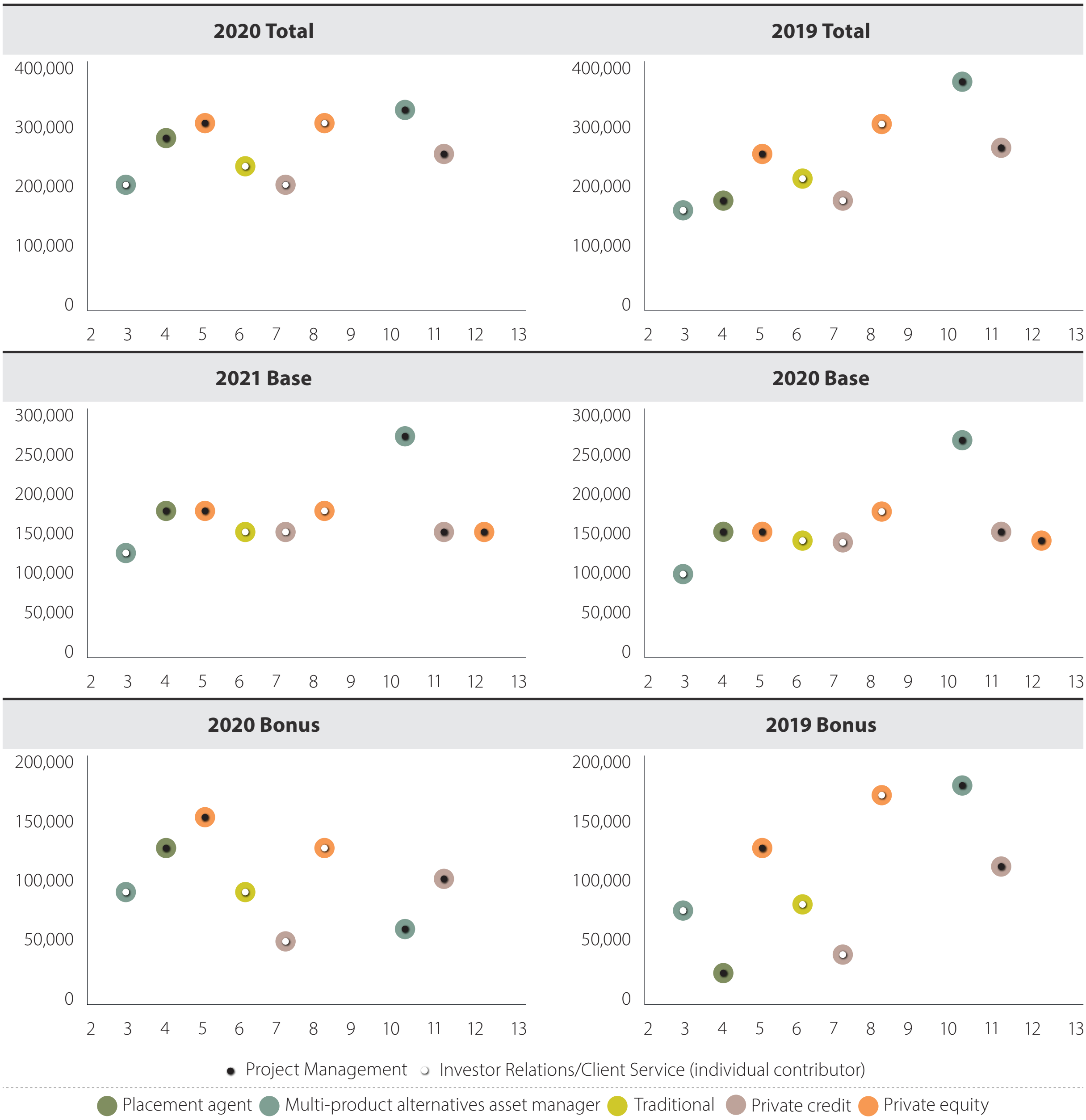
How would you characterize your current state of mind?



In your view, how well did your 2020 total compensation reflect your contribution to the firm?



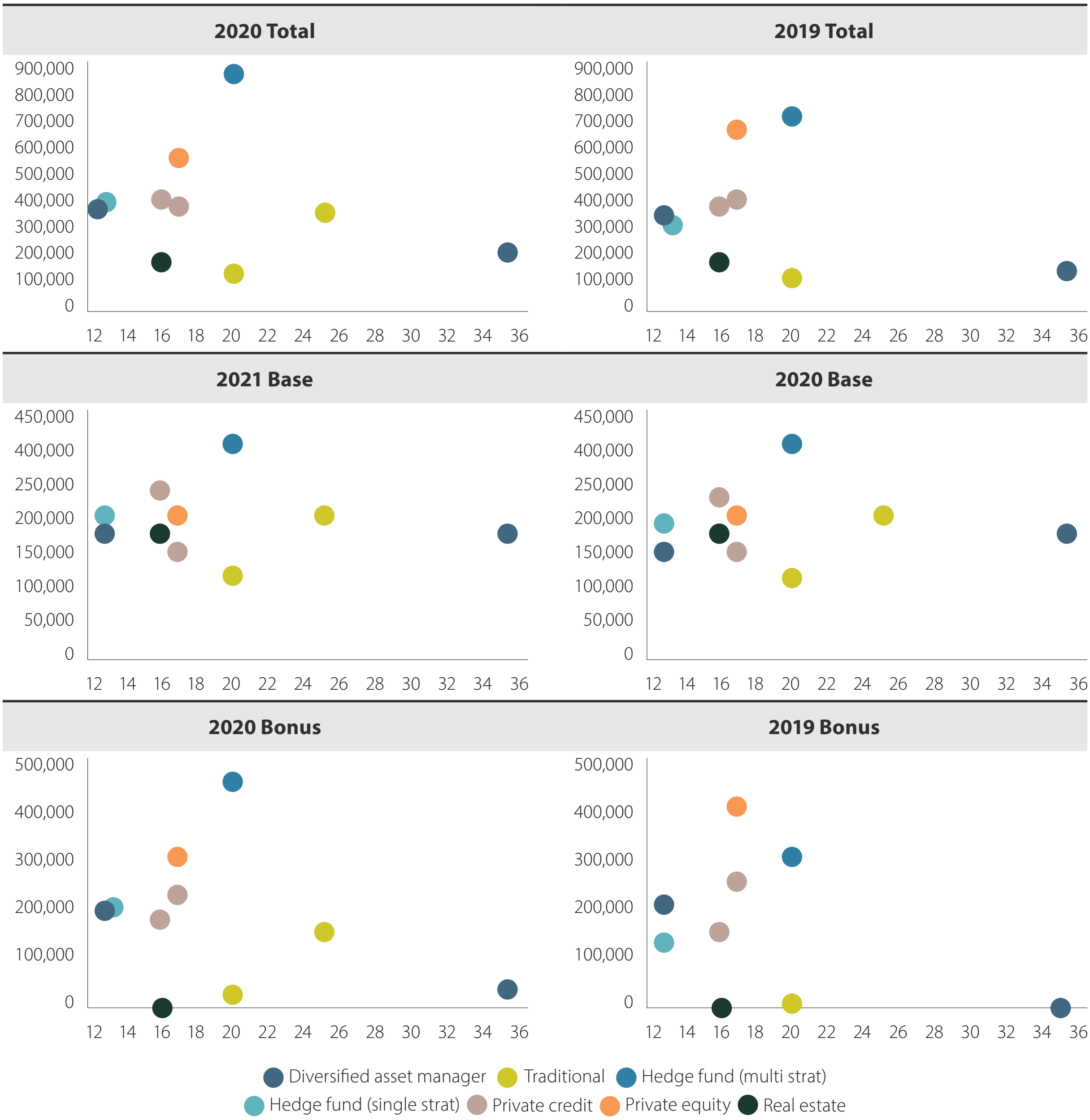
IR/Client Service: Compensation by Years of Experience (3-12 years)



3-12 Years of Experience				
	Mean	**Median**	**Range**	**Respondents**
2021 Base	168,333	150,000	100,000 - 260,000	9
2020 Base	155,833	150,000	100,000 - 260,000	9
2020 Bonus	98,750	95,000	50,000 - 150,000	8
2019 Bonus	99,688	95,000	25,000 - 175,000	8
2020 Total	259,375	262,500	200,000 - 320,000	8
2019 Total	236,562	230,000	160,000 - 365,000	8

Note small sample size.

IR/Client Service: Compensation by Years of Experience (13+ years)



13+ Years of Experience				
	Mean	**Median**	**Range**	**Respondents**
2021 Base	202,800	187,500	113,000 - 400,000	10
2020 Base	197,800	182,500	113,000 - 400,001	10
2020 Bonus	175,300	184,000	0 - 450,000	10
2019 Bonus	160,222	150,000	0 - 400,000	9
2020 Total	380,300	370,000	135,000 - 850,000	10
2019 Total	357,444	345,000	117,000 - 700,000	9

Note small sample size.

Leadership

This section includes the 161 survey respondents who defined their current role as:

- Chief Operating Officer & Head of Distribution
- Head of Distribution (pure management)
- Head of Sales/Fundraising (player/coach)
- Head of Sales & Investor Relations (player/coach)
- Head of Consultant Relations (player/coach)
- Head of Investor Relations/Client Service (player/coach)

136 contributed compensation insights and an additional 25 shared general views.

The survey illustrates cash compensation only, and respondents at the leadership level had meaningful non-cash components that are difficult to quantify. Non-cash compensation was extremely important to the majority of respondents for multiple reasons: it demonstrated an alignment of interests among firm, individual and clients, served as a powerful motivator and retention tool, and (depending on structure) a meaningful wealth building opportunity.

In the two categories where we had large enough data sets to run comparisons, total cash comp for Head of Sales/Fundraising was down 10% from 2019 and Head of Sales and Investor Relations was down nearly 5%. Perhaps as a result, 46% described their bonus as meeting expectations and 38% moderately or significantly below expectations.

Sentiment regarding compensation as a reflection of contribution was all over the map. Several opined that it was surprising and demoralizing to be paid flat or down given the Herculean efforts they and their teams put forward and their firm's success in 2020.

2021, and likely 2022, are potentially shaping up to be robust hiring years for leadership roles with both an uptick in hiring and motivated candidates.

Once seats start opening up, firms will have to carefully consider the potential advantages and pitfalls of promoting from within or recruiting experienced leaders from outside the firm.

Compensation | Leadership

In addition to base and cash bonus, what components comprised your total compensation in 2020?

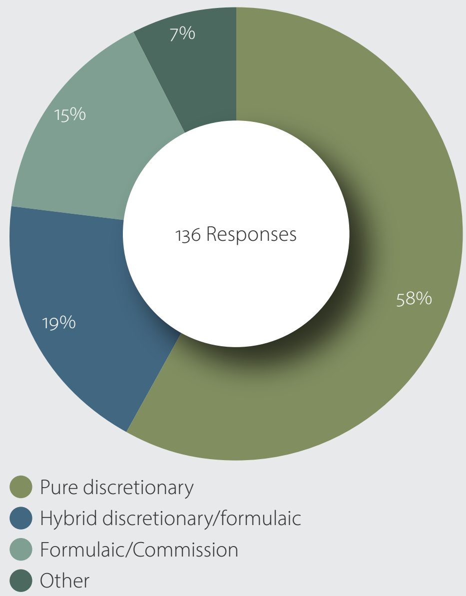
Stock options	7%
Equity-like participation	26%
Equity in the firm	19%
Sign on bonus	1%
Retention bonus	8%
Carried interest	27%
Co-investment opportunity (deal based)	7%
Co-investment opportunity (fund level)	14%
None	25%
Other	9%
Responses	**136**

> "I am firmly not looking for a new role. But I want to make sure I'm not being loyal to a fault."
>
> *~ Partner, Head of Sales and Investor Relations*

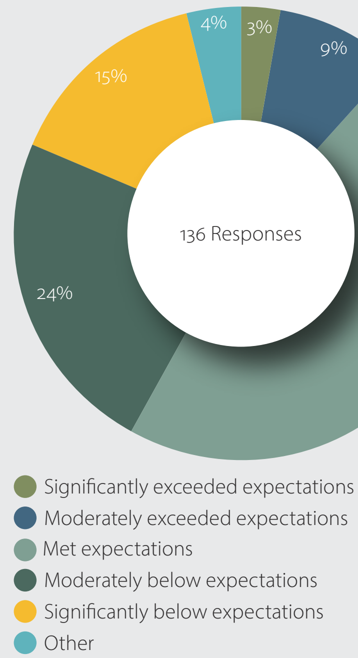
Given market dynamics I am including "The Path to Leadership" piece in the Insights section again for 2021.

Compensation | Leadership

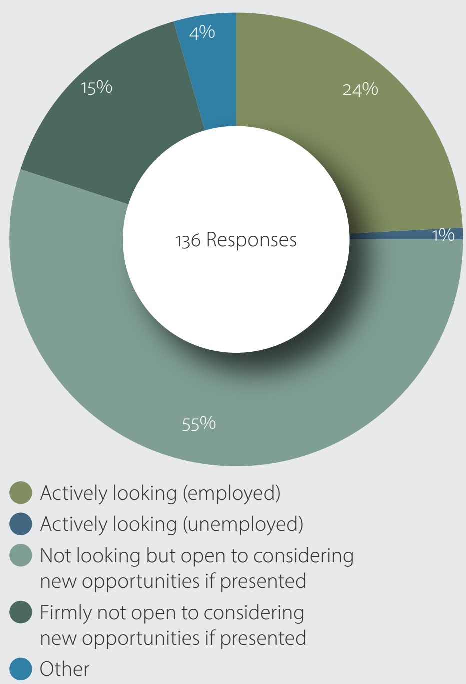
How was your 2020 bonus structured?



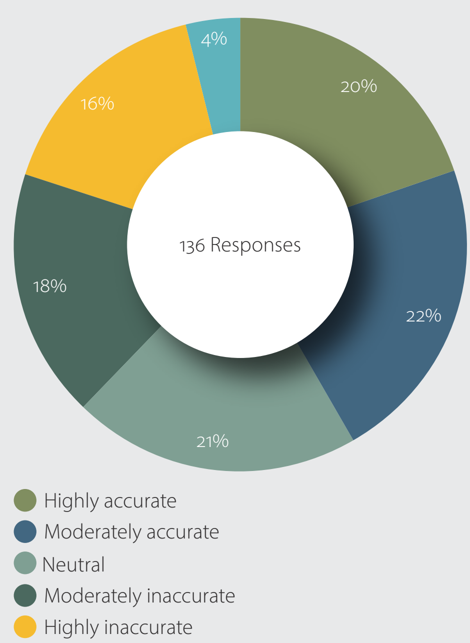
Overall, how did your 2020 bonus align with your expectations?



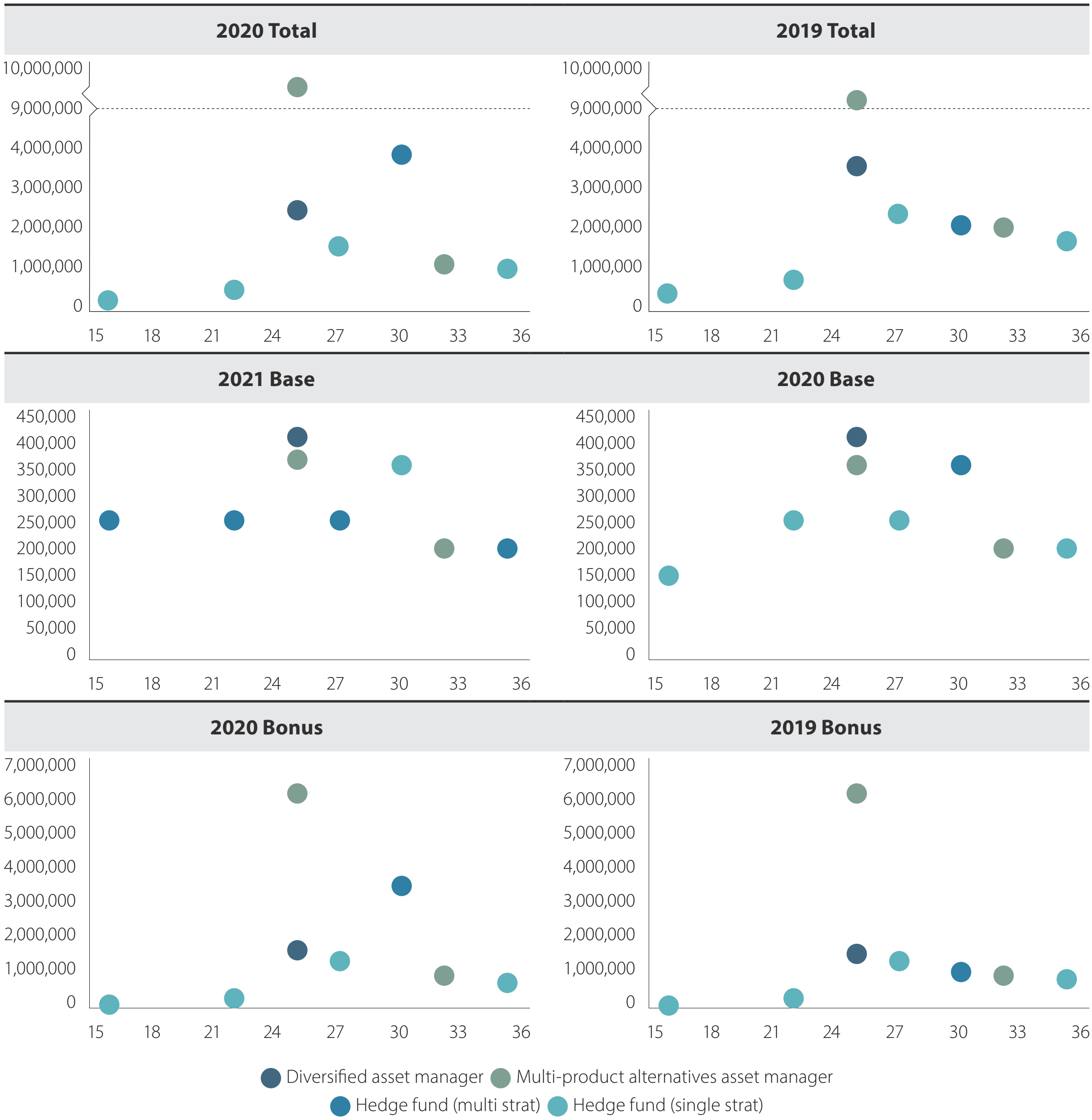
How would you characterize your current state of mind?



In your view, how well did your 2020 total compensation reflect your contribution to the firm?



