



Building the Pipeline: Shops Seek to Draw More Diverse Interns

By [Beagan Wilcox Volz](#) June 25, 2020

Gone are the days when the biggest asset managers focused their intern recruiting on Ivy League and other top-ranked colleges.

Managers are increasingly taking a multi-pronged approach to finding interns, seeking candidates from an array of sources, including organizations focused on diversity, employee networks, student groups, local communities and colleges of all sizes and backgrounds.

This broader outreach is part of shops' efforts to foster more diverse and inclusive workforces. Lack of diversity has been a perennial issue for financial services firms, whose leadership is predominantly white and male. But some companies are prioritizing these initiatives as the nation reckons with its history of racial injustice in the wake of George Floyd's killing last month in Minneapolis.

BlackRock CEO Larry Fink on Monday pledged to increase its Black staffing levels by nearly a third over the next four years, as reported. The firm will apply "sourcing and selection strategies used in campus recruiting to all analyst and associate hiring," Fink said in a memo to employees.

"The concept of feeding the [talent] pipeline is one of the most frequently discussed issues" at asset managers, says George Wilbanks, managing partner of recruiting firm Wilbanks Partners. In order to attract more diverse interns, shops are expanding recruiting efforts to also target small colleges, as well as those known for having diverse student bodies.

"It's not where their senior officers went to school," he says.

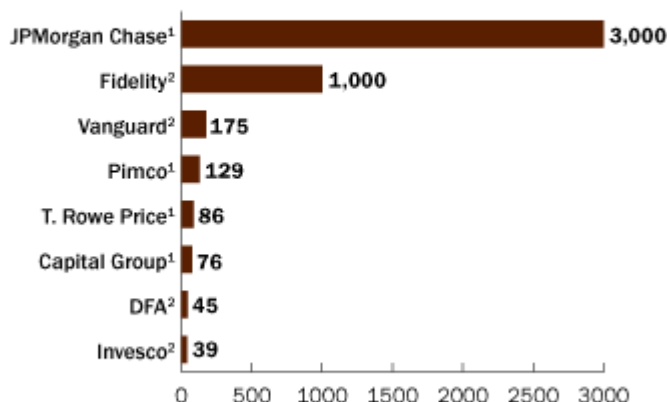
Though stay-at-home orders have thrown a wrench in these programs, the 10 largest U.S. asset managers are still conducting their summer internship programs this year, according to spokespeople at the firms. However, instead of offering the in-person networking opportunities that most have provided in the past, each of the programs will be virtual.

But the pandemic has not changed firms' objectives with their internship programs, the firms say.

"Our aim is to build a strong talent pipeline for early career roles while providing a rewarding experience for our interns," says Stacey Winning, deputy head of human resources at Dimensional Fund Advisors, in a statement.

2020 Summer Interns

Most large U.S. asset managers have kicked off their summer internship programs, albeit virtually. Here's a look at the number of interns at some of the largest firms.



Source: Company spokespeople. Data reflects the number of interns, across departments. ¹All interns. ²Only includes U.S.-based interns.

While some managers still seem to focus on specific colleges and universities for recruiting, others have opened up the process.

Capital Group, for example, has put in place a “virtual recruiting model” over the past two years that “welcomes students from any school,” says Karin Pearson, the firm’s head of talent acquisition. The firm has also piloted a program where the decision makers within its investment operations team who are interviewing intern candidates don’t see their resumes. The division hires the greatest

number of interns — 22 this summer.

Managers interview candidates without knowing the school they attend or background “to remove bias,” she says. The firm has also hired a manager who is responsible for its intern recruiting strategy.

Nearly 60% of the firm’s interns identify as an ethnicity other than Caucasian. Half of the interns are women.

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DFA, known for its investment research, seems to apply a data-driven approach to recruiting interns. The firm tracks diversity data at universities and it is “one of the data points that informs where we prioritize our recruitment activity,” Winning says.

Like Capital Group, DFA has also shifted toward a more virtual outreach process “to identify and attract a broader array of prospects,” she says.

Some shops have also cultivated relationships with numerous organizations that focus on promoting more diverse workforces. T. Rowe Price, for example, has worked with organizations including the National Society of Black Engineers, Power to Fly and the Robert Toigo Foundation, says Thomas Kazmierczak, the firm’s head of diversity and inclusion. Power to Fly helps connect firms to women, while the Robert Toigo Foundation promotes overall diversity in the workplace, according to their websites.

As an active manager, it's "really important for us to secure the best talent out there," Kazmierczak says. The internship program has been an important source of that talent, he adds.

Pimco also partners with the Robert Toigo Foundation, as well as other groups, including Leadership Enterprise for a Diverse America and Management Leadership for Tomorrow, according to a spokesman.

More than 20% of Pimco's summer interns identify as either Black or Latinx/Hispanic, and nearly half are women. The 129 interns attend 77 colleges and universities.

Franklin Templeton, meanwhile, is one of dozens of managers that have partnered with Girls Who Invest, a nonprofit that aims to increase the number of women in portfolio management and executive leadership in the asset management industry. Asset management veteran Seema Hingorani founded the organization in 2015. Franklin's work with Girls Who Invest is in addition to its own in-house internships program.

College sophomores who participate in Girls Who Invest's summer program complete a four-week training course during which they learn "core technical and soft skills" for working at an asset manager. Then each is placed with one of 100 "investment firm partners" in the U.S., Canada or the U.K. for a six-week paid internship, according to the organization's website.

The 180 women in this year's summer program attend 60 colleges across the country, the website notes. The group is six times bigger than the first to complete the program in 2016.

More than 130 alumni now work full-time in the industry, the organization notes.

Fidelity in 2018 launched a similar program for its asset management division, called Fidelity's Diverse Investors Students Experience. It is a 10-week paid summer internship for rising college juniors.

"By introducing these students to careers in financial services early on ... we hope that they will choose to embark on a career in asset management — whether that is at Fidelity or elsewhere in the industry," a spokeswoman says.

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