



NVCA-Deloitte Human Capital Survey Report

Conducted by the Deloitte University Leadership Center for Inclusion

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Executive Summary

Diversity and inclusion (D&I) are business imperatives for the venture capital industry, where venture capitalists fund innovative entrepreneurs to enable breakthrough ideas. Understanding the diversity landscape today, including the representation of historically underrepresented groups such as women and minorities, provides a starting point for the VC industry's D&I journey. One of the elements to a successful D&I program is demographic measurement. To that end, the NVCA has launched what will become a regular survey of diversity across the industry. The NVCA-Deloitte Leadership Center for Inclusion Survey team collected information from 217 VC firms across the United States regarding employee demographic information and firm talent management practices to uncover the current state of D&I across the industry.

Based on our sample of over 2,500 VC employees, we found that women comprise nearly half the VC workforce—45% overall. Yet, women only comprise 11% of Investment Partners or equivalent ('Investment Partners' defined as Managing General Partner, Managing Partner, General Partner, Founding Partner, or Managing Director; or a Partner designated as Senior and Investment Professional) across the industry. Women have been far more likely to fill Administrative roles (95%) and Investor Relations, Communications, or Marketing roles positions (75%). We also found that racial minorities are underrepresented across the industry; Black employees comprise only 3% of the workforce in our study sample and no Investment Partners in the sample were Black; Hispanic or Latino employees comprise 4% of the workforce and 2% of Investment Partners. Our survey showed that millennials (age 35 and below) comprise 35% of all Investment Professionals but have yet to attain many Investment Partner positions (6%). While most firms do not collect demographic information regarding veteran status or disability status (28% and 26% collect this data, respectively), of those reporting, only 2% of employees are veterans and less than 1% reported a disability. Our findings reinforce the importance of the efforts undertaken by the NVCA including the establishment of its Diversity & Inclusion Task Force, and of the public commitments from leading venture capital firms to take action addressing the lack of diversity in the venture ecosystem.

These survey insights provide a snapshot of the diversity landscape across the industry. However, beyond these demographic indicators, our study also collected information regarding firm talent management practices to address diversity. Our findings indicate that the presence of a Human Capital Strategy, as well as talent programs such as recruitment or mentorship, drive greater diversity on VC teams. Firms have the power to change the diversity story, and, with these insights, we hope to support the VC industry in realizing the innovation potential of diverse and inclusive teams and begin the journey to developing the VC workforce of the future.

The Business Case for Diversity

Venture Capital (VC) firms of the future must address questions of diversity and inclusion (D&I) that have long been overlooked. What does the industry look like, and can it continue to innovate and grow without embracing D&I as strategic goals? The current lack of diversity in the VC industry compelled us to take a closer look at D&I across the industry. To better understand D&I, this study collected information from 217 VC firms across the United States, including NVCA members and non-member firms, regarding employee demographic information and firm talent management practices. This report represents the current composition of the VC industry, and is the initial benchmark of how diverse the industry is overall. This report also details firm talent management practices across the industry, to provide an overview of firms' approaches to D&I. In addition, the report concludes with recommendations as to how firms may enhance D&I in the near term.

Diversity and Inclusion: What's the difference?

Inclusion goes beyond representation. Deloitte has defined inclusion as "a process of change or integration, as well as an outcome, such as a feeling of belonging. In essence, when organizations or individuals adapt their practices or behaviors to respond to people, then people feel included." (Deloitte 2012).

This study is different. Unlike past studies on the VC industry, this study is not only looking at a selected set of Investment Partners—but the industry as a whole. Who are the people working in operations and administrative roles? Do they look different from those leading investment teams? In addition, this study collected information from firms across the industry, not only the largest or most prominent firms. The intention is to provide a window into the broader industry, and this includes applying a wider lens to diversity. This study is not only concerned with gender and race, but other facets of diversity that can drive innovation such as veteran and disability status. Finally, this study provides a first look at firm talent management practices across the industry, including programs and strategies designed to enhance diversity.

Most VC firms are small, averaging 17 employees based on our findings, and therefore approaches to D&I do not follow a one-size-fits-all strategy. This is a unique industry and that is why this study takes a unique approach. This study establishes the first industry benchmark so that we can track our overall progress over time and the effectiveness of various strategies.

D&I are business imperatives. Having a diverse and inclusive workforce is proven to enhance innovation and bottom line performance, and is crucial for organizations that want to attract top talent.^a That is why this study represents a crucial first step to tackle improvement of diversity in the VC industry. A lack of diversity means missed opportunities to capture new markets, attract diverse customers and find successful investments. We want to support the venture capital industry to rise to the challenge through increased transparency and provide results-driven recommendations on how to achieve our D&I goals.

Gender in the VC Workforce

A closer look at the experience of women in VC firms

Women have historically been underrepresented in VC leadership and decision-making positions.^{bc} We conducted a thorough examination of women across the industry to better understand where women are geographically located, and how they are faring in terms of representation, tenure, and level.

Women make up nearly half of the VC workforce

Overall, women comprise 45% of VC industry employees (n=2,502) in our study sample. However, our survey highlighted that there are significant differences in the proportion of women by firm size, firm region, and firm age.

- Larger firms have a higher ratio of female employees. In firms surveyed with 5 employees or fewer, women comprise only 29% of employees. In firms surveyed with 6 through 20 employees, women comprise 41% of employees, and in firms surveyed with 21 or more employees women make up 47% of employees.
- Results by region show that women comprise a larger portion of VC employees in the West at 47% versus 37% of VC employees in the Midwest, 44% in the Northeast, and 44% in the South.
- The proportion of women does not differ much by firm age according to our results in firms less than 10 years of age women comprise 43% of the workforce, and in firms 10 years or older women comprise 45% of the workforce.

