Good Workers — Not Leaders: Unconscious Biases That Stall AAPI Advancement
INTRODUCTION

For many Asian Americans and Pacific Islanders, what some have called the “bamboo ceiling” is a daily obstacle. It manifests itself in regular microaggressions — co-workers who always confuse Asian Americans on staff because they “look alike” or a manager who expects an AAPI professional to play the role of “model minority,” stereotypically shy or demure. The consequences can stymie careers as they’re passed over for projects and promotions. Across industries, research shows that AAPI professionals fill middle management ranks, but their percentages plummet in senior management and C-suites.

This “structural racism” hits every industry — including investment management. To get a pulse on the current state of the challenges faced by investment managers in the AAPI community, the Association of Asian American Investment Managers surveyed 100 investment management professionals and conducted more than a dozen qualitative interviews with executives across the United States. What we found was striking: Some 65% of respondents said the bamboo ceiling has been a moderate to serious problem in their careers. Even with the highest levels of education and success by every other measure, AAPI professionals face discrimination and bias.

Just consider their stories:

- One high-performing Asian American professional told us that a company executive would often berate him in the hallway because the executive knew he wouldn’t fight back.

- A female senior executive of Asian heritage has spent her career excelling in her chosen field, moving up the career ladder and positioning herself as an expert within her organization. Yet, in conference rooms, she was frequently confused with other Asian American women in the office as if they were interchangeable.

- An Asian American senior-level investment manager recounted the experience of being called Stephanie 2.0 because white male co-workers believed she was a “better” version of another Asian American woman, named Stephanie, who had worked there. The nickname had nothing to do with the merits of her work. It had everything to do with the fact that the original employee named Stephanie had been tasked with disciplining those male co-workers in the past for bad behavior.
The research provides stark examples of the ongoing obstacles that the AAPI community faces in the investment management industry — real-life experiences that have shaped careers and lives. But, we didn't just want to identify what was going wrong. As part of our research, we also wanted to learn how some AAPI professionals have been able to find success despite the hurdles. And we wanted to offer ideas for both companies and individuals about how to permanently break through the bamboo ceiling. Here's what we found.

### AAPI IN THE WORKPLACE

In Silicon Valley, 1 out of every 285 Asian women and 1 out of every 201 Asian men is an executive. 
[Ascend Foundation]

In the federal government, Asians make up 5.8% of the workforce, but just 3.5% of senior executives.  
[U.S. Office of Personnel Management]

In law, Asian Americans make up 5% of lawyers, but have the lowest ratio of partners to associates.  
[Yale Law School]

In banking, Asian Americans make up 7% to nearly 19% of executives or senior managers at the six largest U.S. lenders, yet they comprise 23% of middle managers and professionals.  
[Bloomberg]

In the C-suite, Asian Americans were promoted to CEO more often during periods of company decline because evaluators expected Asian American leaders to be “self-sacrificing.” Yet, organizations only experience decline 12% of the time, which suggests that hiring committees may consider Asian Americans suitable leaders in only limited circumstances.  
[American Psychological Association]

In asset management, Asian American and Pacific Islanders manage just 0.7% of capital in the industry even though their performance meets or exceeds industry benchmarks.  
[Association of Asian American Investment Managers and Bella Private Markets]

### GOOD WORKERS. GREAT LEADERS?

AAPI professionals often fall victim to the model minority myth — the belief that they have triumphed over any discrimination to become accomplished in all areas. But that way of thinking ignores ongoing challenges — hurdles that were punctuated during the COVID-19 pandemic as anti-Asian racism and violence grew. In a spring 2021 survey of Asian Americans, the [Pew Research Center](https://www.pewresearch.org) found that 45% of Asian adults experienced a variety of outwardly offensive incidents since the start of the pandemic, including racial slurs and remarks that they are to blame for COVID-19.