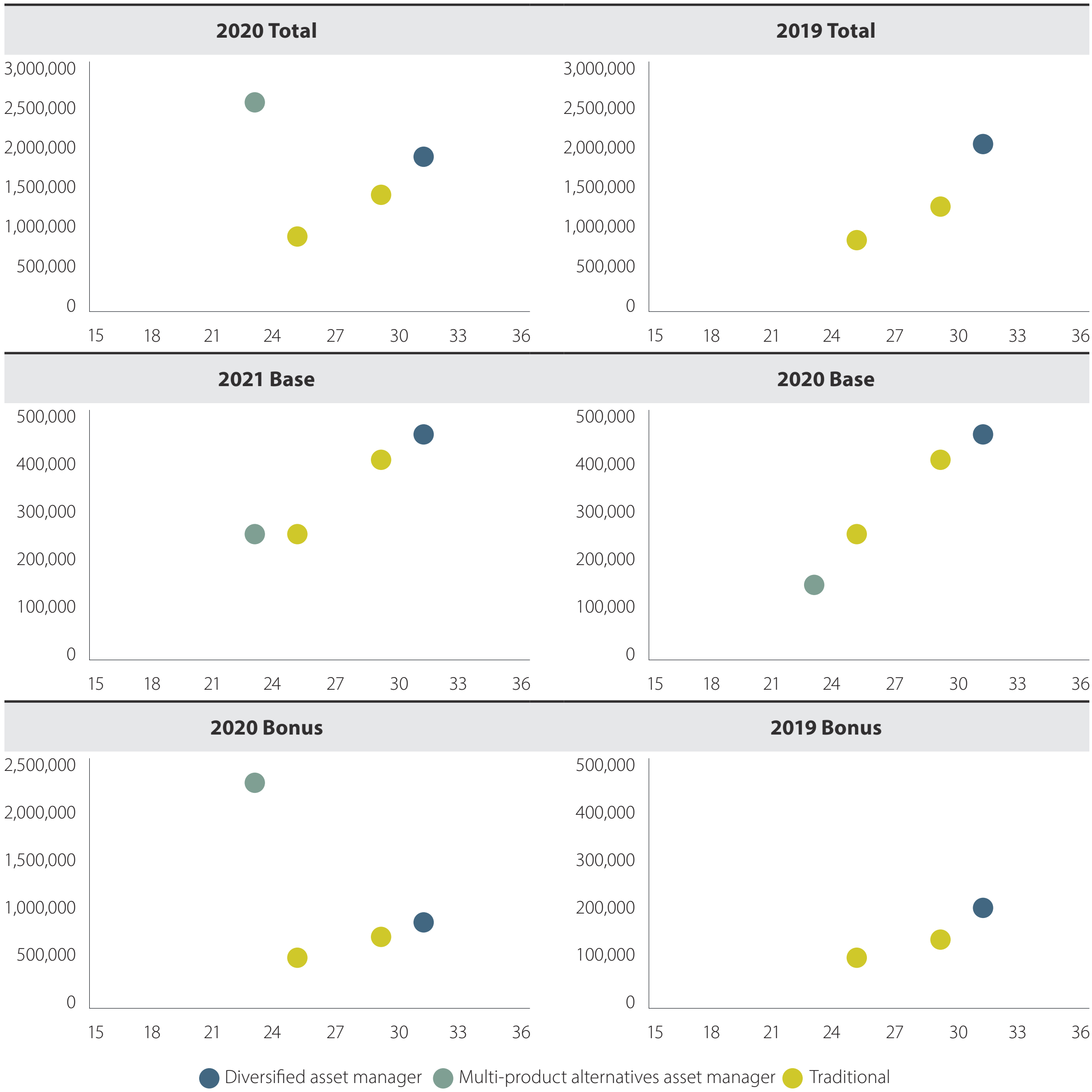
Leadership: Compensation by Years of Experience – Chief Operating Officer & Head of Distribution



Chief Operating Officer & Head of Distribution

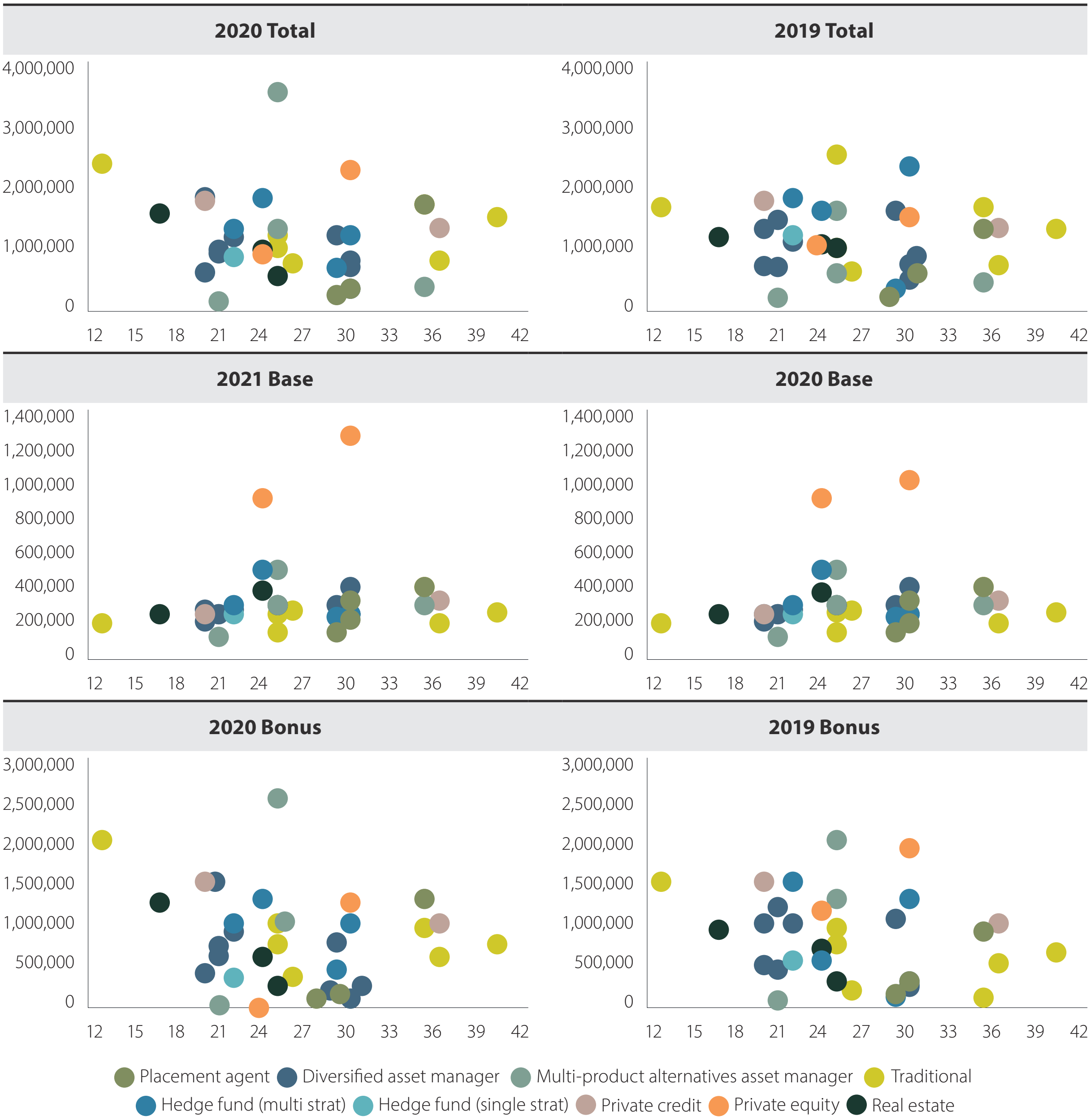
	Mean	Median	Range	Respondents
2021 Base	282,500	250,000	200,000 - 400,000	8
2020 Base	268,750	250,000	150,000 - 400,000	8
2020 Bonus	1,778,125	1,100,000	75,000 - 6,000,000	8
2019 Bonus	1,475,000	950,000	50,000 - 6,000,000	8
2020 Total	2,484,375	1,325,000	225,000 - 9,350,000	8
2019 Total	1,837,500	1,325,000	250,000 - 6,350,000	8

Leadership: Compensation by Years of Experience – Head of Distribution (pure management)



Head of Distribution (pure management)				
	Mean	**Median**	**Range**	**Respondents**
2021 Base	337,500	325,000	250,000 - 450,000	4
2020 Base	312,500	325,000	150,000 - 450,000	4
2020 Bonus	1,077,500	780,000	500,000 - 2,250,000	4
2019 Bonus	726,667	680,000	500,000 - 1,000,000	3
2020 Total	1,662,500	1,625,000	900,000 - 2,500,000	4
2019 Total	1,366,667	1,250,000	850,000 - 2,000,000	3

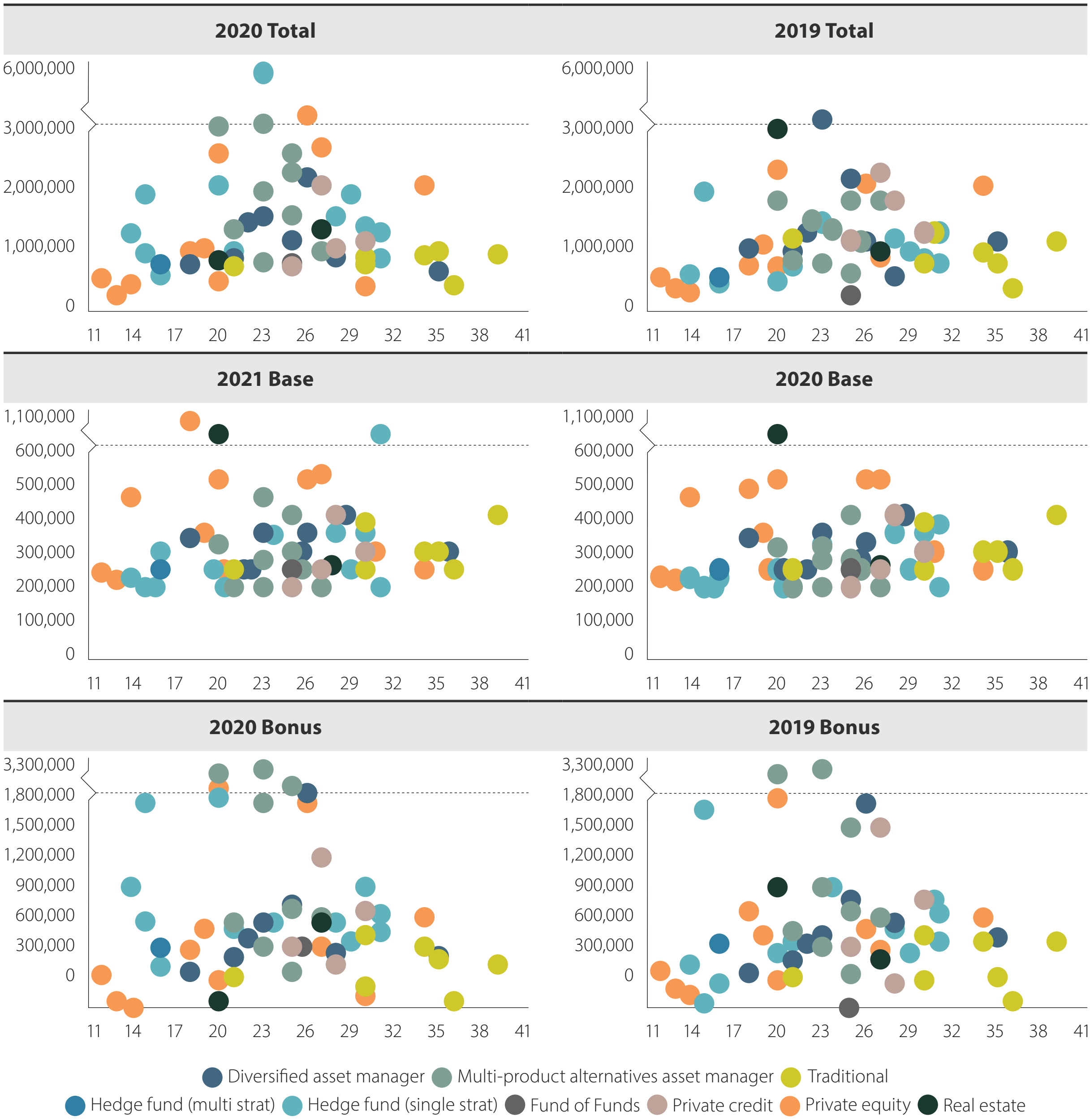
Leadership: Compensation by Years of Experience – Head of Sales/Fundraising (player/coach)



Head of Sales/Fundraising (player/coach)				
	Mean	**Median**	**Range**	**Respondents**
2021 Base	324,861	265,000	120,000 - 1,250,000	36
2020 Base	316,569	259,500	120,000 - 1,000,000	36
2020 Bonus	791,764	750,000	0 - 2,500,000	34
2019 Bonus	791,544	725,000	80,000 - 2,000,000	34
2020 Total	1,159,600	1,000,000	150,000 - 3,500,000	35
2019 Total	1,128,943	1,100,000	200,000 - 2,500,000	35

10% decrease in (median) total compensation from 2019 to 2020.

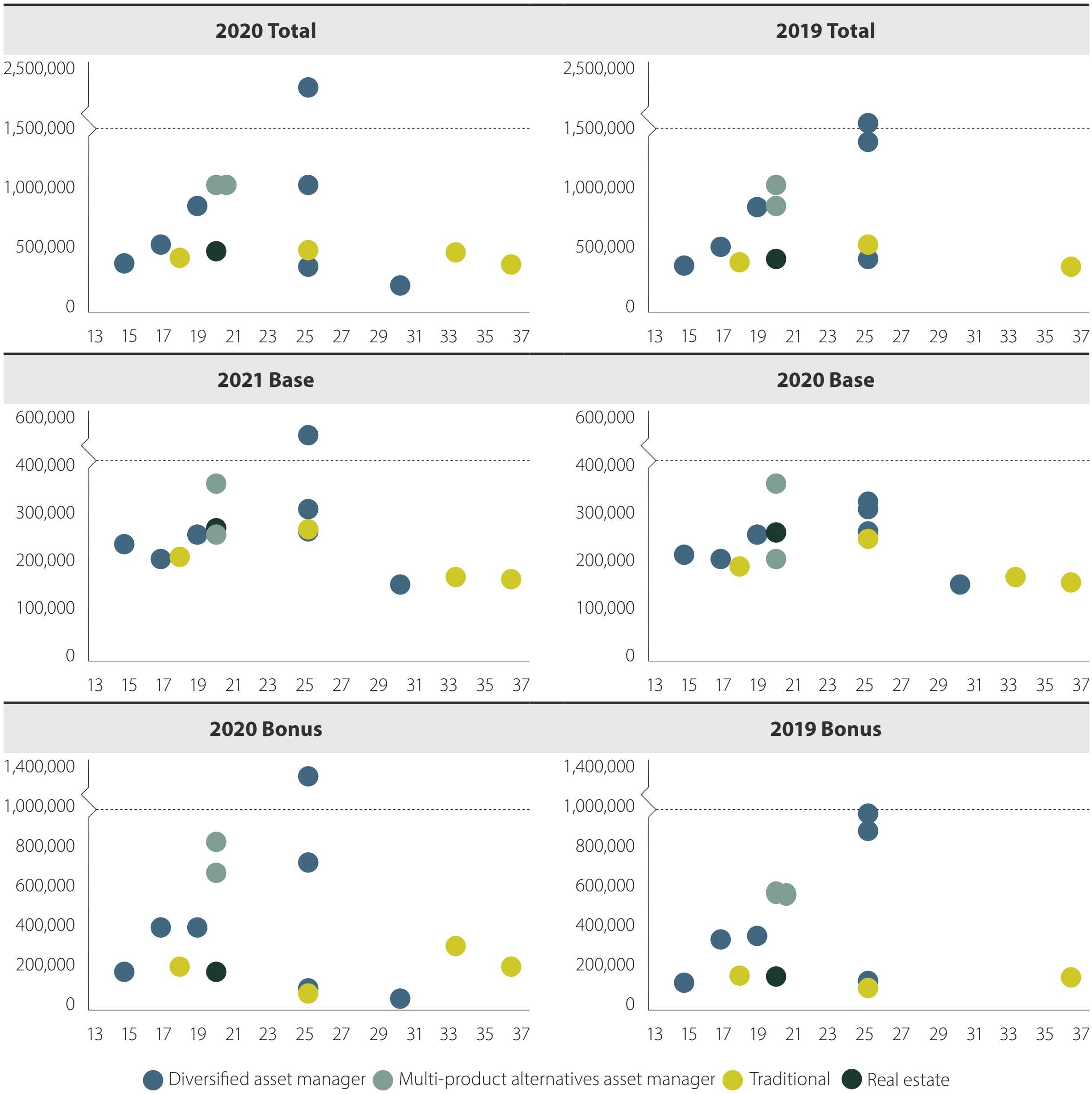
Leadership: Compensation by Years of Experience – Head of Sales & Investor Relations (player/coach)



Head of Sales & Investor Relations (player/coach)				
	Mean	**Median**	**Range**	**Respondents**
2021 Base	329,418	300,000	200,000 - 1,000,000	55
2020 Base	306,727	275,000	200,000 - 750,000	55
2020 Bonus	762,847	600,000	0 - 2,800,000	55
2019 Bonus	692,296	550,000	0 - 3,000,000	54
2020 Total	1,357,256	1,000,000	250,000 - 5,775,000	55
2019 Total	1,149,169	1,050,000	250,000 - 3,200,000	53

4.7% decrease in (median) total compensation from 2019 to 2020.