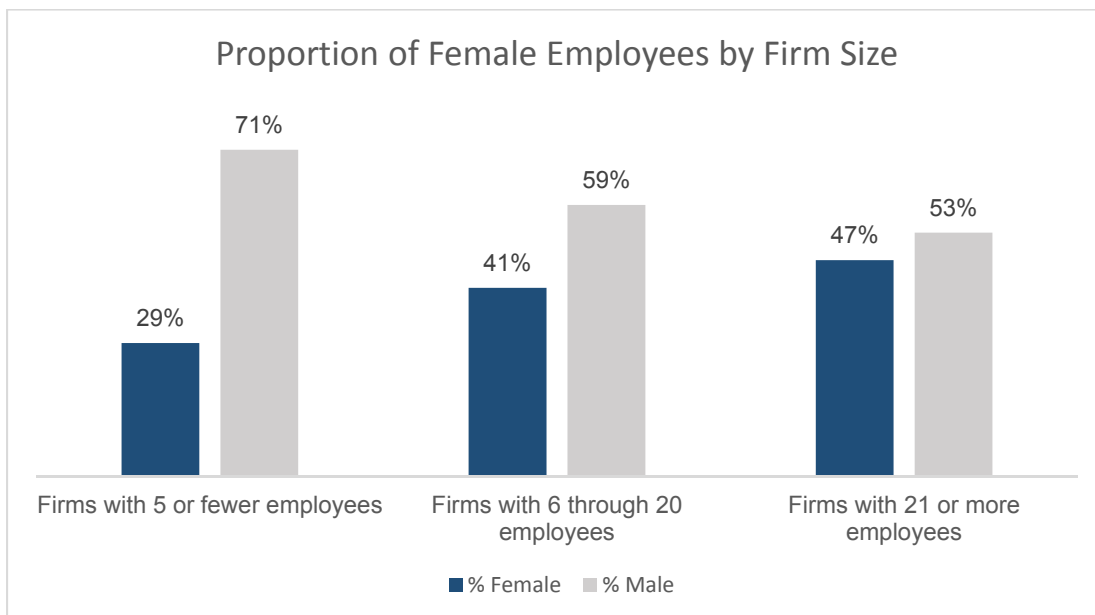
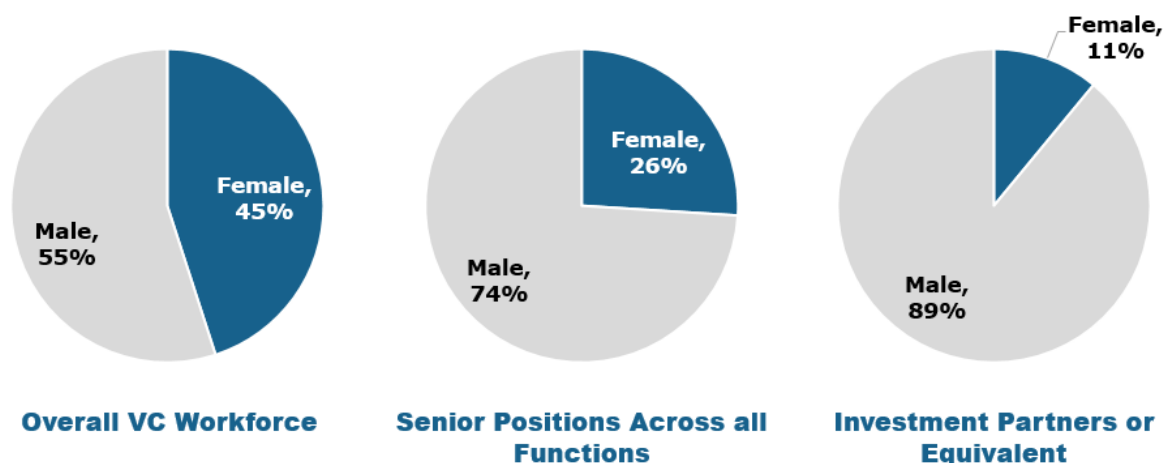


Table 1. Proportion of female employees by firm size

Female representation in leadership continues to lag

Women work in VC firms of all types, but when our survey data was analyzed to examine the extent to which women are reaching the upper echelons of the industry, we found that women are underrepresented at the level of Investment Partner. Previous research indicates that women still only comprise single-digit percentages of VC Investment Partners and equivalents. According to data compiled by *Fortune*, only 6% of all decision-makers at VC firms are female, and *Tech Crunch* found that 7% of partners at the top 100 VC firms are female. Findings from this study indicate that women are consistently overrepresented in administrative functions, and underrepresented in investment functions.^{de} In our survey, women were found to comprise 95% of Administrative roles, 75% of Investor Relations, Communications, or Marketing roles, yet only 15% of Investment Professional roles, which includes all investing positions from Associate to Partner. In addition, women comprise only 26% of senior positions across all functions and 60% of junior positions across all functions.



Looking specifically at female Investment Partners on investment teams, women comprise 11%. While this figure is higher than several previous studies, it does not necessarily indicate women's representation in leadership has increased when compared with those studies. Rather, our 217 firm sample, which also includes data from the universe of VC firms beyond the most well-known firms, had a larger proportion of women at the Investment Partner level.

Education and tenure alone do not explain the gender gap in leadership

Education and tenure were examined to investigate whether the gender gap in firm leadership is due in part to experience. Of VC employees with a 4-year college/university degree, we found 54% are female. However, based on our survey, only 26% of VC employees with a graduate/professional degree are female, and only 20% of VC employees with a post-doctoral degree are female. While these results indicate women in VCs do not have the same levels of advanced education as men overall, these findings only reflect the breakdown of

gender by degree within firms today. Data from the National Center for Education Statistics indicates that women in fact earn more Master's and Doctoral degrees than men overall, indicating that education alone cannot explain the leadership gap. During 2009-2010, women earned 63% of Master's degrees and 53% of Doctoral degrees.^f In addition, while our study showed that the proportion of women in VC firms does decrease with tenure, results indicate that tenure cannot explain the gender leadership gap in VCs. Women comprise 39% of those with tenure over 10 years in the overall sample, and 43% of those with a tenure of 6 to 10 years overall.

