

Women are not condemned to executant roles in VC

While gender diversity is a fundamental issue in the startup ecosystem, VCs are also at the forefront of promoting parity. Women are currently under-represented in the world's leading funds, but they can significantly contribute to organisations that implement adequate policy at every stage of the company.

Temps de lecture : minute

15 March 2024

In a recent interview, Clara Chappaz, head of the governmental mission French Tech, recognised: "We are still far from achieving our goal of openness and diversity."

In their recruitment process, Venture capitalists (VCs) typically look for partners who either have experience in similar roles or possess the necessary skills.

In the first category, where experience is key, there's a notable gender disparity. According to the platform *European women in VC*, there are fewer women compared to men in investment teams at VC firms. Depending on geography, female chequewriters represent only between 5% and 15% of angel and VC investors. How could we increase this smaller pool of female candidates for investment roles?

When considering individuals without prior investment experience, gender differences in career transitions become apparent. For example, a man with entrepreneurial experience or a C-level background in a successful company might find it easier to shift to an investment role, even without direct experience in this field. In contrast, a woman with a similar

background might feel less confident or hesitant to make such a leap. Research shows that to apply for a job women feel they need to meet 100% of the criteria while men usually apply after meeting about 60%.

There's a gender-based difference in attitudes towards risk, particularly financial risk. Women generally are more cautious about taking risks than men because they are more sensitive to the pain of any losses they might incur than any gains they might make, research from the University of Bath School of Management shows.

This could make career changes, such as moving into a VC role, seem more daunting for women due to the perceived greater risks associated with such transitions. But this doesn't mean women confine themselves to execution roles and settle for them.

Recognising these challenges, it becomes imperative to reevaluate how women are recruited for VC roles, especially considering how traditional recruitment methods might contribute to these barriers.

Traditional recruitment methods often fail to tap into a reservoir of female talent, especially when time constraints are in play. To address this issue, it is imperative to allow more time and explore alternative avenues, such as partnering with specialized agencies like A Female Agency or 50 in Tech.

Also, by shifting to a skills-based recruitment process, VC firms can encourage a more diverse range of applicants, particularly women who might not apply due to strict experience requirements. This entails proactive headhunting and a persuasive approach from the recruiting firm, explaining and inspiring women who may have yet to initially consider a career path in a VC. Even though at a senior level, improving gender diversity in investment teams is more challenging because of the smaller talent pool, discouragement as a recruiter should not be an

option. Instead, VC firms should allow an extended sourcing period and assess candidates based on skills rather than just experience or profile type.

At the junior level, the talent pool is more balanced between young male and female graduates. As a result, recruiting at the junior level is easier and allows individuals time to progress. By implementing a recruitment strategy that targets a 50-50 gender split among junior employees, and maintaining this approach over several years, the organisation can gradually achieve a more gender-balanced workforce.

However, biases in negotiation skills between men and women can impede gender diversity in investment teams. Creating a structured system of competency grids and career paths is fundamental in addressing this issue.

Women entering as analysts or associates should follow the same formalised path as men, with outlined competencies for each stage and support for skill development. For example, achieving a principal role often requires the skill to independently manage a board, highlighting the importance of such opportunities for career progression.

On the managerial front, it's crucial to actively provide equal opportunities for career advancement. These principles of inclusivity extend beyond gender, encompassing individuals of diverse profiles, including those who are introverted or extroverted, and from varied social and economic backgrounds.

The organisation's culture and core values lay a robust groundwork for developing effective diversity policies and action plans. This is particularly impactful when founders and managing partners champion a vision of gender equality and remain committed to these principles.

Building on this foundation of an inclusive culture, the next step is to

translate these values into tangible changes in leadership dynamics. Moving beyond meeting quotas, diversifying leadership roles becomes a strategic priority to bring more viewpoints to decision-making levels. This involves regularly reviewing and adjusting the gender balance among leaders with relevant and reliable tools. Assessing diversity with clear and neutral insights can help to create an open culture. Tools like Mixity can provide a clear, data-driven way to assess the diversity of an organization, helping to identify areas for improvement and ensuring that efforts for gender balance are more than just superficial.

These approaches decisively break the stereotype, proving that women in venture capital aren't limited to executing tasks; they are influential leaders, driving innovation in the field.

Emilie Benayad is Operating Partner and DE&I ambassador at [Serena](#).

Article by Emilie Benayad