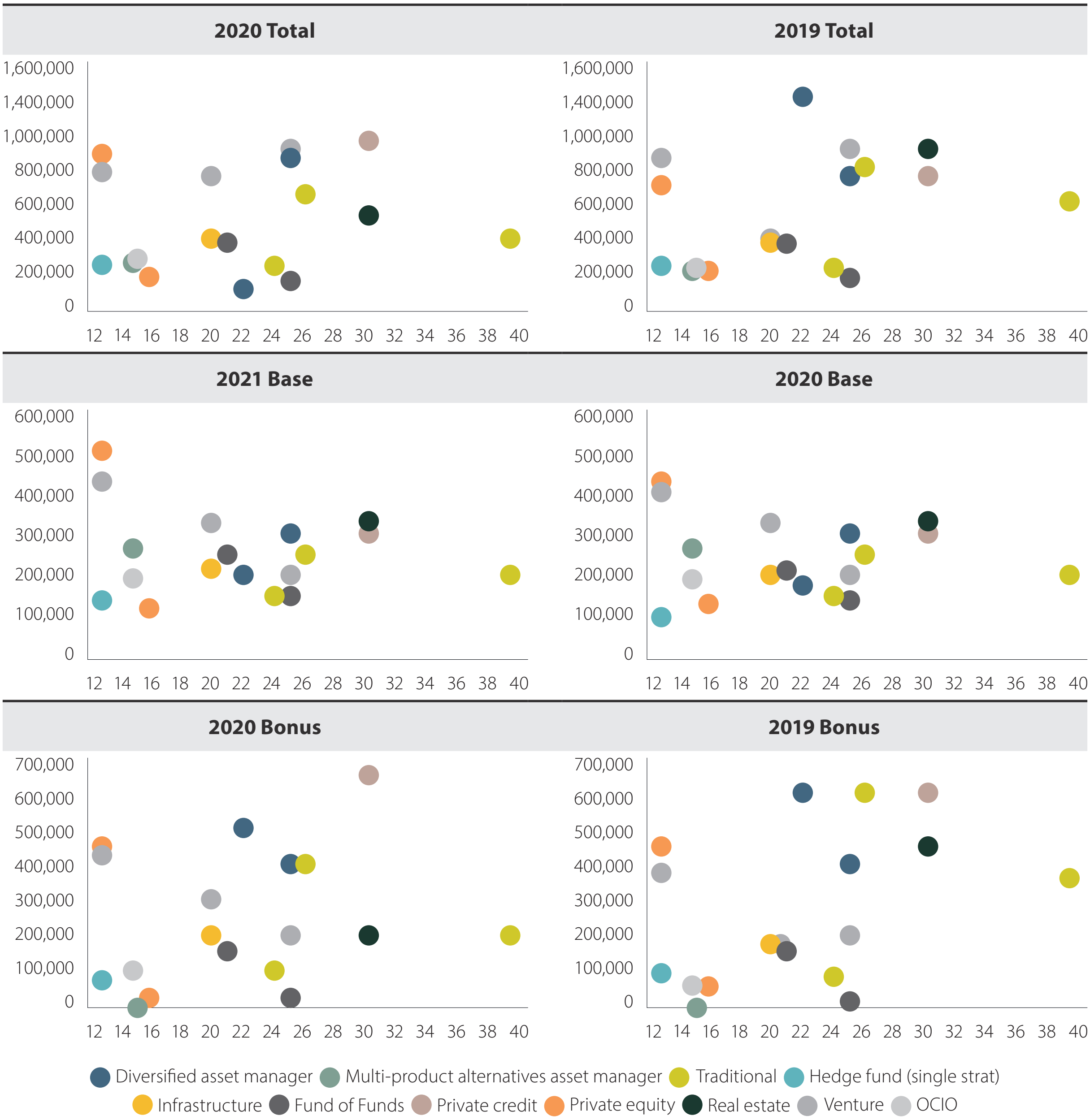
Leadership: Compensation by Years of Experience – Head of Consultant Relations (player/coach)



Head of Consultant Relations (player/coach)				
	Mean	**Median**	**Range**	**Respondents**
2021 Base	252,643	250,000	150,000 - 500000	14
2020 Base	230,571	224,500	150,000 - 350,000	14
2020 Bonus	388,571	250,000	50,000 - 1,235,000	14
2019 Bonus	438,125	287,500	120,000 - 1,200,000	12
2020 Total	685,088	477,000	200,000 - 2,078,239	14
2019 Total	706,248	517,500	350,000 - 1,500,000	12

Note small sample size.

Leadership: Compensation by Years of Experience – Head of Investor Relations/Client Service (player/coach)



Head of Investor Relations/Client Service (player/coach)				
	Mean	**Median**	**Range**	**Respondents**
2021 Base	250,722	232,500	120,000 - 500,000	18
2020 Base	238,444	206,000	100,000 - 425,000	18
2020 Bonus	244,611	200,000	0 - 650,000	18
2019 Bonus	269,444	187,500	0 - 600,000	18
2020 Total	499,278	400,000	120,000 - 950,000	18
2019 Total	563,667	505,500	180,000 - 610,000	18
Note small sample size.				

Section III. The Hiring Environment

Introduction

Historically, the Talent and Compensation Trends report has been published every 3 years. However, 2020 was an extraordinary year, and I was curious to explore its impact on the hiring environment.

While hiring slowed during the spring and early summer of 2020 as firms took a wait and see approach, it approached normal levels during Q4 and increased during the first half of this year. Anecdotally, there seemed to be a great balance between a motivated talent pool and firms seeking to recruit new talent in 2021; the survey confirmed that anecdotal observation while adding interesting context.

In this section we will explore:

- How open are distribution professionals to new opportunities?
- How has COVID-19 specifically influenced distribution professionals' openness to new roles?
- How satisfied were distribution professionals with their compensation in 2020?
  - How did bonuses align with expectations?
  - How did total compensation align with perceived contributions?
- How does the hiring environment look for 2021?
  - By global region and firm type
  - By function (in North America)
- Job Moves in 2020
  - Compensation components of new job offers
  - Motivation for change
  - Garden leave and non-solicit of clients (contractual and enforcement)
  - How job changers found their new roles
  - Onboarding experiences

State of Mind: How Open are Distribution Professionals to New Opportunities?

Consistent with years past, the vast majority of distribution professionals who participate in the survey are either actively looking or opportunistically open to considering new things if presented.

This trend has held true across different firm types and roles for over a decade.

New for 2021 - we explore state of mind across levels as well.

Results varied widely within the different segments, but overall, only 14% of the over 350 contributors to this section are firmly committed to their current situation.

How can team leaders ensure their reports are engaged and committed? See *Beyond Compensation: Headhunter Proof Your Team* in the thought leadership section of Willow Hill's website https://willowhilladvisors.com/thought-leadership/

> "COVID-19 had no influence on my openness to a move. If a better opportunity exists, then I will entertain it."
>
> *~ Head of Marketing*

Disclaimer: sentiment presented in the following pages is likely influenced by the nature of the survey participants themselves. One could argue the 350+ contributors have a relationship with an executive recruiter in the first place and are willing to participate in the survey.

State of Mind

How would you characterize your current state of mind?

By Role	Actively looking (employed)	Actively looking (unemployed)	Not looking but open to considering new opportunities	Firmly not open to considering new opportunities	Other	Respondents
Sales/Fundraising (individual contributor)	22.86%	1.90%	60.95%	12.38%	1.90%	105
Investor Relations/Client Service (individual contributor)	61.54%	0.00%	30.77%	0.00%	7.69%	13
Hybrid Sales & Investor Relations (individual contributor)	24.07%	3.70%	55.56%	12.96%	3.70%	54
Hybrid Sales & Consultant Relations (individual contributor)	25.00%	0.00%	37.50%	37.50%	0.00%	16
Consultant Relations	31.82%	0.00%	59.09%	9.09%	0.00%	22
Product Specialist	26.67%	0.00%	53.33%	13.33%	6.67%	15
Head of Sales / Fundraising (player/coach)	28.95%	2.63%	60.53%	5.26%	2.63%	38
Head of Investor Relations / Client Service (player/coach)	22.22%	0.00%	44.44%	16.67%	16.67%	18
Head of Sales & Investor Relations (player/coach)	20.69%	0.00%	60.34%	15.52%	3.45%	58
Head of Consultant Relations (player/coach)	40.00%	0.00%	40.00%	20.00%	0.00%	10
Chief Operating Officer & Head of Distribution	0.00%	0.00%	50.00%	50.00%	0.00%	8
Total	**25.49%**	**1.40%**	**55.74%**	**14.01%**	**3.36%**	**357**

**Roles with less than 5 responses were not included: client portfolio manager, project management, Head of Distribution (pure management)*

How would you characterize your current state of mind?

By Level	Actively looking (employed)	Actively looking (unemployed)	Not looking but open to considering new opportunities	Firmly not open to considering new opportunities	Other	Respondents
Vice President	25.64%	0.00%	58.97%	12.82%	2.56%	39
Senior Vice President	22.58%	0.00%	54.84%	16.13%	6.45%	31
Director	26.74%	1.16%	59.30%	12.79%	0.00%	86
Principal	42.31%	0.00%	34.62%	15.38%	7.69%	26
Managing Director	27.27%	2.48%	56.20%	13.22%	0.83%	121
Senior Managing Director	25.81%	0.00%	61.29%	6.45%	6.45%	31
Partner	10.53%	0.00%	52.63%	28.95%	7.89%	38
Total	**25.81%**	**1.08%**	**55.65%**	**14.52%**	**2.96%**	**372**

**Levels with less than 10 respondents were not included (associate, senior associate, assistant vice president)*

State of Mind

How would you characterize your current state of mind?

By Firm Type	Actively looking (employed)	Actively looking (unemployed)	Not looking but open to considering new opportunities	Firmly not open to considering new opportunities	Other	Respondents
Traditional asset manager	30.77%	1.54%	56.92%	10.77%	0.00%	65
Diversified asset manager	30.67%	1.33%	56.00%	8.00%	4.00%	75
Multi-product alternatives	16.13%	3.23%	54.84%	19.35%	6.45%	62
Hedge fund (single-strat)	13.89%	2.78%	50.00%	30.56%	2.78%	36
Hedge fund (multi-strat)	31.25%	6.25%	62.50%	0.00%	0.00%	16
Private equity	15.79%	0.00%	63.16%	15.79%	5.26%	38
Private credit	39.13%	0.00%	43.48%	17.39%	0.00%	23
Real estate	33.33%	5.56%	50.00%	5.56%	5.56%	18
Placement agent	28.57%	0.00%	47.62%	14.29%	9.52%	21
Total	**25.42%**	**1.98%**	**54.80%**	**14.12%**	**3.67%**	**354**

**Firm types with less than 5 responses were not included (fund of funds, OCIO, infrastructure and venture capital)*

Influence of COVID-19

How has COVID-19 influenced distribution professionals' openness to considering new roles?

Overall, the majority of respondents (48%) reported the pandemic having no effect on their state of mind. However, a solid 40% claimed it made them more open to considering a move.

How has COVID-19 influenced your willingness to consider new opportunities?

No effect	47.96%	153
More open to considering a move	40.13%	128
Less open to considering a move	8.15%	26
Other	3.76%	12
Respondents		**319**

One might have reasonably theorized a global pandemic would cause professionals to become more risk averse, especially during a year when interviews and onboarding were primarily done virtually.

But the opposite proved true. Just 8% of respondents described COVID-19's influence as making them less willing to consider a new opportunity.

In the qualitative section, we saw agency trump caution. Several trends emerged to explain this dynamic: an increased appreciation for positive firm cultures and values, motivation to join a more competitive platform and work/life balance concerns.

There is a strong desire for a hybrid office situation (especially for sales professionals with a heavy travel component to their jobs).

Generally, for a group of professionals already operating under a "life is short" mentality, the pandemic accelerated and deepened their conviction.

I was curious to explore if answers differed among levels of experience, firm types and roles.

Among firm types it seems placement agents and private credit professionals cited COVID-19 having the greatest impact on their openness to a move. Unsurprisingly, Partner level professionals were the least likely to be affected and there was little difference among professionals at other levels.

When looking at job function, sales professionals reported being the most affected, with 67% describing themselves as being more open to considering a move. As the industry's most opportunistic cohort generally, this is not a surprise.

Interestingly, hybrid sales/investor relations professionals, those with dual responsibility for raising and maintaining capital, were among the least likely to report COVID-19 having an impact.

> "Making the right move is even more critical now."
>
> *~ Senior Managing Director*

> "The pandemic has shown me how critical firm culture and values are."
>
> *~ Director, Business Development*

> "The past year has taught me a lot about work/life balance and commutes. I am not inclined to go back to a role with a five day per week commute."
>
> *~ Associate, Institutional Sales*

Influence of COVID-19 on State of Mind (by role & level)

How has COVID-19 influenced your willingness to consider new opportunities?

By Role	No effect	More open to considering a move	Less open to considering a move	Other	Respondents
Sales/Fundraising (individual contributor)	44.19%	45.35%	8.14%	2.33%	86
Investor Relations/Client Service (individual contributor)	22.22%	66.67%	0.00%	11.11%	9
Hybrid Sales & Investor Relations (individual contributor)	44.19%	25.58%	20.93%	9.30%	43
Hybrid Sales & Consultant Relations (individual contributor)	57.14%	21.43%	0.00%	21.43%	14
Consultant Relations	38.10%	52.38%	9.52%	0.00%	21
Product Specialist	57.14%	42.86%	0.00%	0.00%	14
Head of Sales / Fundraising (player/coach)	48.57%	42.86%	8.57%	0.00%	35
Head of Investor Relations / Client Service (player/coach)	53.33%	40.00%	0.00%	6.67%	15
Head of Sales & Investor Relations (player/coach)	53.19%	38.30%	6.38%	2.13%	47
Head of Consultant Relations (player/coach)	50.00%	40.00%	10.00%	0.00%	10
Chief Operating Officer & Head of Distribution	*83.33%	16.67%	0.00%	0.00%	6
Total	**47.67%**	**40.00%**	**8.33%**	**4.00%**	**300**

**Roles with less than 5 responses were not included: client portfolio manager, project management, Head of Distribution (pure management)*

**Though 83% of COO/Head of Distribution respondents cited no effect, no firm conclusions should be drawn given the sample size of 6.*

How has COVID-19 influenced your willingness to consider new opportunities?

By Level	No effect	More open to considering a move	Less open to considering a move	Other	Respondents
Vice President	48.28%	37.93%	13.79%	0.00%	29
Senior Vice President	44.00%	44.00%	12.00%	0.00%	25
Director	40.58%	44.93%	5.80%	8.70%	69
Principal	47.83%	52.17%	0.00%	0.00%	23
Managing Director	49.04%	36.54%	9.62%	4.81%	104
Senior Managing Director	42.86%	53.57%	3.57%	0.00%	28
Partner	67.74%	19.35%	12.90%	0.00%	31
Total	**47.90%**	**40.13%**	**8.41%**	**3.56%**	**309**

**Levels with less than 10 respondents were not included (associate, senior associate, assistant vice president)*

Influence of COVID-19 on State of Mind (by Firm Type)

How has COVID-19 influenced your willingness to consider new opportunities?

By Firm Type	No effect	More open to considering a move	Less open to considering a move	Other	Respondents
Traditional asset manager (primarily long only equities and/or fixed income)	43.40%	39.62%	9.43%	7.55%	53
Diversified asset manager (long only and alternatives)	58.21%	34.33%	7.46%	0.00%	67
Multi-product alternatives asset manager (primarily alternatives)	61.11%	27.78%	11.11%	0.00%	54
Hedge fund (single-strat)	48.28%	20.69%	10.34%	*20.69%	29
Hedge fund (multi-strat)	66.67%	33.33%	0.00%	0.00%	15
Private equity	45.45%	50.00%	4.55%	0.00%	22
Private credit	21.05%	57.89%	15.79%	5.26%	19
Real estate	61.54%	38.46%	0.00%	0.00%	13
Placement agent	26.32%	73.68%	0.00%	0.00%	19
Total	**50.17%**	**38.14%**	**7.90%**	**3.78%**	**291**

**21% of hedge fund professionals selected other. These 6 individuals had either just moved or had a range of complicated answers that didn't fit the options offered.*

**Firm types with less than 5 responses were not included (fund of funds, OCIO, infrastructure and venture capital)*

How Satisfied Were Distribution Professionals with their Compensation in 2020?

Compared to 2019, overall satisfaction levels were nearly identical.

Firm leadership and managers might consider stronger communication around performance and bonus expectations, with 42% describing their bonus as coming in moderately or significantly below expectations.

When asked their view on how well total compensation reflected their contribution to the firm, 36% felt it was moderately or highly inaccurate. 26% took a neutral stance, and 33% felt it was moderately or highly accurate.

One third of distribution professionals reported feeling their contributions are undervalued, even with compensation staying relatively strong during a pandemic year. What to make of this? Perhaps it's the very attributes we value in distribution professionals on the playing field (drive, competitiveness, constantly seeking to level-up and improve). Will they ever be fully satisfied? Should we expect them to be?

Overall, how did your **2020** bonus align with your expectations?

Significantly exceeded expectations	2.05%	8
Moderately exceeded expectations	8.97%	35
Met expectations	41.79%	163
Moderately below expectations	25.38%	99
Significantly below expectations	15.13%	59
Other	6.67%	26
Total		**390**

Overall, how did your **2019** bonus align with your expectations?

Significantly exceeded expectations	0.65%	2
Moderately exceeded expectations	7.77%	24
Met expectations	44.66%	138
Moderately below expectations	27.51%	85
Significantly below expectations	12.94%	40
Other	6.47%	20
Total		**309**

In your view, how well did your **2020** total compensation reflect your contribution to the firm?

Highly accurate	12.31%	48
Moderately accurate	20.51%	80
Neutral	26.41%	103
Moderately inaccurate	22.31%	87
Highly inaccurate	14.10%	55
Other	4.36%	17
Total		**390**

In your view, how well did your **2019** total compensation reflect your contribution to the firm?

Highly accurate	12.94%	40
Moderately accurate	19.42%	60
Neutral	29.13%	90
Moderately inaccurate	20.06%	62
Highly inaccurate	13.59%	42
Other	4.85%	15
Total		**309**

How Well Did Bonuses Align with Expectations?

Overall, how did your 2020 bonus align with your expectations?

By Role	Significantly exceeded expectations	Moderately exceeded expectations	Met expectations	Moderately below expectations	Significantly below expectations	Other	Respondents
Sales/Fundraising (individual contributor)	1.89%	9.43%	41.51%	26.42%	13.21%	7.55%	106
Investor Relations/Client Service (individual contributor)	0.00%	7.69%	23.08%	53.85%	15.38%	0.00%	13
Hybrid Sales & Investor Relations (individual contributor)	3.57%	10.71%	33.93%	25.00%	16.07%	10.71%	56
Hybrid Sales & Consultant Relations (individual contributor)	0.00%	6.25%	43.75%	37.50%	12.50%	0.00%	16
Consultant Relations	0.00%	9.09%	50.00%	27.27%	9.09%	4.55%	22
Product Specialist	0.00%	6.67%	46.67%	26.67%	20.00%	0.00%	15
Head of Sales / Fundraising (player/coach)	2.63%	7.89%	50.00%	21.05%	13.16%	5.26%	38
Head of Investor Relations / Client Service (player/coach)	0.00%	5.56%	66.67%	11.11%	16.67%	0.00%	18
Head of Sales & Investor Relations (player/coach)	3.45%	12.07%	43.10%	18.97%	17.24%	5.17%	58
Head of Consultant Relations (player/coach)	10.00%	10.00%	10.00%	50.00%	20.00%	0.00%	10
Chief Operating Officer & Head of Distribution	0.00%	0.00%	62.50%	37.50%	0.00%	0.00%	8
Total	**2.22%**	**9.17%**	**42.50%**	**26.11%**	**14.44%**	**5.56%**	**360**

Overall, how did your 2020 bonus align with your expectations?