Gender-specific experiences of family and work may impact women's careers in VC

Based on previous research on corporate employment benefits, 41% of working parents said that a lack of family assistance benefits hurt their work performance.^g Study findings also indicate that family and childcare may be hindering women's success in VCs. Our survey uncovered that 53% of female VC employees are married, versus 69% of male VC employees. Male VC employees are also more likely to have dependents; 56% of male VC employees have dependents, in comparison to 44% of female VC employees. Previous research indicates that the presence of a spouse and dependents have gender-specific relationships to work outcomes. The historically inequitable distribution of household labor likely makes the presence of a spouse a source of support for male professionals, and a potential source of tension for female professionals juggling work and family.^h Given these findings, VC firms ought to consider how to enable women with families to succeed in venture capital careers and provide support that enable all employees with families and dependents to balance career demands.

The representation of women in VC firms, especially in positions of power, matters. The consequences to talent brand—firms' ability to recruit and retain top talent—are real. Gender diversity in leadership also results in greater returns, innovation, and success. Fortune 500 firms that aggressively promote women realize 34% higher profits than those that do not.ⁱ In VC firms, where returns and innovation are the keys to success, leveraging the potential of diverse investors and entrepreneurs—women included—is absolutely critical.

Racial and Ethnic Diversity in the VC Workforce

Case Study: Black employees in VCs

The experience of racial/ethnic minorities in VCs seems to differ from that of women in important ways. To begin with, racial/ethnic minorities comprise a smaller group of employees overall than women do. Based on study results, non-white employees comprise only 22% of the VC workforce. However, not all racial/ethnic minority groups have the same experience in VCs. Our survey found Black employees comprise 3% of the workforce, Hispanic or Latino employees 4%, and Asian/Pacific Islander 14%. We provide a case study below specifically for Black employees in the VC industry.

Black employees are underrepresented in the VC workforce and at Investment Partner and equivalent levels

Black employees comprise only 3% of the workforce in our study sample. Yet, over 13% of the US population is Black.^j Representation of Black employees varies by firm size and firm age. Our results showed less than 1% of employees in firms with 5 or fewer employees are Black, 1% in firms with 6 through 20 employees, and 4% in firms with 21 or more employees. Surveyed firms less than 10 years of age have 5% Black employees on average, compared to 3% in firms 10 years old or greater. Surveyed firms in the South have a greater portion of Black employees on average (6%), while the Midwest, Northeast, and West regions all have 3% Black employees.

We found Black employees comprise 2% of Investment Professionals, 3% of Finance, 3% of Investor Relations, Communications or Marketing, 4% of Administrative, and 5% of Operations positions. We found no Black Investment Partners in our sample. However, research conducted by Venrock Vice President Richard Kerby in 2015 found that black investors comprised 1.7% of the VC industry based on his sample.^k Based on 2015 Bureau of Labor Statistics data, we know that over 10% of business and financial operations occupations are filled by Black employees, including 11% of Financial Analysts and 7% of other Financial Specialists.^l Venture capital is falling behind the financial services industry overall when it comes to the representation of Black employees.

The underrepresentation of Black employees in the VC industry has serious impacts on firms' bottom line. Research indicates that companies reporting the highest levels of racial diversity brought in nearly 15x more sales revenue, on average, than companies with the lowest levels of racial diversity.^m A team member who shares a client's ethnicity is 152% more likely than another team member to understand that client.ⁿ Firms may be missing opportunities to develop relationships when they do not represent the growing population of talent in the market.

Other Notable Characteristics of VC Industry

Millennials, veterans, and employees with disabilities in VC

Diversity in VC firms is about much more than race and gender representation. This study provides unique insights into the characteristics of VC employees, to include generation, veteran status, and disability status. These new findings can better inform the representation of key groups and provide insights into the VC workforce of the future.

Millennials may shape the workforce of the future

Millennials have established themselves in organizations and are frequently in leadership positions, particularly within investing teams. A full 35% of all Investment Professionals are Millennials between the ages of 22 and 35 (n=1,055), while employees ages 22 through 35 today comprise only 6% of Investment Partners as they continue to gain investing expertise. Given that millennials are expected to make up 75% of the workforce by

2025,^o it is expected that the ratio of Millennial Investing Professionals and Partners will continue to increase.

Veterans and employees with disabilities are underrepresented in VCs

Most firms do not collect demographic information regarding employees' veteran status or disability status (only 28% and 26% collect this data, respectively). However, the data collected as part of this study indicates that both veterans and employees with disabilities are underrepresented in the industry. Census data indicates that nearly 8% of the US population is comprised of veterans and 10% of citizens ages 18 to 64 live with a disability.^p For those firms reporting data, only 2% of employees are veterans and less than 1% reported a disability, revealing two important yet untapped talent pools.

Firm Talent Management Practices

We examined talent management practices across the industry to identify what VC firms are currently doing when it comes to D&I. Understanding the extent to which VC firms create a D&I Strategy, gather information, establish programs, and measure success and whether that results in a more diverse and inclusive environment is paramount. While below we note how few firms have a directed strategy and resources for D&I, the encouraging news is that those that do have more diverse teams.

Our study findings indicate that few VC firms have a talent strategy or a specific D&I strategy. Looking closely at firm talent management practices, there are gaps in demographic measurement, formal programs to enhance D&I, accountability measures and resources dedicated to D&I. Below we outline the extent to which our study found the VC industry has established practices in four areas, namely: (1) Developing a D&I strategy, (2) Collecting data to measure D&I, (3) Programs that target the entire employee lifecycle, and (4) Resources and accountability measures to ensure success. The answers to these four questions provide insights into some of the drivers behind the current lack of diversity and lead to some logical next steps to improve those ratios.

D&I strategy is largely underdeveloped

Participating VC firms were asked whether they have a Human Capital Strategy, and whether that strategy includes a Diversity component and/or an Inclusion component. Of the respondents who provided answers in this section, 37 firms or 24% of the firms surveyed, have a Human Capital strategy (n=157), 15% have a Diversity Strategy, and 17% have an Inclusion Strategy. In a study conducted by Forbes, drawing insights from 321 executives with businesses whose revenues were US \$500 million or greater, nearly all respondents reported their companies have D&I strategies in place (Forbes Insights). The lack of formal strategy in the VC industry may be due to firms' small size but may still be an opportunity for improvement.

