

Private Equity Women's Initiative

Best Practices

The Private Equity Women's Initiative established Best Practices to increase the recruitment and retention of women at private equity firms. These Best Practices provide a menu of tools suggesting actions firms can take to increase gender diversity.



Recruitment

1. Seek to interview diverse candidates for open positions. Communicate throughout firm and to recruiting partners. Establish specific job descriptions and criteria for qualified candidates.
2. Seek to hire women in investment and business lead roles.
3. Senior partners visit local college or alma mater, promoting private equity to women. Expand list of target recruiting schools to increase number of women candidates.
4. Focus on lateral hires of women in more senior roles.
5. Explore non-traditional candidate pools such as law schools, law firms, corporate M&A divisions, corporate CFO/Treasury functions, or corporate industry verticals.
6. Where possible, include women in all recruitment and interview processes for candidates, particularly female candidates. Consider asking for help from women at other firms and/or an industry panel of women to share best practices at other firms.
7. Establish and promote programs for parental leave, flex time, daycare, and other relevant matters of concern to parents. Promote programs to men and women staff. Assure all involved in recruitment are fully conversant on these programs.
8. Train interviewing professionals how to respond to inquiries, and communicate, gender-related policies.
9. Maintain dialogue with men and women who leave firm to attend business school if interested in rehiring to clarify firm's interest in their return.
10. Communicate diversity and gender-related policies on firm website and/or interview packet.

Retention

1. Encourage participation of women in all decision making roles.
2. Create internal initiatives, e.g., Mentoring –Ensure women are assigned mentors (male or female) who can provide guidance on personal development and advancement; Sponsorship – Enlist senior executives to advocate for women top performers; Skill building – Implement skill building modules; Diversity Committee – Create senior group to address needs of all employees.
3. Clearly communicate to all new hires what it takes to be successful at the firm.
4. Encourage access to women's professional networks (e.g., PEWIN, WAVE, etc.) and establish women's networks within Firms.
5. Show commitment to putting women in leadership roles at portfolio companies (e.g., women on portfolio company boards and C-Suite roles).

Gender-Related Policy

1. Design development programs to support both junior and senior men and women and provide leadership skill assessment and training to all employees.
2. Establish mentoring and sponsoring programs.
3. Develop written promotion criteria and communicate to employees. Track promotion metrics.
4. Employ metric-driven succession planning, which should include male and female candidates.
5. Review opportunities to provide flexible work arrangements to all employees where possible.
6. Adopt formal family leave policies for men and women, including transition and re-entry plans. Include not just maternity/paternity leave, but also leave programs related to spouse or aging parents' health needs.
7. Establish maternity and paternity leave planning policy to discuss leave and re-entry timing, as well as any pre-leave work minimization, engagement and communication expectations while on leave, and post-leave return and reassignment.

Infrastructure

1. Adopt formal, objective, written annual review process with performance metrics for all employees. Include self-assessments as part of the review policies.
2. Develop metrics for tracking recruitment, promotion and departures by gender.
3. Develop written criteria for promotion. Also, consider how to avoid gender pay gap.
4. Make professional coaches available to mid-level and senior level men and women to ensure their long-term success.
5. Assure firm-wide understanding of gender-related policies as well as career advancement procedures (family leave, flex time, mentoring and sponsorship) and assure all employees are fully conversant.
6. Establish employee networks and plan networking opportunities for female employees at all levels with firm leadership on a regular basis.