By Level	Significantly exceeded expectations	Moderately exceeded expectations	Met expectations	Moderately below expectations	Significantly below expectations	Other	Respondents
Vice President	7.50%	7.50%	47.50%	22.50%	10.00%	5.00%	40
Senior Vice President	3.23%	3.23%	38.71%	25.81%	22.58%	6.45%	31
Director	2.27%	13.64%	34.09%	29.55%	15.91%	4.55%	88
Principal	0.00%	7.41%	37.04%	25.93%	18.52%	11.11%	27
Managing Director	0.00%	5.79%	47.93%	27.27%	14.05%	4.96%	121
Senior Managing Director	3.23%	9.68%	48.39%	16.13%	12.90%	9.68%	31
Partner	2.63%	13.16%	42.11%	18.42%	13.16%	10.53%	38
Total	**2.13%**	**8.78%**	**42.55%**	**25.27%**	**14.89%**	**6.38%**	**376**

How Well Did Bonuses Align with Expectations?

Overall, how did your 2020 bonus align with your expectations?

By Firm Type	Significantly exceeded expectations	Moderately exceeded expectations	Met expectations	Moderately below expectations	Significantly below expectations	Other	Respondents
Traditional asset manager (primarily long only equities and/or fixed income)	1.52%	13.64%	31.82%	30.30%	16.67%	6.06%	66
Diversified asset manager (long only and alternatives)	4.00%	4.00%	42.67%	33.33%	14.67%	1.33%	75
Multi-product alternatives asset manager (primarily alternatives)	1.61%	11.29%	48.39%	20.97%	12.90%	4.84%	62
Hedge fund (single-strat)	2.70%	16.22%	24.32%	27.03%	10.81%	18.92%	37
Hedge fund (multi-strat)	6.25%	6.25%	37.50%	43.75%	6.25%	0.00%	16
Private equity	0.00%	7.89%	52.63%	21.05%	7.89%	10.53%	38
Private credit	0.00%	4.17%	66.67%	12.50%	16.67%	0.00%	24
Real estate	0.00%	0.00%	33.33%	38.89%	27.78%	0.00%	18
Placement agent	0.00%	4.76%	19.05%	19.05%	38.10%	19.05%	21
Total	**1.96%**	**8.68%**	**40.34%**	**27.17%**	**15.41%**	**6.44%**	**357**

How Well Did Total Compensation Reflect Perceived Contributions?

In your view, how well did your 2020 total compensation reflect your contribution to the firm?

By Role	Highly accurate	Moderately accurate	Neutral	Moderately inaccurate	Highly inaccurate	Other	Respondents
Sales/Fundraising (individual contributor)	7.55%	15.09%	36.79%	23.58%	14.15%	2.83%	106
Investor Relations/Client Service (individual contributor)	7.69%	15.38%	30.77%	38.46%	7.69%	0.00%	13
Hybrid Sales & Investor Relations (individual contributor)	3.57%	21.43%	30.36%	26.79%	10.71%	7.14%	56
Hybrid Sales & Consultant Relations (individual contributor)	12.50%	43.75%	18.75%	18.75%	6.25%	0.00%	16
Consultant Relations	9.09%	31.82%	22.73%	22.73%	13.64%	0.00%	22
Product Specialist	13.33%	20.00%	13.33%	26.67%	26.67%	0.00%	15
Head of Sales / Fundraising (player/coach)	13.16%	26.32%	26.32%	13.16%	18.42%	2.63%	38
Head of Investor Relations / Client Service (player/coach)	11.11%	27.78%	27.78%	11.11%	16.67%	5.56%	18
Head of Sales & Investor Relations (player/coach)	27.59%	18.97%	15.52%	18.97%	13.79%	5.17%	58
Head of Consultant Relations (player/coach)	10.00%	20.00%	10.00%	30.00%	30.00%	0.00%	10
Chief Operating Officer & Head of Distribution	25.00%	25.00%	12.50%	37.50%	0.00%	0.00%	8
Total	**11.94%**	**21.39%**	**26.67%**	**22.50%**	**14.17%**	**3.33%**	**360**

In your view, how well did your 2020 total compensation reflect your contribution to the firm?

By Level	Highly accurate	Moderately accurate	Neutral	Moderately inaccurate	Highly inaccurate	Other	Respondents
Vice President	5.00%	30.00%	30.00%	22.50%	10.00%	2.50%	40
Senior Vice President	16.13%	9.68%	19.35%	25.81%	22.58%	6.45%	31
Director	9.09%	14.77%	34.09%	26.14%	12.50%	3.41%	88
Principal	7.41%	22.22%	22.22%	29.63%	18.52%	0.00%	27
Managing Director	7.44%	21.49%	31.40%	23.14%	12.40%	4.13%	121
Senior Managing Director	12.90%	32.26%	19.35%	6.45%	25.81%	3.23%	31
Partner	42.11%	23.68%	5.26%	13.16%	10.53%	5.26%	38
Total	**12.23%**	**21.01%**	**26.60%**	**22.07%**	**14.36%**	**3.72%**	**376**

**Slight statistical differences are a result of responses from all levels, firm types and roles being included in the summary. Only respondents in categories with ample sample sizes were included in the subsequent breakdowns.*

How Well Did Total Compensation Reflect Perceived Contributions?

In your view, how well did your 2020 total compensation reflect your contribution to the firm?

By Firm Type	Highly accurate	Moderately accurate	Neutral	Moderately inaccurate	Highly inaccurate	Other	Respondents
Traditional asset manager (primarily long only equities and/or fixed income)	7.58%	21.21%	27.27%	19.70%	19.70%	4.55%	66
Diversified asset manager (long only and alternatives)	12.00%	21.33%	24.00%	24.00%	16.00%	2.67%	75
Multi-product alternatives asset manager (primarily alternatives)	14.52%	17.74%	30.65%	22.58%	9.68%	4.84%	62
Hedge fund (single-strat)	24.32%	24.32%	10.81%	21.62%	10.81%	8.11%	37
Hedge fund (multi-strat)	6.25%	31.25%	18.75%	25.00%	18.75%	0.00%	16
Private equity	7.89%	21.05%	44.74%	21.05%	2.63%	2.63%	38
Private credit	4.17%	25.00%	33.33%	20.83%	16.67%	0.00%	24
Real estate	11.11%	11.11%	16.67%	44.44%	16.67%	0.00%	18
Placement agent	14.29%	14.29%	19.05%	23.81%	19.05%	9.52%	21
Total	**11.76%**	**20.73%**	**26.33%**	**23.25%**	**14.01%**	**3.92%**	**357**

How Does the Hiring Environment Look for 2021?

The global hiring outlook for distribution professionals remains robust, with particular areas of strength in private credit across the North America, UK/Europe and Asia. Across firm types, functions and geographies, few survey participants reported their firms planned to reduce distribution headcount in 2021.

> "We're seeing increased demand for product specialists, analytics, and content-rich marketing collateral with valuable and timely insights."

~ Head of Investor Relations

> "Clean energy, ESG, Diversity, Inclusion, people who know how to leverage social media."

~ Multiple sources

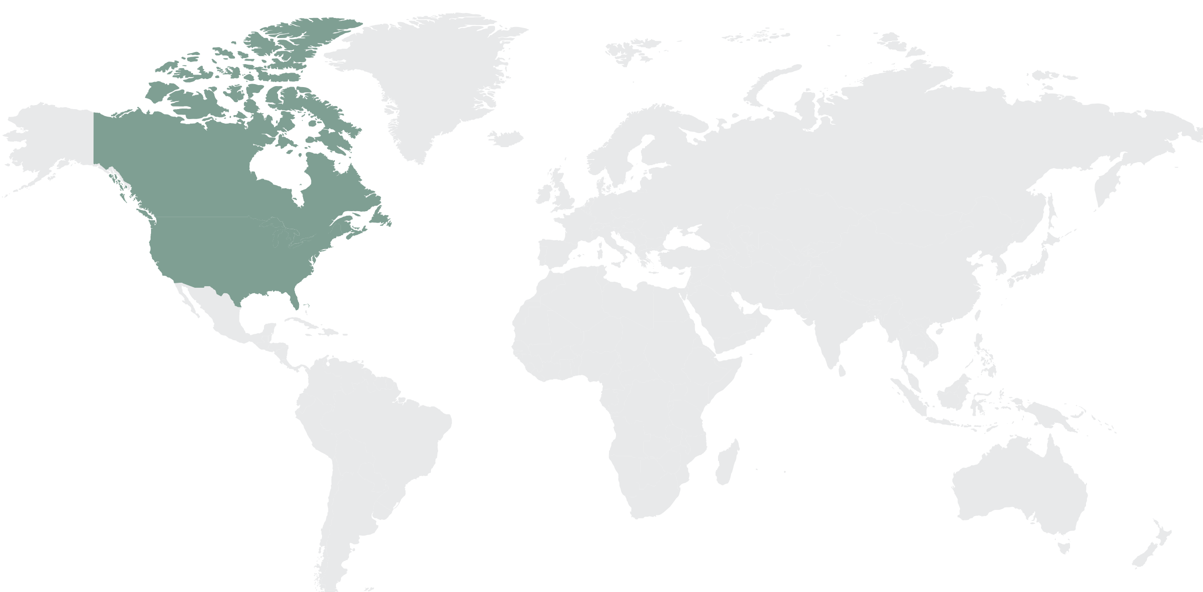
> "This environment created more differentiation in leadership.... people will be less tolerant of firms that do not treat employees and clients well. There will be more decisions made where culture and client centricity are larger determinants of moves."

~ Head of Distribution

Hiring Environment by Region and Firm Type

How would you describe your firm's distribution hiring plans on the ground in **North America** for 2021?

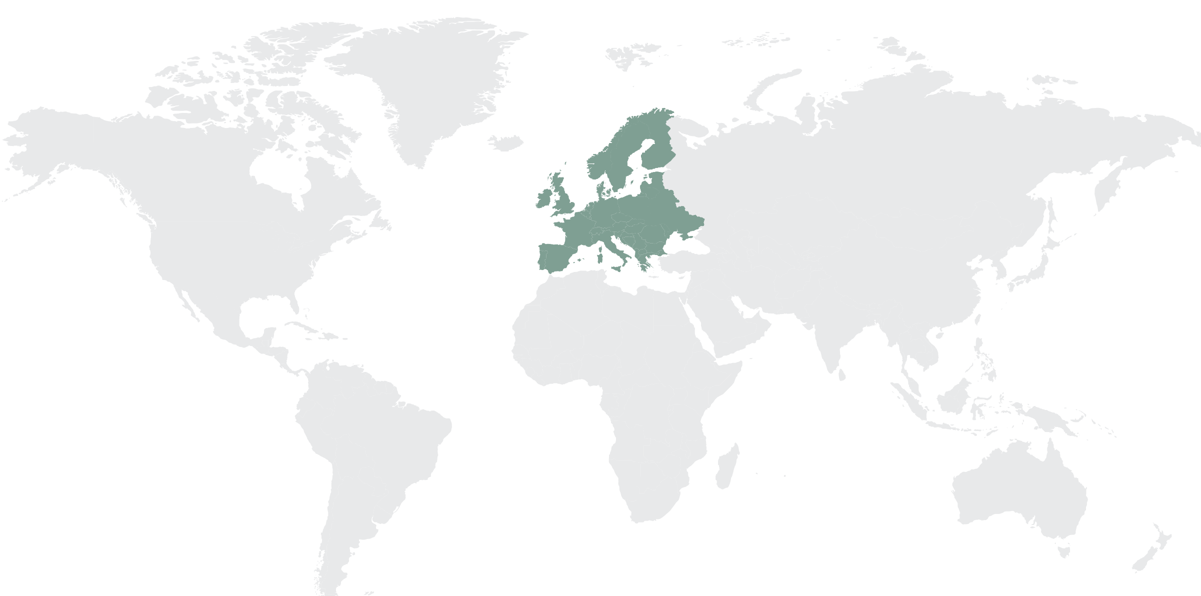
North America	Actively recruiting	Opportunistically meeting potential candidates	Team will remain flat	Team will be reduced	Don't know	Other	Respondents
Traditional asset manager	12.31%	15.38%	50.77%	1.54%	12.31%	7.69%	65
Diversified asset manager	20.27%	29.73%	39.19%	2.70%	8.11%	0.00%	74
Multi-product alternatives asset manager	23.33%	26.67%	35.00%	1.67%	8.33%	5.00%	60
Hedge fund (single-strat)	11.11%	13.89%	58.33%	2.78%	5.56%	8.33%	36
Hedge fund (multi-strat)	6.25%	25.00%	62.50%	0.00%	6.25%	0.00%	16
Private equity	10.81%	24.32%	56.76%	0.00%	5.41%	2.70%	37
Private credit	26.09%	43.48%	26.09%	0.00%	0.00%	4.35%	23
Real estate	11.76%	47.06%	29.41%	5.88%	5.88%	0.00%	17
Placement agent	25.00%	5.00%	50.00%	0.00%	15.00%	5.00%	20
Total	**16.95%**	**24.43%**	**44.83%**	**1.72%**	**8.05%**	**4.02%**	**348**



Hiring Environment by Region and Firm Type

How would you describe your firm's distribution hiring plans on the ground in the UK/Europe for 2021?

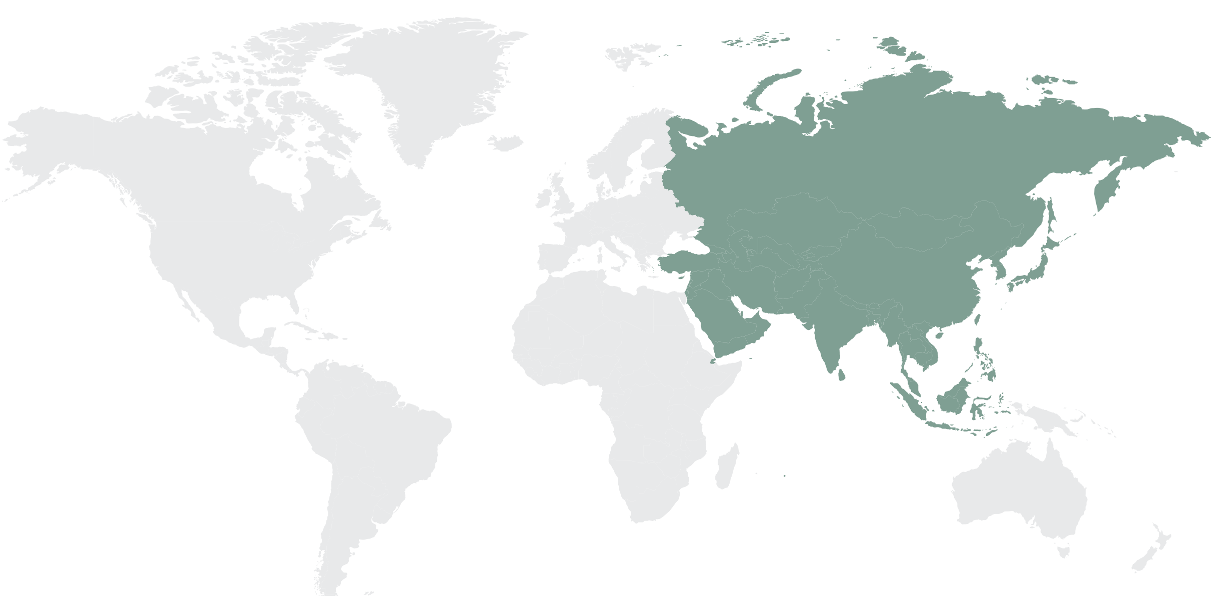
UK / Europe	Actively recruiting	Opportunistically meeting potential candidates	Team will remain flat	Team will be reduced	No current presence or plans to expand in the UK/Europe	Don't know	Other	Respondents
Traditional asset manager	8.57%	2.86%	22.86%	2.86%	22.86%	34.29%	5.71%	35
Diversified asset manager	15.09%	15.09%	16.98%	3.77%	11.32%	35.85%	1.89%	53
Multi-product alternatives asset manager	16.67%	7.14%	35.71%	0.00%	16.67%	19.05%	4.76%	42
Hedge fund (single-strat)	0.00%	3.57%	10.71%	0.00%	71.43%	7.14%	7.14%	28
Hedge fund (multi-strat)	0.00%	7.69%	30.77%	0.00%	38.46%	23.08%	0.00%	13
Private equity	4.00%	12.00%	24.00%	0.00%	56.00%	4.00%	0.00%	25
Private credit	17.65%	35.29%	5.88%	0.00%	35.29%	5.88%	0.00%	17
Real estate	10.00%	20.00%	10.00%	0.00%	60.00%	0.00%	0.00%	10
Placement agent	5.88%	0.00%	17.65%	0.00%	52.94%	17.65%	5.88%	17
Total	**10.00%**	**10.42%**	**20.83%**	**1.25%**	**33.75%**	**20.42%**	**3.33%**	**240**



Hiring Environment by Region and Firm Type

How would you describe your firm's distribution hiring plans on the ground in **Asia** for 2021?

Asia	Actively recruiting	Opportunistically meeting potential candidates	Team will remain flat	Team will be reduced	No current presence or plans to expand in Asia	Don't know	Other	Respondents
Traditional asset manager	11.43%	2.86%	14.29%	0.00%	37.14%	34.29%	0.00%	35
Diversified asset manager	11.76%	13.73%	13.73%	0.00%	27.45%	33.33%	0.00%	51
Multi-product alternatives asset manager	14.29%	7.14%	26.19%	0.00%	26.19%	21.43%	4.76%	42
Hedge fund (single-strat)	3.57%	0.00%	14.29%	0.00%	75.00%	7.14%	0.00%	28
Hedge fund (multi-strat)	9.09%	0.00%	18.18%	9.09%	54.55%	9.09%	0.00%	11
Private equity	0.00%	20.00%	12.00%	0.00%	64.00%	4.00%	0.00%	25
Private credit	6.25%	31.25%	0.00%	0.00%	43.75%	12.50%	6.25%	16
Real estate	0.00%	10.00%	40.00%	0.00%	50.00%	0.00%	0.00%	10
Placement agent	0.00%	0.00%	12.50%	0.00%	68.75%	12.50%	6.25%	16
Total	**8.12%**	**9.40%**	**16.24%**	**0.43%**	**44.44%**	**19.66%**	**1.71%**	**234**



Hiring Environment by Function in North America

In North America, the survey captured anticipated hiring activity for specific functions across all firm types.