Many firms do not collect employee demographic information

Firms were asked whether they collect employee demographic information for several characteristics. Sixty one percent of firms collect Race/Ethnicity data, 75% collect Marital Status, 36% collect Dependent Care Status, 28% collect Veteran Status, 26% collect Disability Status, and 20% of firms collect none of the above demographics (n=216). The lack of employee demographic data collection presents a major limitation for measuring diversity across the industry. Measuring the current state of diversity within a firm is often critical to creating beneficial inclusion practices for all employee segments.

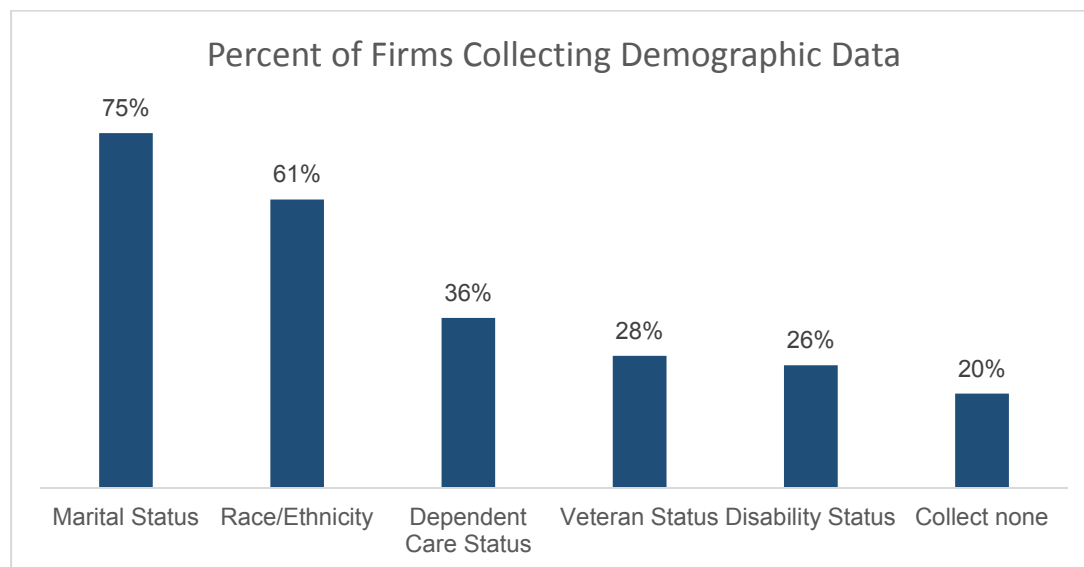


Table 2. Percent of firms collecting demographic information

Few firms have formal talent programs

Firms were asked to indicate whether they have formal/informal programs for Leadership Development, Mentorship, Retention, Promotion, Recruitment, and Hiring for diverse employees. The results indicate that firms are far more likely to have informal programs to target these components of the employee lifecycle (specifically, nearly half of firms report having informal programs compared to 10% or fewer reporting established formal programs). Very few firms have formal programs targeted on developing and retaining diverse employees (e.g., five percent of VC firms report formal programs targeting mentorship followed by four percent targeting retention and five percent targeting promotion). While formal programs are unusual in small firms, this presents another opportunity to develop industry-level resources.

Case Study: Greenspring Associates

Greenspring Associates formally reserves one investment team internship position for a candidate that meets the inclusion and diversity definition as defined by the NVCA Inclusion and Diversity Task Force. This policy ensures a new pipeline of diverse candidates for full time analyst positions.

- NVCA Diversity Report 2016

Prevalence of Formal and Informal Talent Programs

Program Type	Have Formal Program	Have Informal Program
Leadership Development	8% (n=153)	47% (n=153)
Mentorship	5% (n=154)	42% (n=153)
Retention	4% (n=156)	37% (n=153)
Promotion	5% (n=156)	39% (n=153)
Recruitment	10% (n=156)	50% (n=153)
Hiring	10% (n=156)	54% (n=153)

Table 3. Prevalence of formal and informal talent programs

Most firms do not have staff focused on D&I

Resources and accountability measures dedicated to D&I are critical to ensuring change – programs alone will not improve D&I. Firms were asked whether they have staff dedicated to D&I—survey results show that 16% do. Firms were also asked who is responsible for HR and Recruitment tasks – 16% of firms outsource HR and 24% outsource Recruitment. For those firms that execute HR and Recruitment internally, results indicate that many CFOs are commonly tasked with executing HR (42 firms) and executing Recruitment (15 firms). When it comes to Recruitment, however, several Managing Directors (14) are tasked with executing Recruitment.

Firms largely rely on their own networks to identify talent

A closer examination of Recruitment and Promotion practices revealed the criteria firms use to identify and promote VC employees. First, most firms do not commonly source external candidates for a variety of positions, and are even less likely to source external candidates for senior positions (52% of Junior Investment Professionals, 37% of Senior Investment Professionals, 48% of Junior Finance, Operations, and Administration positions, and 41% of Senior Finance, Operations and Administration positions). As shown in Table 2, the most common marketing channels VC firms use to identify candidates include notifying peers in the venture capital industry and notifying one’s firm internally. Additional open-ended responses include, “Known business associates,” “Own contacts,” “Personal contacts,” and “Personal networks.” Based on these results, the majority of firms are not yet venturing outside their own networks to identify candidates.

