Diversity, equity, and inclusion are core values at Stanford University. As a business unit of the University, Stanford Management Company (SMC) is committed to increasing diversity among its staff, expanding upon the existing diversity of the endowment portfolio, and contributing to diversity in the asset management industry. Our DEI Action Plan can be found here.

SMC manages Stanford’s Merged Pool, which comprises the substantial majority of the University’s investable assets. Most of these assets are managed by external investment firms with whom we have long-term partnerships. At the end of 2021, 41 percent of the Merged Pool’s ongoing investment partners globally were led or co-led by diverse professionals, and those partners managed 42% of the global, non-liquidating assets. When we look exclusively at active partners based in the U.S., these numbers are 35 percent and 38 percent, respectively.

Representation of diverse investment partners in the Merged Pool compares favorably to the overall U.S. asset management industry, where diverse-led firms represent 12.2 percent of asset management firms and manage 1.4 percent of total industry assets1.

Moreover, 11 percent of Stanford’s assets placed with ongoing U.S.-based investment firms is managed by women-led partners and 28 percent is managed by minority-led partners2.

For the purposes of calculating the numbers above, we categorized a firm as diverse-led if women or minorities own 50 percent or more of the firm, founded or co-founded the firm, or comprise the majority of the firm’s leaders. Our definition of racial and ethnic minorities includes Asian, Black/African American, Hispanic/Latinx, and American Indian/Alaska Native.

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1 See Knight Diversity of Asset Managers Research Series: Industry, a study of ownership diversity and performance in the asset management industry, 2021.
2 Note that the sum of these two figures exceeds the total for diverse-led firms because some of our partners are both minority-led and women-led.