Consistent with years past, fundraising remained the most active function across the board. Other pockets of notable activity include investor relations support roles within multi-product asset managers and multi-product hedge funds, consultant relations within diversified asset managers and product specialists at diversified asset managers and multi-product alternative investment firms.

In North America, what distribution functions will your firm hire for in 2021?

North America	Fundraising/sales	Product specialist	Consultant relations	Investor relations/ client service (client-facing)	Investor relations/client service (internal/non client facing)	Senior distribution leadership	Client portfolio manager	Other[1]	Respondents
Traditional asset manager	35.38%	13.85%	16.92%	18.46%	12.31%	3.08%	10.77%	33.85%	65
Diversified asset manager	48.00%	28.00%	25.33%	18.67%	18.67%	6.67%	5.33%	28.00%	75
Multi-product alternatives asset manager	46.77%	29.03%	14.52%	17.74%	40.32%	3.23%	3.23%	22.58%	62
Hedge fund (single-strat)	25.00%	5.56%	5.56%	8.33%	11.11%	2.78%	0.00%	58.33%	36
Hedge fund (multi-strat)	37.50%	18.75%	6.25%	18.75%	31.25%	0.00%	6.25%	43.75%	16
Private equity	18.42%	2.63%	0.00%	18.42%	18.42%	2.63%	0.00%	60.53%	38
Private credit	52.17%	21.74%	0.00%	26.09%	21.74%	4.35%	4.35%	26.09%	23
Real estate	38.89%	22.22%	5.56%	5.56%	11.11%	0.00%	5.56%	33.33%	18
Placement agent	52.38%	14.29%	0.00%	4.76%	0.00%	0.00%	0.00%	52.38%	21
Total	**39.55%**	**18.64%**	**12.15%**	**16.38%**	**19.77%**	**3.39%**	**4.52%**	**37.01%**	**354**

1 *Participants who chose "other" described their firms as having no hiring plans except for limited junior level needs.*

Job Moves in 2020

18% of survey participants (62 professionals) reported joining a new firm in calendar year 2020.

With a wide range of participation levels per question (given their sensitivity), contributors shared the circumstances surrounding their job changes, employment terms and their onboarding experiences.

If you changed firms in 2020, were you offered:

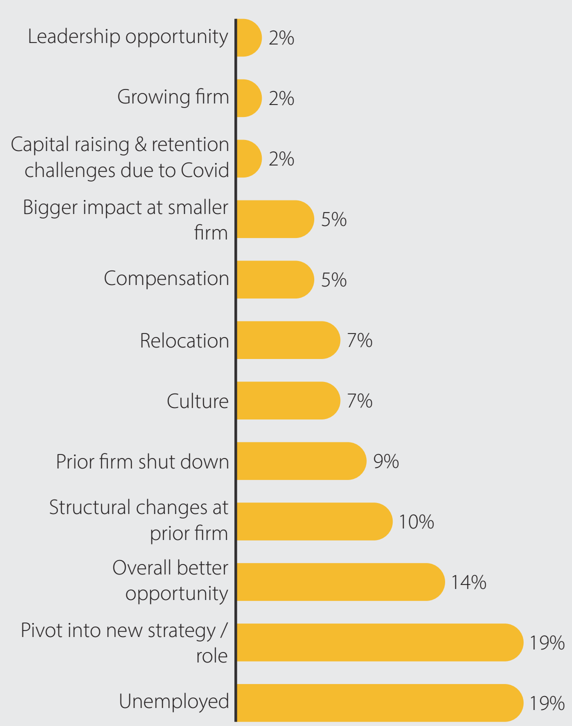
Respondents 61

Sign-on bonus	16.39%
Buy out of deferred	14.75%
Equity	22.95%
Carry	32.79%
Make whole guaranteed bonus (100% of anticipated bonus at prior firm)	19.67%
Minimum guaranteed bonus (% of anticipated bonus at prior firm)	42.62%
Other	24.59%

**Other included: relocation, a transition bonus due to different payout schedules, a two-year guarantee and expectations guidance but not a contractual bonus guarantee.*

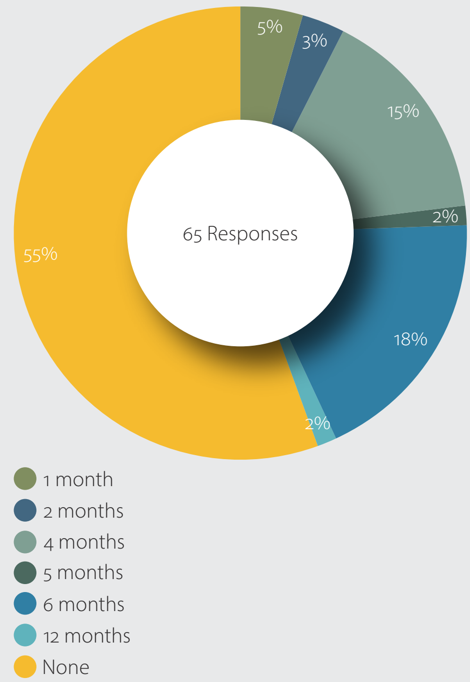
What *primarily* inspired your job change in 2020?

Respondents 58



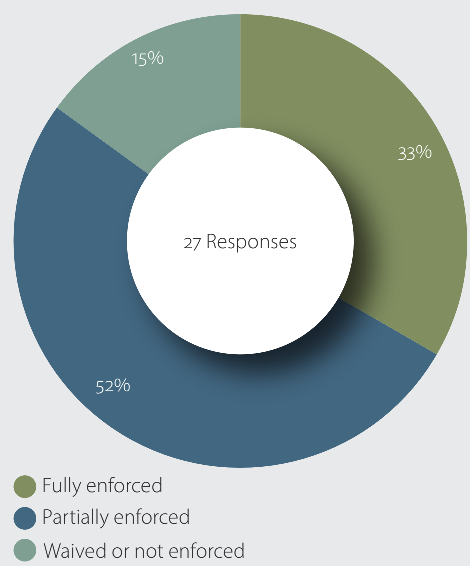
What was the extent of your contractual garden leave?

Respondents 65



To what extent was your garden leave enforced?

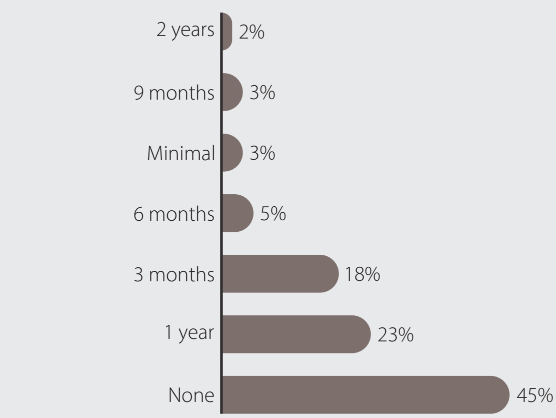
Respondents 27



**The open ended nature of the survey question allowed for ambiguity as to whether the terms were formally waived or just not enforced/ followed up on. This survey flaw will be corrected for the next edition.*

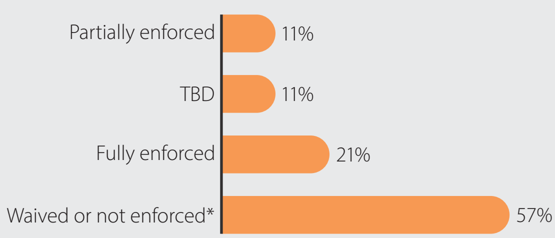
What was the extent of your contractual non-solicit (of clients and/or prospects)?

Respondents 60



To what extent was your non-solicit (of clients and/or prospects) enforced?

Respondents 28



**The open ended nature of the survey question allowed for ambiguity as to whether the terms were formally waived or just not enforced/ followed up on. This survey flaw will be corrected for the next edition.*

> "I wanted to have a bigger impact. My new firm is at an inflection point for growth. It's exciting."
>
> *~ Managing Director, Business Development*

How did you land your new role?

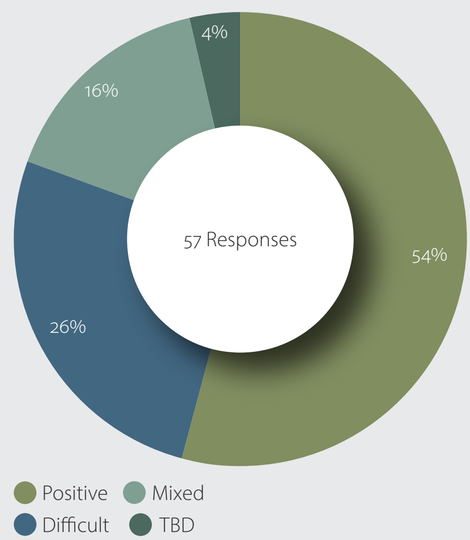
Respondents 73

Executive Recruiter	49.32%
Other Referral/Networking*	24.66%
Prior direct relationship	16.44%
Internal Recruiting/Human Resources	5.48%
LP recommendation	4.11%

**Other included: former colleagues and industry friends, LinkedIn and situations where more than one point of connection existed*

How would you describe your experience integrating in to your new firm?

Respondents 57



Overall, the majority (54%) of distribution professionals who changed jobs in 2020 reported having a positive experience. Many cited having prior relationships at the firm, well-structured integration and onboarding programs and above and beyond outreach by colleagues, albeit virtually.

Of those who had a negative or mixed experience (42%), most cited challenges directly related to the virtual environment. Among the top challenges were difficulty understanding personalities of new colleagues, assessing the level of engagement and productivity of direct reports and navigating a new culture (especially when joining a non-US firm).

The remaining 4% are very new joiners who described their experience as too early to tell.

Section IV. Capital Raising

New for 2021, Willow Hill's Talent and Compensation Trends Report explored capital raising levels among survey participants.

The report aims to provide as granular of a view possible while maintaining confidentiality. While sharing further specifics on product offering, performance and firm AUM size would tell a more complete story, capital raising success per fundraising professional is illustrated more broadly by:

- Firm type
- AUM range

Placement agents are in a separate category.

Indicated within each scattergraph are years of total work experience and whether the fundraiser is an individual contributor or player/coach.

"Raising new funds or gaining traction with new investors was extremely difficult without travel for face-to-face meetings and diligence sessions."

"Only existing clients or those we initiated discussions with in 2019 were interested in allocating during the pandemic."

"The pandemic prolonged an already lengthy process."

"Our fundraising challenges were largely offset by strong retention."

"Our firm was viewed as a safe pair of hands. We saw no impact on fundraising."

Capital Raised per Fundraising Professional - Summary

2020 Capital Raised per Fundraising Professional (by Firm Type)

Firm Type	Mean	Median	Range	Respondents
Multi-Product Alternatives	621mm	300mm	0 - 3.4bn	43
Real Estate	213mm	190mm	0 - 700mm	13
Diversified	1.6bn	500mm	0 - 10bn	42
Traditional	460mm	350mm	0 - 2.5bn	36
Hedge Fund (single-strat)	226mm	150mm	0 - 1bn	27
Hedge Fund (multi-strat)	233mm	138mm	10mm - 800mm	12
Private Equity	481mm	143mm	0 - 2bn	13
Private Credit	534mm	300mm	30mm - 2.7bn	15

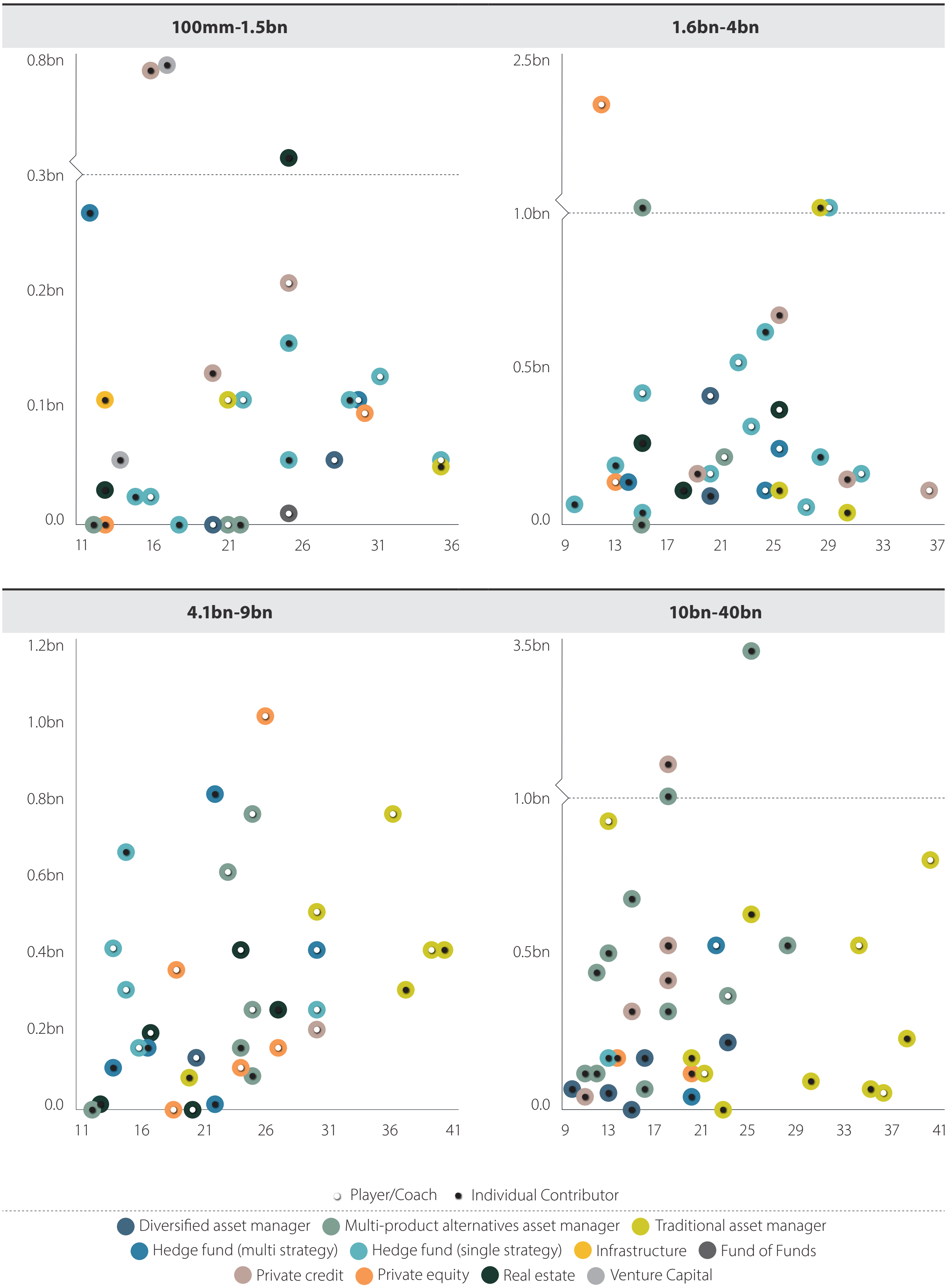
2020 Capital Raised per Fundraising Professional (by Firm AUM)

AUM	Mean	Median	Range	Respondents
100mm-1.5bn	124mm	50mm	0 - 750mm	29
1.6bn-4bn	334mm	163mm	0 - 2bn	32
4.1bn-9bn	301mm	250mm	0 - 1bn	34
10bn-40bn	401mm	207mm	0 - 3.3bn	38
41bn-100bn	907mm	350mm	0 - 3.4bn	24
101bn-850bn	801mm	400mm	0 - 7bn	33
1 trillion+	3.3bn	1.4bn	500mm - 10bn	16

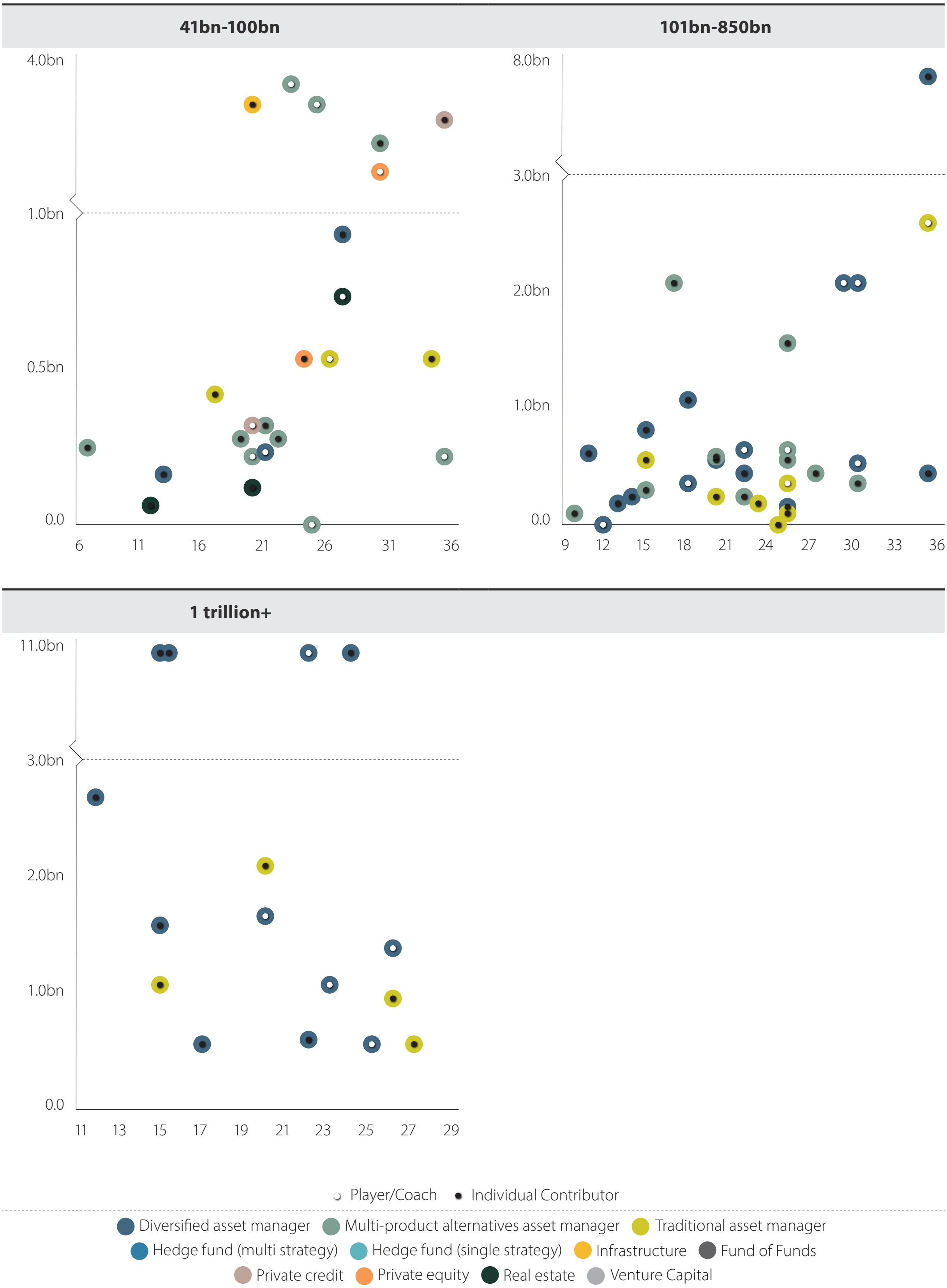
By Firm Type and Years of Experience

By Firm Type and Years of Experience

By Firm AUM and Years of Experience

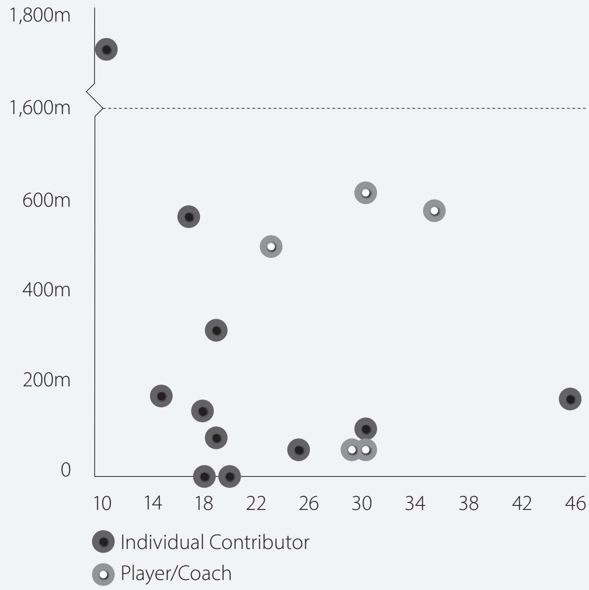


By Firm AUM and Years of Experience



Placement Agents

2020 Capital Raised



Summary

Mean	312mm
Median	148mm
Range	0 - 1.7bn
Respondents	**16**

Perceived Level of Difficulty

What is your view on the level of difficulty in *retaining* capital today compared to a year ago?