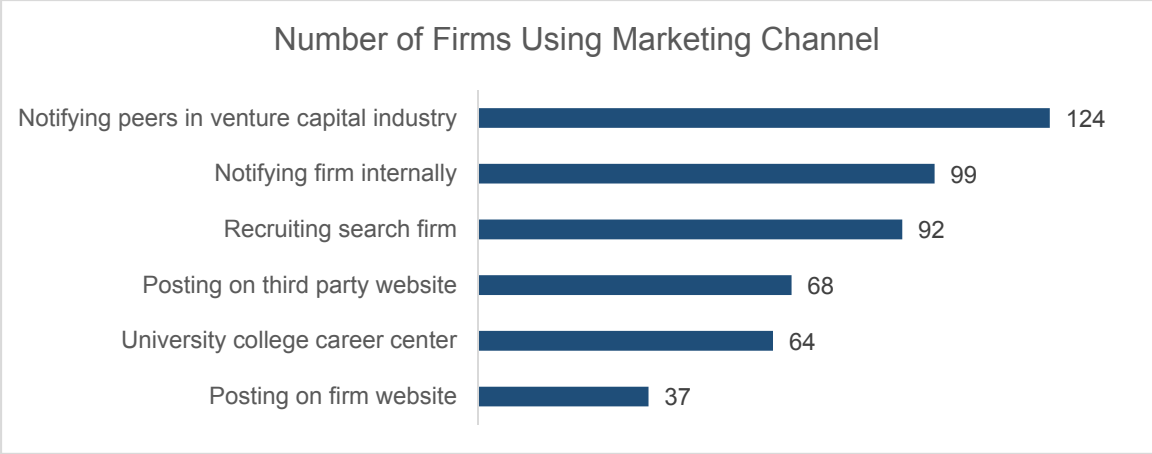


Table 4. Most common marketing channels (data labels indicate number of firms)

Soft skills are nearly as valuable as contributions to performance of the fund

For those employees already employed in VC firms, firms were asked to rate criteria for promotion. As shown in Table 3, the two most important criteria identified were ‘Contributions to the performance of the fund’ and ‘Soft skills.’ Several firms provided open-end responses for additional criteria, including: “Cultural fit,” “Can this person elevate the standing of our firm?” and “Relationships and reputation.”

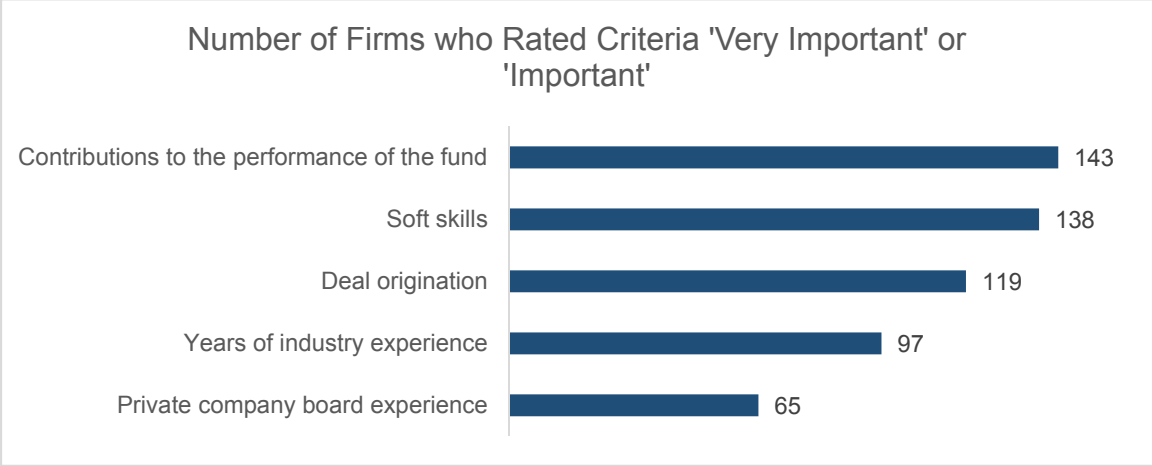


Table 5. Most common promotion criteria (data labels indicate number of firms)

Key Drivers of Diversity

A key driver analysis was conducted to examine the impact of existing talent strategy and programs on D&I within the industry, specifically for women and racial minorities.

Talent strategy has a relationship with representation of diverse groups

Findings from our survey show that the presence of a Human Capital Strategy in a VC firm is a good predictor of the percentage of women and non-white employees.¹ In fact, firms that have a Human Capital Strategy were found to have an average of 54% female and non-white employees overall, while firms without a Human Capital Strategy have an average of only 41% female and non-white employees.



As is discussed in the section of this report titled ‘Gender in the VC Workforce’, women were found to operate in fewer leadership roles on investment teams across the VC industry than their male counterparts (women comprise 11% of Investment Partners). Findings suggest that having a talent strategy also enhanced women’s representation in the most senior levels. Firms with a Human Capital Strategy have four percent more women in leadership (defined as ‘senior’ positions across all functions) than those without a strategy, firms with a Diversity strategy have 10% more women in leadership than those without a strategy, and firms with an Inclusion strategy have 7% more women in leadership than those without a strategy. Similarly, firms with a Human Capital Strategy have 13% more minority employees than those without a strategy, firms with a Diversity Strategy have 12% more minority employees than those without a strategy, and firms with an Inclusion strategy have 14% more minorities than those without a strategy.² The practical implications of these findings suggest one step in increasing women’s and minority representation in VC leadership is by first setting a robust D&I Talent Strategy at the firm level.

Formal talent programs linked to women’s representation in leadership

Examinations of relationships between formal mentorship and recruitment programs and women’s representation in senior positions across all functions revealed firms with formal Mentorship programs have 16% greater representation of women in leadership and firms with formal Recruitment programs have 9% greater representation of women in leadership.³

¹ These findings were statistically significant at the p=.05 level.

² These findings were not statistically significant.

³ These findings were statistically significant at the p=.05 level.

