

Private Capital Firms Are Beefing Up Their Fundraising Teams

Hiring of marketing and fundraising professionals is on the rise among private credit, real estate, and multi-asset firms, according to recruiting firm Jensen Partners.

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Private capital managers are gearing up for another mega round of fundraising.

Asset management firms investing in private assets like private credit and real estate have been building up their fundraising teams, according to hiring data tracked by recruiting firm Jensen Partners. The executive search firm tracked a total of 1,149 marketing staff moves across hedge funds, private capital firms, multi-asset managers, and placement agents in 2018, up from 1,042 hires the year before.

This uptick in hiring activity has continued through the beginning of 2019, according to Sasha Jensen, founder and chief executive officer of Jensen Partners, who noted that this past January was one of the most active the firm has seen.

“The number of team build-outs we’ve seen is extraordinary,” she told *Institutional Investor* by phone Tuesday.

According to Jensen, private credit managers in particular have been beefing up their fundraising and marketing capabilities, making multiple hires across multiple geographic regions. Last year, Jensen Partners recorded 129 moves in private credit – a 76.7 percent spike in hiring activity compared to 2017.

“There’s been no let-up in this strategy,” Jensen said. “2018 was a very strong year for private credit.”



It was also a strong year for multi-asset firms, where hiring increased by 44.6 percent. These one-stop shops, which offer a variety of alternatives strategies, led hiring last year with 292 marking staff moves, accounting for about 25 percent of all hiring activity tracked by Jensen Partners last year. In second and third place were hedge funds, with 257 hires, and private equity firms, with 220 moves.

Both hedge funds and private equity firms were less active in 2018 compared to 2017, with hiring falling by 16.3 percent and 18.8 percent, respectively.

[II Deep Dive: Private Equity Firms Pull Back on Fundraising Hires]

The hiring slumps in these two industries were accompanied by industry-wide outflows from hedge funds, and a slowdown in fundraising by private equity firms. Fund data firm eVestment reported that a net \$35.3 billion flowed out of hedge funds last year, while Preqin said private equity firms raised \$426 billion in 2018, down from a record \$566 billion in 2017.

In private equity, at least, Jensen expected fundraising to pick up again this year, dismissing concerns about the growing piles of uninvested capital.

“It’s not a negative that there’s piles of dry powder, it’s a positive,” she said. “Everyone is looking to make the right investments at the right time. And there’s a lot of opportunity in the private market space going forward.”