	Slightly more difficult	Moderately more difficult	Significantly more difficult	About the same	Slightly easier	Moderately easier	Significantly easier	Other	Respondents
Traditional asset manager	11%	25%	11%	34%	4%	9%	4%	4%	56
Diversified asset manager	11%	9%	7%	55%	7%	9%	0%	1%	74
Multi-product alternatives	11%	17%	8%	48%	11%	0%	3%	2%	64
Hedge fund (single-strat)	14%	17%	11%	40%	9%	0%	9%	0%	35
Hedge fund (multi-strat)	7%	40%	0%	40%	0%	7%	7%	0%	15
Private equity	22%	11%	7%	41%	19%	0%	0%	0%	27
Private credit	5%	20%	5%	50%	5%	5%	5%	5%	20
Real estate	22%	6%	6%	56%	6%	6%	0%	0%	18
Placement agent	5%	5%	0%	47%	21%	11%	5%	5%	19
Total	**12%**	**16%**	**7%**	**46%**	**9%**	**5%**	**3%**	**2%**	**328**

What is your view on the level of difficulty in *raising* capital today compared to a year ago?

	Slightly more difficult	Moderately more difficult	Significantly more difficult	About the same	Slightly easier	Moderately easier	Significantly easier	Other	Respondents
Traditional asset manager	13%	31%	31%	9%	7%	4%	0%	4%	54
Diversified asset manager	12%	30%	19%	21%	12%	4%	1%	0%	73
Multi-product alternatives	14%	22%	31%	14%	9%	6%	3%	0%	64
Hedge fund (single-strat)	11%	17%	31%	19%	8%	11%	3%	0%	36
Hedge fund (multi-strat)	0%	27%	27%	20%	13%	7%	7%	0%	15
Private equity	19%	48%	11%	15%	4%	0%	0%	4%	27
Private credit	5%	45%	25%	5%	15%	5%	0%	0%	20
Real estate	11%	17%	39%	22%	6%	0%	6%	0%	18
Placement agent	9%	36%	32%	14%	9%	0%	0%	0%	22
Total	**12%**	**29%**	**27%**	**16%**	**9%**	**5%**	**2%**	**1%**	**329**

Section V. Insights

The Insights section includes two of Willow Hill's most relevant thought pieces. For additional thought leadership, please visit willowhilladvisors.com

Capital Raising and Investor Relations:
Best Practices for Engagement

Originally published in October, 2020

Based on a series of interviews held in October 2020 with 10 senior institutional allocators (CIOs and strategy heads) and 2 former allocators now in marketing roles. Contributors represent a cross section of investment consulting, endowments, foundations, corporate and public pensions and single family offices, across the United States.

> "You can tell when a marketer is playing the long game and trying to build a longer term relationship vs. trying to get you to make an allocation to the next fund. At the end of the day, it may be two to three years before we make an allocation. The best carry through."
>
> *~ Strategy Head, Pension Fund*

In Capital Raising and Investor Relations: Best Practices for Engagement we will explore how honoring the timeless best practices of marketing and investor relations while innovating to embrace the current situation can best position investment managers and their client-facing teams to compete most effectively.

- How has COVID-19 transformed client interaction?
- What are best practices within different forms of communication?
- What characteristics and behaviors best position a marketer for a positive outcome?
- What characteristics and behaviors risk sabotaging a marketer's best efforts?
- What hope exists for newer or first-time funds in the current environment?
- How can investment managers best prepare for the future?

How has COVID-19 transformed client interaction?

Overall, four key trends emerged from my interviews:

- Humanization of the process
- Sticking with the familiar
- Better quality and more frequent engagement
- Ample opportunity to level up

Universally, everyone interviewed for this piece cited greater connectivity and an overall "humanization of the process" as positive developments during the past 8 months.

> "For all the Zoom fatigue, this time has really allowed us to relate on a human level. There is often some element of comic relief to meetings. This has given me insights in to who they are as a person."
>
> *~ Strategy Head, Pension Fund*

One caveat however is that most of this deeper connectivity has been with existing relationships.

Most allocators interviewed said their interactions and activity since March 2020 have been almost exclusively focused on managers they had prior relationships with. In the case where they are looking to expand a mandate, take advantage of certain opportunities in the market, or replace an underperforming manager, it's just more seamless from a due diligence perspective and more cost-effective to work with investors they know.

> "Ultimately, I find it very difficult to establish enough conviction in a manager to advocate for them without getting to know them outside the office. I am not just underwriting their investment acumen; I am underwriting them as a person. Perhaps this will change over time if limited travel is prolonged."

~ CIO, Family Office

Given the current dynamics, the level of engagement (dialogue and transparency) with existing and prospective managers has been elevated. Many LPs find themselves actually spending more time with managers and are enjoying greater access to investment professionals. Overall, this is a good thing, but efficiency and thoughtfulness become critical. Fatigue and overwhelm are real considerations.

Most allocators reported taking a very select number of socially distanced lunches and dinners during the past 8 months. This will pause in most regions of the country as winter sets in.

> "Ultimately Zoom is working. Diligence is taking slightly longer but the quality has improved as people are not wasting time running around on planes. Time feels more productive and analytical."

~ Strategy Head, Investment Consulting Firm

March and April presented marketers with an opportunity to level up, as things were shifting so quickly. It no longer mattered that you were producing quarterly letters consistently for years. The best marketers were proactive, and recognized that allocators really valued the insights they may have taken for granted being in closer proximity to the trading desks.

> "We talk about stress testing and risk ad nauseam, but now we have a real world situation to use instead of a paper portfolio. It's a really good time to go back to the basics."

~ Strategy Head, Pension Fund

What are best practices within different forms of communication: emails, calls, webinars, thought leadership, pitches and due diligence sessions?

While there are certainly universal best practices (integrity, respect, transparency, etc.) that span all forms of communication, there are nuances to each, certainly within the context of the current environment.

> "Across all forms of communication, focus on your competitive advantage, not tenure or track record. Remember, your track record is the result of your competitive advantage, not what got you there. Tell me what is differentiated about you. This is easier to say than do."

~ Strategy Head, Pension Fund

Outreach (email)

Whether to address the crisis in outreach and engagement is incredibly tricky, and there is no right answer.

> "Honestly, it depends on the day I am having. Some days you want to dwell and some days you just don't."

~ Strategy Head, Pension Fund

Best practices:

- Length: the sweet spot seems to be 2-3 paragraphs in length. Three sentences is too short to contain substance and 7 paragraphs are too long to be digestible.
- Content: performance should be easily accessible, ideally in the first paragraph.
- Personalize update emails.
- Avoid coming across as presumptuous of an LP's time.

> "I had a marketer recently say they were going to Cc their assistant to find us a time to speak. This landed badly in two ways. First, I hadn't yet emailed back to say I wanted to talk, so they came across as being entitled to my time. Second, I personally don't even have an assistant! It impresses me when someone senior schedules their own meetings."

~ Director of Investments, Foundation

Lack of transparency is one of the leading reasons for frustration and a lack of response on the part of LPs.

> "I find it frustrating when a placement agent reaches out about a "top tier manager in XYZ strategy" but doesn't name the manager. I am not going to go through the extra step of emailing back to figure out if this is interesting or not."

~ Director of Investments, Endowment

What if performance has been challenging? It's best to avoid burying it in paragraph ten. Include performance early on, and tell the quick story.

> "Tell me something about the firm that is new. A strategic hire. A revamped investment process. How you've drastically improved performance since we last looked at you. Perhaps position it as a solution for a current opportunity."

~ Director of Investments, Foundation

What if your outreach efforts are being ignored?

> "Be patient. Inboxes are swamped. The volume of outreach has significantly increased from a year ago. If you don't hear back after 2-3 attempts, you may need to let it go."

~ Director of Investments, Endowment

> "As a public entity, if we're not issuing an RFP soon there is really no point in engaging. I am polite and happy to develop relationships, but ultimately sometimes it comes down to luck of the draw with strategy and timing."

~ Director, Pension Fund

Outreach (calls)

Universally, email is preferred. But if you're going to make calls:

- Avoid calling an LP after hours. Office lines are often now forwarded to cell phones, and you're likely to catch them in the middle of dinner or otherwise engaged with family.
- Reach out with an agenda, offering something substantive rather than a general chat about the markets.

> "I get between 10-15 cold calls per week. Unless a mutual connection who I know and trust reaches out directly and establishes some credibility, I don't return them. I appreciate the effort, but returning cold calls would add another 15 hours to an already 50-60 hour work week. I just don't have the time."

~ CIO, Family Office

Pitches

Walking through a pitchbook page by page is still very common practice. This surprised me, as virtually every allocator interviewed expressed a very strong preference for more interactive meetings.

> "Shockingly, 97% of marketers just read through their pitch deck. This is a waste of time as I've already been through it. Be thorough in your preparation and research, and draw my attention to that which fits our overall investment needs."

~ Strategy Head, Pension Fund

Best practices:

- Establish and respect meeting times. At the beginning of COVID-19, many LPs were accepting hour-long meetings and realized they had no breaks in between. If something is scheduled for 45 minutes, it's important to respect the time.
- Avoid diving right in to opening remarks without connecting on a personal level.
- Be mindful of where you're starting from; many allocators have already been through your deck.

> "I had a manager start and end their presentation with the 4 things they wanted us to walk away with. It's marketing 101. It's hokey. But you know what? I still remember those four things."

~ Strategy Head, Pension Fund

Virtual Due Diligence

Most LPs interviewed appreciated one advantage Zoom offers: to cover a vast amount of topics in a condensed time. There are pros and cons of course, but on the positive side, a due diligence meeting no longer takes up their entire day.

> "Historically our onsite due diligence would last anywhere from three hours to almost all day. That can't happen on Zoom. At least for me. I max out after 2 hours, and prefer to do a morning or afternoon, or space it out over several days."

~ Director of Investments, Endowment

Best practices:

- Host separate webinars and Zoom calls more focused on the opportunity set.
- In most instances where investment professionals are on the line, marketers should open and close the meetings, but otherwise allow their colleagues to have the floor.
- Check in, and don't assume everyone has 2-3 screens at home to simultaneously view the materials and video while taking notes. Offer to share your screen. This applies to any virtual exchange.

> "Reading body language during virtual meetings is difficult. And critical. Most marketers are not doing this well. If I am looking off to the side, you can tell my attention is waning."

~ Strategy Head, Pension Fund

Webinars & Thought Leadership

With so much content on offer, many firms will only have one shot at keeping a prospective LP's attention.

> "You get one chance to prove yourself. If we take the chance and it's not thoughtful or if it's too salesy, we're not going to invest the time again."

~ Director of Investments, Pension Fund

Overwhelmingly, everyone interviewed preferred interactive vs. pre-recorded or formal presentations. This is especially true if LPs are required to attend at a specific time and a replay isn't offered.

> "Many of us have kids. My wife and I are juggling a ton. What I find frustrating is that even some of the top firms are hosting conference calls without a replay function. One London-based manager hosted a morning call (UK time) with US LPs, and said they would not replay it. People remember these things."

~ Portfolio Manager, Pension Fund

Best practices:

- A fireside chat format is preferred over scripted presentations.
- Secure a moderator who is interesting, fair and thoughtful, ideally from outside the firm.
- Provide access to individuals who are otherwise inaccessible.
- Set expectations about what a research piece or webinar is about, then honor them.
- Balance offering a holistic view of the topic with content specific to your firm or product.
- Offer specificity vs. general information.
- Figure out a way to be fun and energetic, outside the norm.
- Highlight specific individuals within the firm.

While it's difficult to differentiate, the good news is that once a manager establishes their content as valuable and digestible, LPs will look forward to receiving it and share it among their network.

"What would really pique my interest is if XYZ private equity firm hosted a webinar on how they were able to execute specific deals since March 2020, in the COVID-19 environment. This would give me a great view of the firm and would certainly be a differentiator, as most firms aren't able to do this and just offer general information."

~ Director of Investments, Endowment

For even the most skilled live presenters, the transition to a virtual format can be surprisingly rocky. Even humbling. It pays to approach the new format with a beginner's mind and seek out ways to continuously improve, perhaps even arranging formal media training for the team.

"If you spoke at a virtual event, watch the playback. This applies to any presenter—investment professionals or salespeople. I personally did this, and discovered I looked down at my notes the whole time. As someone who had spent a career doing these things live, it was appalling."

~ Confidential

As with virtual pitches, it's important to read body language for signs of waning attention spans and fatigue. It sounds basic, but this came up in several interviews as a frequent issue.

"Many of my colleagues are flooded with invites to webinars, Zooms and content. We're getting overwhelmed with all this digital information, and I can see people almost starting to shut down."

~ Confidential

Given the volume of content and time constraints, it's important to set clear expectations regarding what a presentation or thought piece is about, then honor the integrity of those expectations.

"I attended one webinar where XYZ firm focused so much on themselves and their product. It had been offered as an overview of the private equity industry, but that's not what it was. I stayed on, but was annoyed and disappointed."

~ Director of Investments, Pension Fund

Finally, highlighting people at different levels across the firm was cited as a powerful soft marketing tool.

"I have been particularly impressed by one firm's soft marketing. I love how they highlight their people, especially analysts. This really resonated well with me. I could get a better sense of the firm's diversity of thought. If it came down to two managers with similar return profiles, I would choose the one I could better relate to culturally."

~ Strategy Head, Pension Fund

What characteristics and behaviors best position a marketer for a positive outcome?

> "The more you can make an allocator's job easier the better. This requires a high level of EQ along with technical expertise."

~ Strategy Head, Pension Fund

General guidance:

- Remember not every client likes to be approached in the same way. Take time to read the person and listen carefully to the clues they are offering.
- Make sure your follow up strikes the right chord – friendly, not overly burdensome and respectful of time.
- Demonstrate humility and curiosity.
- Understand what this all means to the institution they serve, not just for their allocations.
- Generously share your and the firm's unique knowledge and insights.
- Be aware of what is going on in an allocator's region (e.g. forest fires, protests, etc.)
- Offer examples, specificity and the greatest degree of transparency possible.
- Listen first, then offer insights and solutions.
- Graciously take no for an answer.
- Listen well, not just in the moment but over years. Take good notes so you can reference the past, incorporate current market trends and ultimately connect the dots.
- Be willing to have a point of view and have conviction.
- While the press can be a double edged sword, be open minded to engaging.

"I was introduced to someone on the business development team at XYZ firm. I was able to meet with them ahead of COVID-19, and they've done a terrific job staying in front of me. The firm overall has done a great job at virtual due diligence sessions, both in terms of content and timing, and they've remained front of mind with me because of that. They are as well positioned as possible; now it depends on how our overall portfolio needs evolve."

~ Strategy Head, Pension Fund

The ability to contextualize is a huge differentiator.

"Be savvy and intellectually aware. Follow the markets. The best people in the business contextualize. They understand and can effectively communicate how their strategy relates to the broader market without having to go back to the PM."

~ Portfolio Manager, Pension Fund

Consider your investor base, particularly their levels of technical expertise.

"Know your investor base. I was on a conference call with a manager who was talking in depth about credit derivatives. I was following, but in the back of my mind wondered how much of this 100-person audience they had lost."

~ Portfolio Manager, Pension Fund

Recognize feedback as a gift. Solicit, appreciate and onboard what LPs are taking the time to share. Seek out constant improvement and the chance to level up.

"One marketer went beyond the typical thanks and circled back with specific action items showing how they took my feedback on board. This really impressed me."

~ Portfolio Manager, Pension Fund

To illustrate the point around being mindful of how different investors like to be approached, I offer these two direct quotes (and wish you luck navigating this one):

"Don't start with phrases like "How can I be helpful?" Unless you're a mega-firm, this comes across as disingenuous."

~ Director of Investments, Endowment

and…

> "Begin with "How can I be helpful?" Then I will give you the opening to make the pitch. If you start the pitch first you've lost my attention."

~ Strategy Head, Pension Fund

What characteristics and behaviors risk sabotaging a marketer's best efforts?

> "Most people I work with are fantastic, and I've had the opportunity to meet some exceptional sales and IR professionals in this role. But I do see behaviors that are ineffective at best, or just plain annoying."

~ Portfolio Manager, Pension Fund

Much of the advice offered is timeless, but I would argue it's worth revisiting the basics, given the competitiveness of the current environment.

What is not landing well?