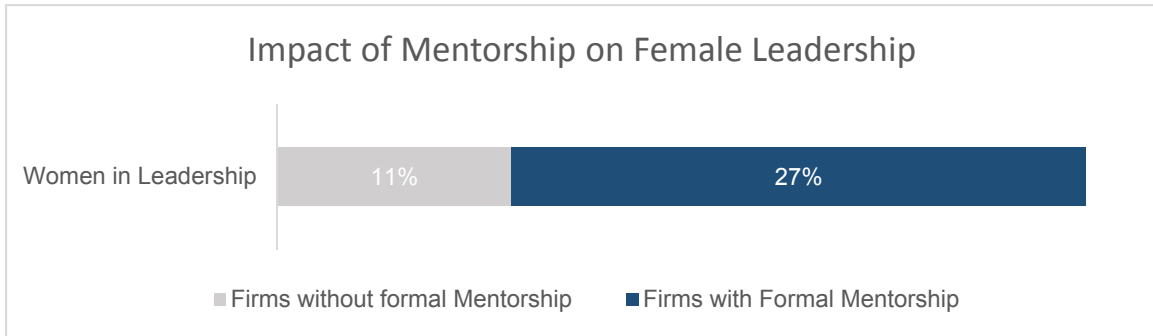


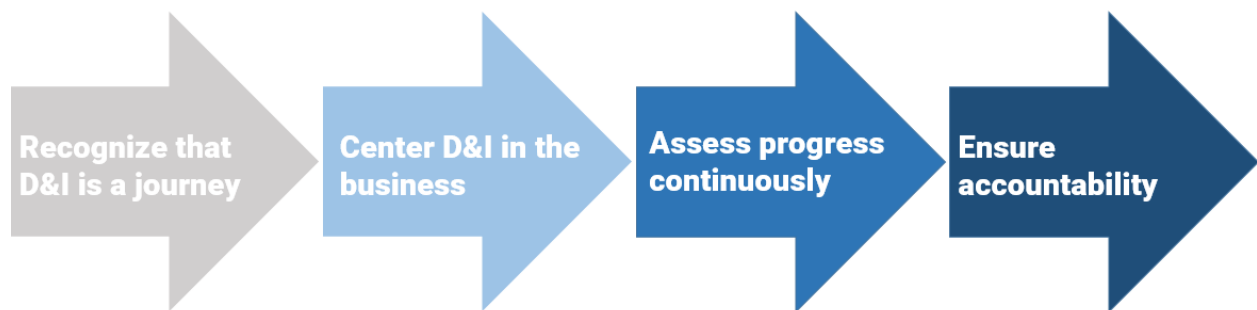
Table 6. Impact of mentorship on female leadership

These findings show the criticality of leadership and prioritizations of D&I talent strategies, programs, and practices across the VC industry. Firms have the power to change the diversity story. These results show a clear relationship between the representation of women and racial minorities across VC firms and the talent management strategies and programs designed to harness their potential.

Conclusion & Recommendations

This study marks a critical first step in assessing the D&I landscape of the VC industry and understanding what firms can do to improve representation today and in the future. D&I is a journey that individual firms should own and commit to with a focus on improving their ability to attract, develop and retain top diverse talent such as women and people of color. However, firms must look further to understanding the business impact of D&I on their ability to connect with the best and broadest entrepreneurial talent and to attract the best deals. We refer to this below as “centering D&I in the business”. D&I has a clear impact on firms’ bottom line and innovation as well as their ability to attract top talent.⁹ The VC industry must actively deploy D&I best practices internally and externally in order to remain competitive.

Critically, our findings indicate that firms have the power to make this happen, and should consider the following strategies:



Set A Target: Develop D&I Strategy

Recognizing that D&I is a journey, first establish a strategy to address D&I in the context of the VC business. Our study findings indicate that the presence of a Human Capital Strategy—or, better yet, a D&I strategy component—has a relationship with the representation of women and minorities in VC firms. Developing a talent strategy that addresses issues of D&I is typically a first, critical step for firms seeking to enhance diversity.

Test Best Practices: Design & Implement Programs that Target the Employee Recruitment and Development

Programs to enhance diversity in employee Recruitment and Development are proven to increase the representation of women and minorities in firms. Our findings indicate that firms are often still looking inside their own networks to source employees, rather than expanding the pool of potential candidates. In addition, taking a closer look at the profile of female VC employees, it is clear that the demands of family and dependent care have varying impacts on the progression of men and women. Specific strategies and programs to help employees negotiate work and family life may have the potential to increase women's participation overall and in leadership.

Measure Results: Collect D&I Data over Time

Continuous assessment and data collection is a critical component that will allow firms to measure D&I in the future. Increasing demographic data collection can help firms better track representation going forward and measure improvement over time. Only two-thirds of firms collect Race/Ethnicity demographics. In the future, we recommend firms collect this data, along with additional demographic characteristics, in order to truly measure representation.

Iterate to Success

Perhaps most importantly, the results of D&I programs must be regularly measured to let the managers of the firm know where and how to enable sustainable improvement and results. There is no set of programs that will fit all firms, but it will be critical to the industry's long term viability to commit to moving forward, measure how well we are doing and innovate/iterate to success. For larger firms, this may include dedicated staff for D&I, formalizing informal programs, and tracking data over time. Assessing current practices, such as promotion criteria, for bias is one first step many firms can take when reviewing systems and practices.

Practical Applications & Future Research Implications

Regardless of size or location, firms can strive for inclusion and begin to recognize the results of enhancing diversity. This begins with ownership. Understanding the data, having an honest discussion about D&I internal to each firm, and developing strategies to address the findings are typically the first steps in recognizing how D&I can unleash human potential in VC firms.

Firms ought to consider tactical steps to addressing D&I challenges that span the employment cycle from recruitment, hiring, retention, development through promotion. These

may include developing methods to source candidates beyond the firm's existing network, use of consistent and objective hiring criteria, and enhancing talent management programs such as mentorship and retention for diverse employees. Many firms and startups start their journey with unconscious bias training for their leaders. Developing inclusive leadership habits that professionals may use to combat instances of bias that inhibit an inclusive and innovative culture, are a critical step. Firms may also consider what inclusion will look like for their team members. Consider how diverse thoughts and opinions may be fostered among teams.

Continuing to track the demographics of the VC workforce, and understanding talent management programs designed to enhance D&I and grow future leadership, are considered critically important to understanding the future of the industry. Reevaluating these dimensions over time should provide the VC industry with a better understanding of the diversity landscape. In addition to continuing this effort, uncovering deeper findings regarding the engagement, motivation, and perceptions of team members will provide greater insight into the strengths and challenges of the industry. For instance, the industry might evaluate women's perceptions of engagement and satisfaction with their roles and identify strategies for enhancing female retention. As the battle for top talent increases, these insights will be essential to firms' ability to attract and retain the best professionals.