- Downplaying and/or not properly communicating the risk/reward tradeoff of the investment.
- Overplaying one's perceived uniqueness.
- Emails that are too lengthy, especially when performance is buried.
- Not making the investment team available.
- Offering vague answers, lack of transparency.
- Requiring the PM to answer questions around how your strategy relates to the broader markets.
- Neglecting to read body language for signs of waning attention and fatigue.
- Circular references (e.g., "reference our DDQ").
- Overly aggressive follow up.
- Breaching basic Zoom etiquette.
- Focusing on quarterly sales targets vs. taking a 2-3 year view.
- Pushing back instead of accepting a "no" and telling the LP all the ways in which they were wrong to make the decision.
- Going over someone's head, not respecting the existing point of contact.

How does one define "overly aggressive outreach"? For example:

> "Some salespeople will call my office line, then my cell, then send me an email. Just pick one."

~ Strategy Head, Pension Fund

One of the most often cited frustrations that emerged from my conversations centered around the availability of the investment teams. While this has actually gotten better for most LPs in the COVID-19 environment, many voiced a desire for even greater access.

> "If I am going to take the call, make the deal people available. If they are willing to invest the time, that shows me the strength and quality of the organization, and that they take fundraising seriously."

~ Strategy Head, Investment Consulting Firm

Finally, during my conversations a list emerged of "hackneyed, salesy phrases I would be happy never to hear again." (Yes, that is a direct quote.) I decided to inject some fun here while shedding light on the phrases marketers might consider retiring.

Buzzword Bingo 2020 Institutional Marketing & Investor Relations Edition

"Reference our DDQ"	"Proprietary"	"Hard to access"	"Look…"	"XYZPERS is an investor."
"In these uncertain times…"	"It's time to get the offense on the field."	"We're in the solutions business."	"Any friend of XYZ is a friend of mine."	"Due to the pandemic…"
"If you want to talk to the PM you need to tell me you're going to get there."	"I get you're not allocating to XYZ strategy but let me tell you about it anyway."	★	"I think you're making a mistake not having XYZ as a core position in your overall portfolio."	"Bottom up process that is informed by the top down."
"Our team / strategy / historical returns are best in class."	"I see we have a mutual connection on LinkedIn…."	"I don't think you fully understand our strategy."	"While the easy money has already been made…."	"Top down process that informs the bottom up."
"Net net, these are really great guys."	"Can I buy you a cup of coffee?"	"The fact of the matter is…"	"It's going to be a stock picker's market."	"I am here because I want to help you do your job well."

What hope exists for newer or first-time funds?

Most allocators interviewed will engage in conversations, particularly pension plans with established emerging manager programs. But the statistical likelihood of a newer or first-time fund receiving an allocation in the near term, while not impossible, has been limited. Most consideration is going to managers with already established connectivity; the perception that it is very difficult for a newcomer to gain meaningful traction is real. It was already challenging, and the lack of conferences and onsite due diligence has only exacerbated this difficulty.

> "It's human nature that some of our managers are more comfortable with Zoom while others are frozen. Many have spent their careers being able to make a personal connection outside the office. As an asset owner with a fiduciary responsibility, eventually you need to trust that the process can be done over Zoom."

~ Strategy Head, Investment Consulting Firm

Most allocators suggested their thinking may evolve on this in 2021, and it will be interesting to see what lasting effect this dynamic has on the process in years to come.

> "If this stretches on I imagine next year might be different. My peers and I will likely bring in new managers but, honestly, I have no idea how receptive boards and trustees will be.

~ Strategy Head, Pension Fund

Most allocators with a history of working with emerging managers spoke very favorably of the "speed dating" summits and conferences of years past, and hope to see more opportunities emerge to replicate this experience virtually.

While acknowledging the difficulty, let's explore what is resonating:

- Offering co-investment opportunities.
- Minority- and women-owned businesses.
- (Virtual) "speed dating" opportunities.
- A first-time fund launched by a team that spun out (with a portable track record) of a highly regarded institution, ideally one that already has strong consultant relationships.
- Warm lead generation—this is especially important for family offices, both pre-COVID-19 and today.
- A story that is bulletproof.
- Communicate your willingness to spend as much time on Zoom as the LP needs.
- References carry a lot of weight, and even more so during COVID-19. Savvy investor relations professionals will offer a robust list (e.g., 5 other similar LPs who have invested and 5 who perhaps didn't invest but know them well.)

> "We will consider a first-time fund if there is very clear attribution from a very experienced investor who was heading and had full investment authority at a prior firm. We only do a handful of these deals a year so the situation needs to be bulletproof. No hair. No risk. For example, if two co-founders have never worked together, I am not willing to make the bet they will do so together successfully now."

~ Director of Investments, Endowment

One allocator advised new managers to consider starting off as a family office, building a 3-year track record and getting all the operations in line before seeking outside capital.

How can investment management firms best prepare for the future?

Many of the communication tools that emerged or increased in utilization during COVID-19 are likely here to stay. While acknowledging the advantages of in-person meetings, allocators are pleased with how managers have adapted. Overall, they cited an appreciation for the humanization of the process, increased access and efficiency, and even the overwhelming number of webinar and thought leadership offerings.

Most of the individuals interviewed felt their managers and prospective managers have done the very best job possible in the midst of an extraordinary situation. Most are very much looking forward to face-to-face interactions again, but expect many of these virtual tools to remain once we are past the current crisis.

As investment management firms continue to innovate, it bears keeping the basics in mind. Much of the best practice advice offered during my interviews (as well as the behaviors that aren't landing well) have remained consistent over many years.

Operating with the highest degree of transparency, respect, technical acumen, thoughtfulness, integrity and EQ remains on equal footing with creativity, leveraging technology, innovation and content generation.

An integration of historical best practices with the adaptability 2020 demanded will best position investment managers to attract and serve their clients in the current environment and years to come.

Navigating the Path to Leadership

Originally published in November, 2019

Based on interviews held in November 2019 with 18 institutional distribution team leaders offering advice, personal reflection and candid insights for new managers coming up the ranks.

Top performing salespeople often become team leaders with a ton of enthusiasm and drive to make a positive impact, yet very little preparation for the unique demands of the role. While experienced managers promoted from other functions may have more innate leadership DNA, and training, they face other challenges in establishing credibility and understanding the institutional process without the benefit of time in the trenches.

Regardless of one's path, a new promote is likely stepping in to a role of great opportunity and responsibility a bit green. There is no playbook or training manual, and while general management books can help, they lack nuance. Unlike other industries, from sports teams to the military to management consulting, where these skills are built incrementally throughout one's career, asset managers tend to run leaner and full throttle without pausing to consider the ramifications of placing their distribution efforts in inexperienced hands.

> "A high level of turnover in business development creates a whole host of issues; it takes years to get back on track with LPs and this incurs huge organizational costs."

As an executive recruiter, I've had the privilege to serve some of the top distribution leaders in the industry; either placing them in their roles or recruiting for their teams. Over the years, I've also heard an earful from prospective recruits. Frustration with an ineffective manager is one of the leading motivators for a talented fundraising and investor relations professional to entertain an outreach call from someone like me.

Consider the distribution leader's paradox: the DNA and attributes that make an exceptional individual salesperson so successful can be in direct contradiction to the elements of a strong team leader. When asset managers promote their top salespeople, not only are they pulling strong revenue generators out of the market they also risk creating dysfunction that can result in dissatisfaction and lost productivity.

> "The irony is that when the best producers get put in to positions of authority it takes them away from what they are really good at, and what they really love doing. This is a transition and a journey…"

On the other hand, a new manager with the right skill set, temperament, mindset and motivation can energize the team, establish better alignment with portfolio managers, create an environment where everyone is pulling in the same direction, and ultimately position the firm to have greater impact with existing and prospective investors. It also leads to greater enjoyment and engagement on the part of the leaders themselves.

> "For me it's the love of teaching. After some time spent managing and mentoring, I began to find it incredibly rewarding to see high potentials grow and excel. Getting a heartfelt thanks for helping them unlock that potential is the most rewarding part for me."

What does this skill set and temperament look like? If most salespeople aren't natural born leaders, how and when should they work on developing these qualities?

We will explore these topics in three parts:

- Part One: Top Qualities to Cultivate While Coming Up the Ranks
- Part Two: Top Considerations for the Transition
- Part Three: Qualities of Sustained Leadership

Part One: Top Qualities to Cultivate While Coming Up the Ranks

While a total shift in mindset would be counterproductive and premature before one is actually promoted, there are critical skills and qualities that client-facing professionals can work towards cultivating throughout their entire careers. In fact, I would encourage even the most junior professionals to get intentional about this now vs. trying to learn on the fly while drinking from the proverbial firehose that is the reality of new promotes.

> "Self-awareness and making time for introspection suddenly became much more important, just as I was getting way busier."

The following skills and qualities can position up and comers to be considered for management roles in the first place, serve them well during those critical first six to twelve months, and support their ability to lead with impact over the long haul.

Summary of Top Qualities to Cultivate While Coming Up the Ranks:

- Develop EQ/self-awareness
- Become skilled at delivering constructive feedback
- Sustain relationships with mentors and managers
- Informally mentor others
- Build a habit of intentionality around strategic planning
- Develop a client-centric mindset
- Establish a reputation of authenticity, trust, integrity and collaboration

Develop EQ/self-awareness

EQ is widely acknowledged as one of the leading indicators of success in business, yet the demands of a career in financial services often push time for introspection and "doing the work" to the back burner. Working with an executive coach has become much more accepted in recent years, as financial services professionals have come to appreciate the leverage gained through working with a coach, in the same way a professional athlete does, in pursuit of peak performance.

Many career inhibiting behaviors are unconscious vs. malicious. Seeking outside perspective through assessment and coaching can shed light on and effectively shift these behaviors. Qualities and skills like active listening, managing emotions during conflict, self-awareness, seeking and learning from feedback, empathy, approachability, taking ownership, responding vs. reacting, and keeping biases and perceptions in check can all be cultivated, and the earlier the better.

Become skilled at delivering constructive feedback

New managers often struggle to strike the right balance between respect and likeability, particularly if they are moving from peer to manager. This can result in avoiding conflict all together, or delivering feedback unskillfully (by phone, publicly, inconsistently, or without having first earned the credibility and trust that assures team members that their manager has their best interests at heart). Universally, the leaders interviewed for this article cited developing the skill of regularly delivering constructive feedback as critical to their effectiveness.

> "The managers who create an environment where sharing constructive feedback is safe and expected, and who deliver feedback that is honest, candid and direct are the ones who receive the highest accolades."

Sustain relationships with mentors and managers

The power of mentorship is obvious, but the rate at which professionals fall out of contact with former managers and mentors is surprising, especially in such a relationship driven business. Working intentionally to maintain these relationships will serve new managers well. "It's lonely at the top" is a cliché because it's true. Great leaders credit much of their success to prior bosses who served as positive models and the mentorship they received coming up the ranks, while remarking on how it becomes simultaneously more difficult and more important to have trusted sounding boards and guidance the more senior they become.

Informally mentor others

Strong leaders also develop a track record of giving back. Being generous with one's time and attention to informally mentor junior team members is great training, and invaluable experience to cite when the time comes to be considered for a management role.

Build a habit of intentionality around strategic planning

Approaching one's work with intentionality is a practice even the most junior team member can cultivate even if, practically speaking, their daily activities seem directed by the demands of others. Getting in the habit of setting aside time to consider, "What do I want my work day to look like?" and "How will I define success for myself in the next 3, 6 and 12 months?" sets one up for the strategic business planning required in later years.

Develop a client-centric mindset

Developing a client-centric mindset early on can serve as a "north star" throughout one's career.

> "Anchor your listening, activities and messaging around client service. Later on, you will find that everyone has opinions, but client-grounded viewpoints and decisions carry more weight."

Establish a reputation of authenticity, trust, integrity and collaboration

Finally, there are vastly different styles and approaches to institutional sales and investor relations. Virtually any style can be effective, and there are benefits to this diversity given the range of styles among LPs. However, one common denominator in sustaining a successful career over the long haul is operating with credibility, integrity, trust and collaboration from day one. While sharp elbowed professionals continue getting hired at a rate that honestly astounds me, these folks rarely last very long in their roles. Their resumes are a collection of 1- to 2-year moves, a rate of jumpiness that does not serve anyone well. A solid reputation buys a new manager time and trust to find their footing, and will get their teams pulling in the same direction more quickly.

Part Two: Top Considerations for the Transition

The early phase of moving in to a management role is exhilarating, challenging and insanely busy in a way even the most talented professionals often underestimate. This time can be wrought with as many landmines as opportunities. The leaders interviewed for this article offered these top considerations along with the corresponding rookie mistakes to avoid. More than a few admitted learning these lessons the hard way themselves.

- Immediately shift one's mindset
- Work with leadership to establish a clear definition of success
- Embark on a listening tour
- Carve out time for strategic planning
- Set the team structure
- Develop an understanding of team members' motivation, strengths & areas for further development
- Shift direct client responsibility
- Establish a communication strategy
- Decide which underperformers to exit or work with
- Take a measured approach to hiring
- Create a team culture of fun, collaboration and open communication
- Re-establish relationships with former bosses or mentors if you've lost touch

Immediately shift one's mindset

> "If you think the skill set that got you promoted in to this job will make you a successful manager you're delusional."

Almost everyone interviewed recommended that a new manager's highest priority should be recognizing the need for an immediate shift in mindset. An effective team leader gets as excited by the success of their team as by their own, and eventually even more than their own. For a salesperson historically rewarded and valued for putting individual numbers up on the board, this is not a natural shift and requires a healthy degree of intentionality and commitment.

> "The hardest part is stepping out of the way and not jumping in at the final stage to try and close everything."

> "I had to go from waking up every day and asking, "How do I raise money today?" to "How do I help others raise money today?"

The shift is subtle, but as one leader put it, "It's everything."

Rookie mistake to avoid: believing one's current skill set is sufficient and allowing ego to stand in the way of growth.

Work with leadership to establish a clear definition of success

Working with leadership early on to establish a clear definition of success is the next step, and will serve as a foundation for the listening tour and strategic work that follows. Often new leaders are surprised that they themselves will need to initiate and drive these discussions.

Embark on a listening tour

An individual contributor will often be surprised by the complexity of satisfying so many different constituencies. Understanding different perspectives across the ecosystem (from PMs to clients) is the first step in shaping a strategy to navigate what will surely be a time-intensive part of the job.

> "In my earlier years, I wish I had listened more. I would have kept more of an open mind and allowed myself to be surprised. I would have been more patient, and picked my battles more carefully, and perhaps avoided having so many open fronts at the same time."

Carve out time for strategic planning

In the early weeks, new managers are often overwhelmed with putting out the fires directly in front of them. Setting aside time for strategic planning and creating a road map to success for themselves and the team is critical at this stage, particularly as they begin to implement changes.

Rookie mistake to avoid: launching in to one's new role without clear definitions of success, and implementing changes prematurely, without investing the time to listen and consider different perspectives.

Set the team structure

Universally, setting clear expectations, roles and responsibilities within the team early was recommended as critical; several wished they had been more thoughtful and strategic in laying out a stronger team structure much sooner. At the same time, it's critical to appreciate the different styles on one's team and avoid micromanaging. An intuitive, more relationship driven salesperson can be just as effective as a more quantitative or process driven one.

Rookie mistake to avoid: wanting to be viewed as a friend or laid-back manager in a sincere effort to avoid micromanaging. Allowing one's team to operate in a "wild west" dynamic is a surefire way to leave a team vulnerable to recruiting calls.

Rookie mistake to avoid: swinging the pendulum too far in the other direction, and insisting team members adopt the particular style and approach that made one successful. This example of micromanaging is a great way to create animosity, frustration and, you guessed it, more calls to recruiters.

Develop an understanding of team members' motivation, strengths & areas for further development

Spending time with team members one-on-one and instilling a sense of accessibility while laying out the team structure is critical. A new manager who works hard to first understand, then deliver what motivates their team member as an individual (e.g., recognition, title, compensation, career advancement, resources, autonomy, flexibility, etc.) establishes mutual accountability. Importantly, it also helps establish the trust and credibility required to deliver constructive feedback later on. Particularly when managing a larger, global team, it's important to consider cultural and generational nuances. For example, managers will generally need to work harder to gauge employee satisfaction and motivation in regions of the world where direct communication is not the cultural norm. Another example is encouraging the career ambitions of millennials while reigning in unrealistic timeline expectations for advancement.

Rookie mistake to avoid: focusing on setting team metrics and expectations without establishing a commitment to mutual accountability (and honoring promises as the months progress).

Shift direct client responsibility

Perhaps one of the hardest shifts is deciding which key client and consultant relationships to maintain and which to transition, an exercise that seasoned team leaders suggest new promotes face as early as possible. Freeing up bandwidth for the demands of management while maintaining enough connectivity to remain sharp and credible is a balance a new manager needs to strike, and quickly. It only gets harder to roll off these accounts as time goes on. Often this means giving up control, and "getting over one's insecurities" as more than one leader candidly put it.

> "The number of new managers who have failed spectacularly in their roles because they wouldn't get their egos and desire to control everything out of the equation is astonishing."

> "You're competitive and you like to win, but now you're not even in the room."

Rookie mistake to avoid: allowing insecurities to drive decisions or inaction, namely an inability to let go.

Establish a communication strategy

During the listening tour, new promotes will have solicited feedback from the various investment teams and will now need to decide on a communication strategy. There was much debate among those interviewed regarding the actual frequency and depth of communication. Calibrating and recalibrating seemed to be the norm, as leaders sought to strike a balance between keeping investment teams informed and feeling secure in the capital raise without "feeding the beast" and creating more anxiety by over-communicating and providing too granular a play-by-play view of the process. Ultimately the right level of communication is highly individualized, but all agree that collaborating with the investment teams to establish a suitable level and format for communication is critical to earning early credibility and sustaining it through the inherent ups and downs of capital formation and retention.

> "It feels like BDIR is the emotional epicenter of the firm sometimes. We were doing multiple fundraises for multiple teams, and the PMs felt like their future would live or die on my team's efforts... it was a lot of work balancing the emotions of those around us, and I made the mistake of allowing them to watch the fundraise live, which was time-consuming and ultimately counterproductive."

> "The risk of under-communicating is higher than over-communicating. The reality is that what feels like a lot is often less than you think. It's important to check your assumptions."

Rookie mistake to avoid: not establishing a clear and deliberate communication strategy early on, which can result in inconsistency and under- or over-communication.

Decide which underperformers to exit or work with

Taking the time to fully understand the issues around underperforming team members is also critical in the early months. When reflecting on their experiences throughout the years, most leaders grew to recognize the importance of exiting cultural misfits (sharp elbowed, dishonest, wild cards) swiftly. Too harsh? Perhaps. But many shared candid stories of regret for not doing so earlier. However, when the reasons for underperformance were a mismatch in roles, expectations or situational disengagement, working to turn these situations around often proved a great investment, given the time and expense of recruiting and training, not to mention the value LPs place on consistency. While experienced leaders tend to place more value on quality vs. number of meetings, taking an objective look at metrics can provide the clarity required to make tough decisions. For example, is this product even attractive to a salesperson's client channel or geographic region? When measuring activity levels, are they even putting themselves in a position to be successful?

> "You need to make tough people decisions quickly. The first time I made the mistake of waiting too long, it took me two years. The next one took one year. In the next it will take me 3 to 6 months."

> "It's so important to work closely with HR to prepare. These conversations can be emotionally difficult at best and open up the firm to litigation at worst."

Rookie mistake to avoid: hesitating to quickly exit team members who are toxic to the culture.

Rookie mistake to avoid: underestimating the complexity of letting an employee go.

Take a measured approach to hiring

> "Talent mistakes risk your credibility. If you hire the wrong person and protect them for too long it negatively impacts the perception of your team, which is only as strong as your weakest link."

New leaders are often under significant time pressure to fill gaps on the team, but hiring decisions should be made thoughtfully and with tremendous diligence, as the opportunity cost of having the wrong person in a seat is greater than if that seat remains empty.

Create a team culture of fun, collaboration and open communication

The best managers invest effort to create a work environment built on fun, respect and collaboration. They make the most of their time in the office, and proactively calendar time to meet with team members both formally and in more relaxed social settings. While logistically challenging, they try to avoid being on the road for extended periods of time.

“Managing sales teams is very challenging. There are big personalities and complex team dynamics to sort out around coverage, incentives, collaboration, internal relationships and accountability. This requires a commitment to setting aside time to do it, and this can be frustrating for someone transitioning in from an individual contributor role.”

Rookie mistake to avoid: failing to foster a sense of accessibility and neglecting to regularly carve out time to connect both formally and informally.

Re-establish relationships with former bosses or mentors if you’ve lost touch

Finally, we’ve discussed the benefits of continued mentorship, and how these relationships become even more critical as one advances.

“It’s time to eat crow if you’ve lost touch—you need these relationships and perspective more than ever, so pick up the phone however awkward.”

Rookie mistake to avoid: allowing professional relationships to lapse just when one needs them the most.

Part Three: Qualities of Sustained Leadership

I want to offer a final note on the qualities of sustained leadership as managers settle in to their roles for (hopefully) the long term. Based on conversations with successful managers and direct reports over the years (as part of this piece and in my recruiting practice) the following are the most often cited qualities of successful leaders:

- Recognizes that becoming a “master of one’s craft” is a lifelong process that requires time and effort, and embraces the positive impact that becoming so can have on the lives and careers of others
- Cultivates personal attributes (humility, intentionality, confidence, authenticity, empathy)
- Has the ability to see opportunity in adversity, particularly in instilling team loyalty and camaraderie
- Provides regular, constructive feedback that is skillful, direct, candid, and yet kind
- Honors commitments to mutual accountability
- Recognizes that respect and likeability are not mutually exclusive; constantly recalibrates their approach to achieve both
- Continually refines one’s communication strategy to satisfy the needs of all constituents
- Invests the time, genuine interest, and activities required to bring out the best in people (e.g., off-sites, professional development opportunities, service projects)
- Strikes a balance between advocating for their team and maintaining an open mind regarding their own perceptions vs. others’
- Demonstrates the confidence to hire people who are smarter and perhaps even more highly compensated than themselves
- Offers junior team members the opportunity to shine in solving challenges and pushes their team to come up with solutions on their own
- Takes calculated risks in the pursuit of growth (turn-around situations, start-up efforts, relocation, etc.)
- Develops sustainable, healthy habits—as it was said, “All of these dinners and travel take their toll.”

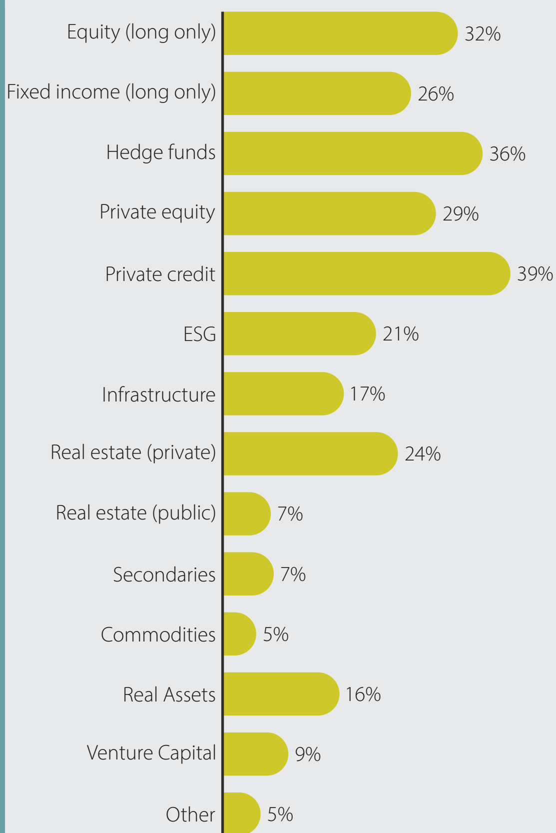
**Adapted from Making the Transition to Leadership in Institutional Distribution published on LinkedIn, November 13, 2019.*

Section VI. Demographics

Demographics

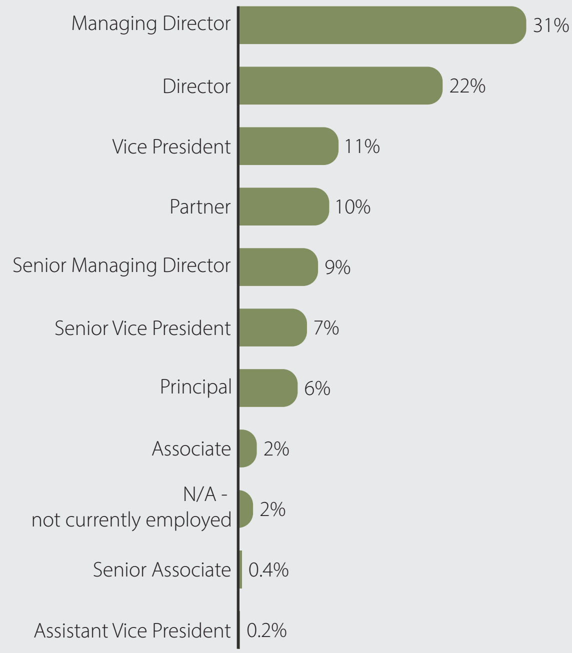
What investment strategies did you personally focus on in 2020? (Select all that apply)

Respondents 501



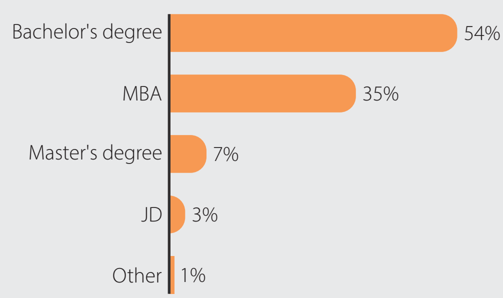
Which best describes your current title?

Respondents 501



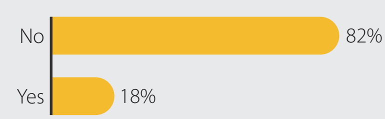
What is the highest level of education you have completed?

Respondents 501



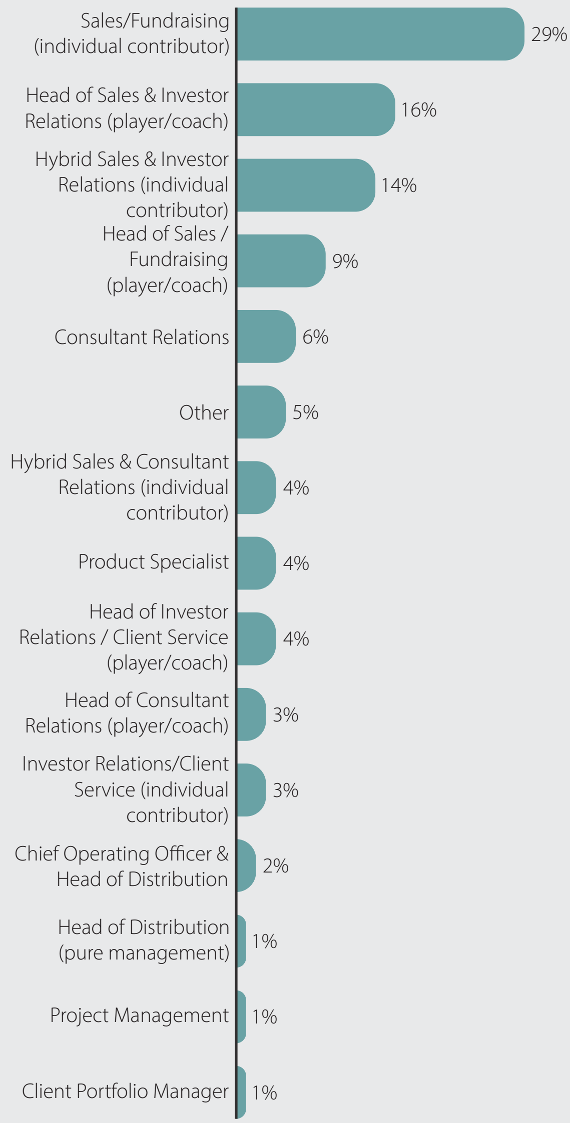
Are you a CFA charterholder?

Respondents 500



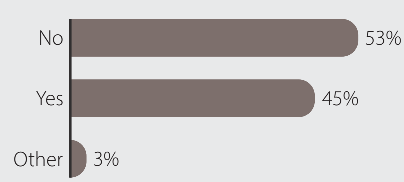
How would you characterize the primary focus of your current role?

Respondents 501



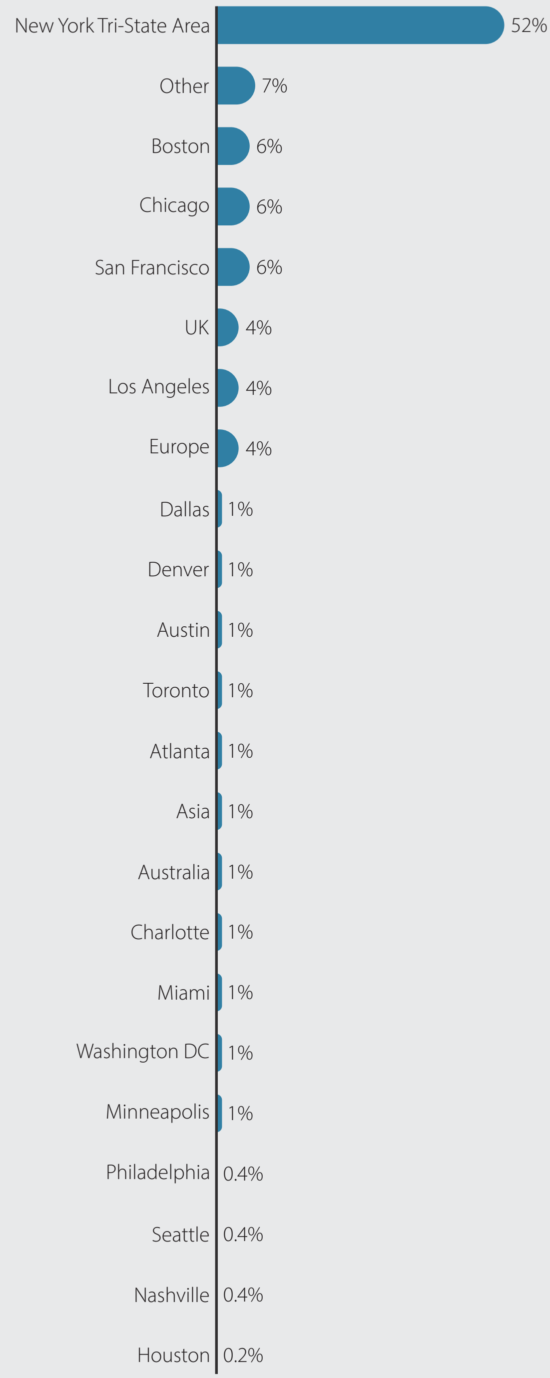
Does your role include formal management responsibilities?

Respondents 501



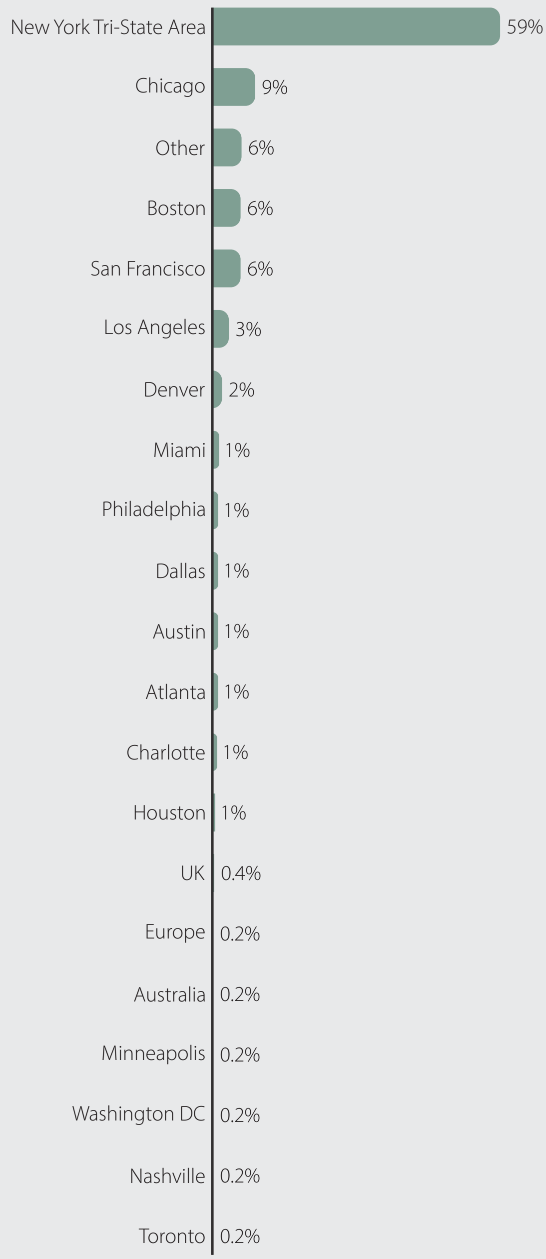
Where is your firm headquartered?

Respondents 501



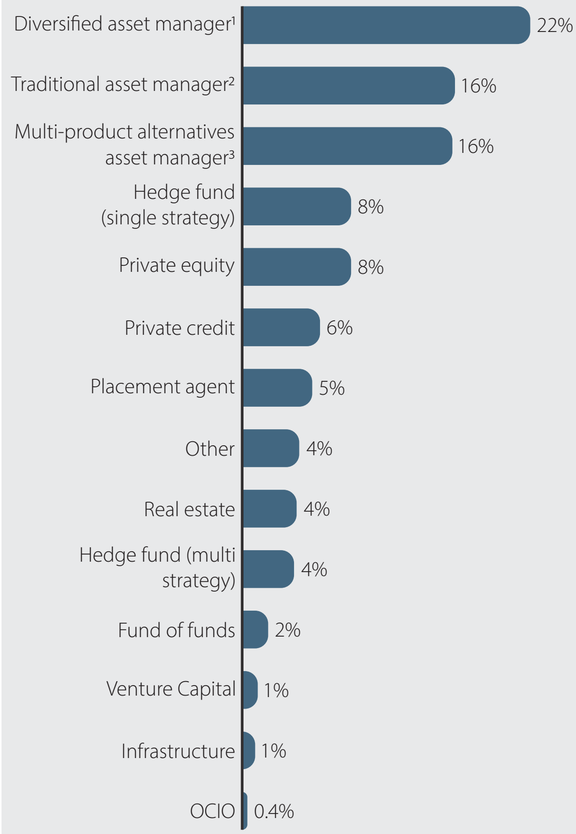
Where do you live full time? (i.e. in a "normal" year, where is home?)

Respondents 501



How would you characterize your current firm?

Respondents 501



1 *Diversified asset manager (long only & alternatives)*

2 *Traditional asset manager (primarily long only equities &/or fixed income)*

3 *Multi-product alternatives asset manager (primarily alternatives)*

**Though 501 respondents are showing in the demographics page, only 476 contributed insights. The remaining 25 filled out the demographics questions and skipped the rest of the survey.*

**Survey participants are not required to answer all questions, resulting in a range of contribution levels within each section. As such, the paper includes sample sizes for each topic for context and full transparency.*

WILLOW HILL

ADVISORS

About Willow Hill

Willow Hill Advisors is a retained executive search and career advisory firm serving the institutional investment management industry, primarily focused on client-facing roles.

Willow Hill is committed to sharing common values with clients across all of its projects:

- Highest level of integrity & ethics
- Open communication and transparency
- Speed and agility
- A rewarding and enjoyable collaboration
- Respect for discretion and confidentiality

Willow Hill executes only a select number of mandates at a time, ensuring hiring firms receive the highest level of focus and attention. Through deep market knowledge, long term relationships and established trust, Willow Hill provides unconstrained access to top caliber talent while ensuring potential placements are thoroughly vetted and referenced.

Uniquely, Willow Hill also offers in-depth guidance for individual job seekers looking to more effectively navigate their job searches and careers through its Career Advisory series.

Please visit www.willowhilladvisors.com for additional information.

About the Author

Laurie Thompson is the founder of Willow Hill Advisors, a retained executive search and career advisory practice she launched in September 2019. With nearly 20 years of experience serving the financial services community, Laurie helps traditional and alternative investment firms build and sustain top performing institutional client-facing teams.

Prior to launching Willow Hill, Laurie spent 16 years in the financial services practice at Heidrick and Struggles. She started her career working with two boutique executive search firms and doing fundraising and development for Big Brothers Big Sisters. With an M.A. in Wellness Management, Laurie brings a unique perspective to talent acquisition and retention. She is a frequent speaker at conferences and events, and enjoys sharing her knowledge and perspective on industry trends and personal and professional development. In 2016 she founded LUNA (Lead, Uplift, Nurture, Aspire) a professional network dedicated to supporting working mothers through sponsoring events, sharing resources and fostering connections.

For a full overview of Willow Hill's capabilities and thought leadership, please visit https://willowhilladvisors.com/