The VC industry's D&I journey is just beginning. We challenge each of you to initiate honest conversations and grow our innovation potential.

Meet the Authors



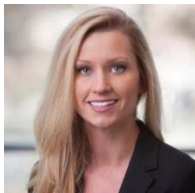
Christie Smith, PhD Managing Principal, Deloitte University Leadership Center for Inclusion & Community Impact, Deloitte LLP

Christie leads the Deloitte University Leadership Centers for Inclusion and Community Impact. Both roles provide a platform for developing innovative solutions with our people, clients, academics, and nonprofits in the areas of inclusion, transitioning veterans, and education. In addition, Christie is the Managing Principal for Deloitte Consulting LLP in the west region of the United States and the Lead Consulting Partner and Advisory Partner on several of Deloitte's largest accounts in the west.

With more than 28 years of experience, Christie has a passion for serving clients and bringing innovative and effective solutions to their most important business, market, and talent issues. Christie focuses her work with clients on aligning business strategy with the requirements of organizational structure, talent, inclusion, and leadership development.

Because of Christie's varied accomplishments and commitment to inclusion, she has been identified by Diversity Journal as a 2013 "Woman to Watch." In addition, she has been recognized as one of San Francisco's Most Influential Women for three years and is the 2015 recipient of Forever Influential by the San Francisco Business Times.

She is a frequent lecturer and author on topics including corporate values, leadership, culture, inclusion, and talent. Her work has been featured in Fortune, Harvard Business Review, The New York Times, Forbes, Fast Company, CNN, and at TEDxBeaconStreet and TEDxJNJ.



Stephanie Turner, PhD Manager, Deloitte Survey Research & Analytics Center, Inclusion Center of Excellence, Deloitte Consulting, LLP

Stephanie is a Manager with more than 8 years of experience helping clients drive higher organizational performance through analytics, solution development, and thought leadership. Stephanie leads diversity and inclusion analytics for Deloitte's Inclusion Center of Excellence where she helps her clients unleash the full potential of their workforce through targeted solutions and advanced inclusion analytics. Stephanie also leads a portfolio of work for Deloitte's Survey Research and Analytics Center (SRC), enabling clients to effectively diagnose, predict, and better anticipate organizational outcomes. She also

Stephanie has her Ph.D. in Industrial/Organizational Psychology, with a concentration in diversity, inclusion, and organizational development. Stephanie has designed and implemented numerous talent analytics initiatives across most industries on a variety of topics, such as unconscious bias, talent innovation and inclusion, safety and health analytics, and workforce engagement. Stephanie has a passion for helping clients realize truly inclusive environments while enabling the use of analytics to link the impact of inclusion on critical business outcomes.

In addition to advising clients, Stephanie enjoys conducting research that has an impact on organizational approaches to Diversity Inclusion and talent management, and she presents on these topics regularly. She also oversees Deloitte's sponsorship of the Best Places to Work in the Federal Government Program, where she leads a variety of webinars, workshops, and events focused on increasing engagement across government, and provides advisory services to federal agencies, enabling greater employee engagement and improving the workforce climate across federal government.



Emily Anderson Consultant, Deloitte Survey Research & Analytics Center, Inclusion Center of Excellence, Deloitte Consulting, LLP

Emily is a Consultant for Deloitte’s Survey Research and Analytics Center (SRC) with expertise in Diversity & Inclusion (D&I) consulting, survey design, dashboards, and data visualization techniques. Emily works with clients to measure Diversity & Inclusion key performance indicators and develop analytics strategies to drive organizational change. She designs interactive dashboards that bring culture, inclusion, and workforce data to life. In addition, Emily facilitates Inclusive Leadership and Strategy Labs for executive level clients, specifically around Deloitte’s Unconscious Drive assessment to uncover unconscious bias and decision bias.

Emily is completing her MA in Public Policy with a concentration in Women’s, Gender and Sexuality studies. Her research interests include gendered job segregation in the workplace, women and homeownership, as well as race and urban development.



Jim Atwell Managing Partner, Emerging Growth Company and Audit Technology Practices, Deloitte & Touche LLP

Jim is Deloitte’s national managing partner for the Emerging Growth Company (EGC) and Audit Technology practices. Jim is well-known in the venture capital and private equity industries and has more than 35 years of experience providing services to venture capital firms, private equity firms, high-growth and public companies. He has led more than 60 initial public offerings (IPOs) during his career.

Prior to joining Deloitte, Jim was a general partner at Summit Partners. He is a frequent presenter at industry conferences and is also a co-author of *The Silicon Valley Edge – A habitat for innovation and entrepreneurship*.

Jim is active in the community and his professional affiliations include serving as the chair elect on the Executive Board of Fellows at Santa Clara University, on the Board of Regents at Archbishop Mitty, and on Stanford University’s Regions of Innovation and Entrepreneurship Advisory Board.



Bobby Franklin President & CEO, National Venture Capital Association

Bobby Franklin is the President & CEO of the National Venture Capital Association (NVCA) whose membership includes thousands of individuals that invest in the entrepreneurial ecosystem and guide the formation and growth of innovative startup companies. In his role, Franklin leads and oversees the strategic direction of the nearly 400 member association on behalf of U.S. venture capitalists and the startup ecosystem.

Prior to joining NVCA in September of 2013, Franklin spent ten years at CTIA – The Wireless Association®, a large Washington, DC-based trade association representing the entire wireless industry. While there, Franklin served as the Executive Vice President and second-in-command to the CEO, former Rep. Steve Largent (R-OK), and was responsible for helping manage the organization’s \$58 M budget and 90 employees. Previously, Franklin had served as CTIA’s Vice President of Government Affairs where he led federal and state advocacy initiatives.

Before joining CTIA, Franklin served as Vice President, Federal Government Affairs and head of Alltel’s Washington, D.C. office. In that capacity he was responsible for the company’s legislative and regulatory advocacy in Washington. Franklin originally joined Alltel in 1998 as Vice President of Federal Legislative Affairs. Prior to serving at ALLTEL, Franklin spent a year and a half as a consultant representing the nation’s land-grant colleges and universities.

Franklin began his professional career with nearly eight years of experience on Capitol Hill working on various issues in the office of Senator David Pryor (D-AR) and on various Senate Committees including Agriculture, Finance, and Governmental Affairs.

Franklin earned his B.S.B.A. in Finance and Banking from the University of Arkansas. He and his wife, Julia, have three children and reside in Arlington, VA.



Maryam Haque Vice President of Research, National Venture Capital Association

Maryam Haque joined the National Venture Capital Association (NVCA) as Vice President of Research in November 2015. She provides strategic leadership related to venture capital research and data to support NVCA's mission of advocating for policies that empower entrepreneurs, and serving as the definitive resource for venture capital data. In her role, Maryam produces the annual NVCA Yearbook and frequently publishes industry insights on the NVCA Blog.

Prior to NVCA, Maryam served as Senior Director of Research at EMPEA, the global industry association for private capital in emerging markets. She led all aspects of EMPEA's research and data program, and produced industry research (including the annual Global Limited Partners Survey) for investors, fund managers, and policymakers around the world.

Maryam started her career in the Private Equity and Venture Capital division of Dow Jones & Company in San Francisco, where she primarily supported its flagship product VentureSource in various research capacities, including data collection, analysis, and reporting. At Dow Jones, she co-authored the study "Women at the Wheel: Do Female Executives Drive Start-up Success?" which examined the impact female senior executives have had on the success of venture-backed companies.

Maryam graduated from Carnegie Mellon University with a Bachelor of Science in Policy and Management, and International Relations.



Jessica Straus Vice President of Development, National Venture Capital Association

Jessica Straus serves as the Vice President of Development at NVCA and joined the organization in April 2014. Jessica leads the NVCA Membership Team focused on membership growth and programmatic initiatives to serve the U.S. venture capital industry. Jessica is the staff-lead for the NVCA Diversity Task Force and manages the NVCA Corporate Venture Capital Advisory Group.

Prior to NVCA, Jessica was the Communications Manager for a venture-backed enterprise technology company focused on public relations and product marketing. She also founded a communications advisory practice serving startups in Panama, Israel, and the U.S. and helped to launch a nonprofit, the Millennial Trains Project. Jessica worked in the U.S. Congress from 2008-2012, serving as Speechwriter and Deputy Press Secretary for former House Majority Leader Eric Cantor during the formation and passage of the JOBS Act of 2012, as Press Assistant to the Senate Health, Education, Labor and Pensions and began her career serving Congressman Michael Burgess, MD.

Jessica serves on the Young Advisory Board of the NASDAQ Entrepreneurial Center in San Francisco and is an active member of the Women's Association of Venture & Equity. She earned her Bachelor of Arts in English from Davidson College in 2007.

Special thanks to the NVCA Board of Directors and members of the NVCA Diversity Task force for their contributions to the report.

APPENDIX

Methodology FAQs

Q: How was the study conducted?

A: An email was distributed to 1,336 VC firms, including NVCA members, asking them to participate in the study. Firms had the option to complete the assessment one of two ways: through a web-based survey, or through an identical Excel workbook. Each firm had a representative, such as their CFO, GC, or HR Manager, complete the survey, providing information for each and every employee. Individual employees were not contacted to participate individually. The universe of 1,336 VC firms was defined as any active VC firm meeting at least one of the following criteria: 1) raised a VC fund from 2008 to 2015; 2) invested \$5 million or more in 2015; 3) identified as a growth equity firm in NVCA's 2015 Yearbook⁴; 4) a corporate venture group that made ten or more investments from 2011 to 2015⁵; or 5) an NVCA member firm as of March 2016.⁶

Q: When was the survey distributed?

A: The survey was open from July 20th through August 23rd.

Q: What information did the survey ask for?

A: The survey requested firm demographic information (e.g., investment stage focus) and demographic information for each employee (e.g., gender and race). In addition, the survey asked firms to provide information regarding firm talent management practices and diversity and inclusion programs.

Q: Is the data collected a representative sample of the VC workforce?

A: Yes. The research team sought a 90% confidence level for the survey. In other words, we would have 90% confidence that the study is representative of the entire VC population. In order to obtain a 90% confidence level for the total population of 1336 firms contacted, we needed at least 65 of those firms to complete the survey. We exceeded our goal with 217 firms who completed the survey.

Q: How did the research team combine the data sources?

A: After combining the raw datasets from both the web-based survey and Excel workbook, the team reviewed the data file for duplicate entries and removed any duplicates. If a firm completed both the web based survey and the Excel workbook, the research team used the most recent and most complete entry.

⁴ Thomson Reuters

⁵ Global Corporate Venturing

⁶ Current contact information was missing for 110 firms.

Q: Are there gaps in the data collected?

A: Firms were asked to provide demographic data for all employees. Because employees did not self-report demographic information for this data collection effort, we are limited to the demographic data firms collect which may be incomplete.

About the National Venture Capital Association (NVCA)

Venture capitalists are committed to funding America's most innovative entrepreneurs, working closely with them to transform breakthrough ideas into emerging growth companies that drive U.S. job creation and economic growth. As the voice of the U.S. venture capital community, the National Venture Capital Association (NVCA) empowers its members and the entrepreneurs they fund by advocating for policies that encourage innovation and reward long-term investment. As the venture community's preeminent trade association, the NVCA serves as the definitive resource for venture capital data and unites its member firms through a full range of professional services. For more information about the NVCA, please visit www.nvca.org.

About Deloitte

Deloitte provides industry-leading audit, consulting, tax, and advisory services to many of the world's most admired brands, including 80 percent of the Fortune 500. Our people work across more than 20 industry sectors with one purpose: to deliver measurable, lasting results. We help reinforce public trust in our capital markets, inspire clients to make their most challenging business decisions with confidence, and help lead the way toward a stronger economy and a healthy society. As a member firm of Deloitte Touche Tohmatsu Limited, a network of member firms, we are proud to be part of the largest global professional services network, serving our clients in the markets that are most important to them. Please visit www.deloitte.com for more information.

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Endnotes

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