In the workplace, discrimination can reveal itself in more subtle ways. There, AAPI professionals might have a reputation for doing good work until they seek a leadership role. “Generally, Asian Americans are perceived as smart, hardworking, easy-to-manage employees,” Buck Gee, executive advisor of the Ascend Foundation told [CNBC](https://www.cnbc.com). “The problem with that model is that we’re also seen as good workers, but not great leaders.”
Our research of investment management professionals supports Gee’s view. Some 75% to more than 90% of respondents believe the AAPI community is associated with positive perceptions of the model minority. Nearly 93% agreed they are considered diligent workers, and 85% agreed they were good with numbers. More than three-quarters of respondents said AAPI professionals are associated with being smart and thorough.

Yet, almost 70% believe that AAPI members are not perceived as good leaders. Nearly 60% agreed they face stereotypes that they don’t work well with others. And almost 40% agree that they aren’t considered good managers or strategic thinkers.

Those negative stereotypes lead to fewer opportunities in leadership. While some companies are touting diversity, equity and inclusion initiatives that aim to ensure all employees, regardless of race, have the same opportunities to advance, nearly all respondents in our survey said that, generally, they don’t believe that’s the case. On a personal level, more than 90% believe that the bamboo ceiling has been a problem in their own career trajectory.

In our research, AAPI professionals shared the following experiences:

- “We’re often typed as the quantitative or technical expert and are often passed over for plum assignment opportunities despite repeatedly indicating interest.”

- “There is an entrenched old white boys club in financial services that represents long-standing personal and family relationships that lead to favoritism and nepotism at Wall Street firms. When minorities speak up about discrimination or unequal access to opportunity, they get retaliated against. This has happened to me more than once.”

- “I am more credentialed than most of my colleagues. While I’ve been promoted, I’ve had to lobby for my raises through direct requests and negotiations after getting strong outside offers. I have also had roles taken from me without communication.”

- “I am continuously deemed too quiet and not confident enough and am told that I don’t display leadership-like attributes.”
A look at what our respondents had to say:

The impact of stereotypes is real, and AAPI investment management professionals grapple with them daily. While positive stereotypes may work in their favor in the early stages of their careers, respondents said that those same stereotypes hold them back from career advancement.

### What positive stereotypes do you think others associate with your Asian or Pacific Islander heritage?

<table>
<thead>
<tr>
<th>Answer</th>
<th>Respondents (99 Total)</th>
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<tbody>
<tr>
<td>A1: Pay attention to detail</td>
<td>74.7% (74)</td>
</tr>
<tr>
<td>A2: Smart</td>
<td>79.8% (79)</td>
</tr>
<tr>
<td>A3: Good with numbers</td>
<td>84.8% (84)</td>
</tr>
<tr>
<td>A4: Diligent worker</td>
<td>92.9% (92)</td>
</tr>
<tr>
<td>A5: None</td>
<td>2.0% (2)</td>
</tr>
<tr>
<td>A6: Other</td>
<td>6.1% (6)</td>
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### What negative stereotypes do you think others associate with your Asian or Pacific Islander heritage?

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<thead>
<tr>
<th>Answer</th>
<th>Respondents (99 Total)</th>
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<tbody>
<tr>
<td>A1: Not a good leader</td>
<td>67.7% (67)</td>
</tr>
<tr>
<td>A2: Not a good manager</td>
<td>38.4% (38)</td>
</tr>
<tr>
<td>A3: Not a people person</td>
<td>58.6% (58)</td>
</tr>
<tr>
<td>A4: Not strategic</td>
<td>38.4% (38)</td>
</tr>
<tr>
<td>A5: None</td>
<td>11.1% (11)</td>
</tr>
<tr>
<td>A6: Other</td>
<td>9.1% (9)</td>
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The vast majority of respondents said opportunities for advancement are not equitable.

### To what extent do you agree or disagree with the following:
**Opportunities for advancement are equitable regardless of race.**

<table>
<thead>
<tr>
<th>Answer</th>
<th>Respondents (99 Total)</th>
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<tbody>
<tr>
<td>A1: Strongly disagree</td>
<td>29.3% (29)</td>
</tr>
<tr>
<td>A2: Disagree</td>
<td>57.6% (57)</td>
</tr>
<tr>
<td>A3: Agree</td>
<td>11.1% (11)</td>
</tr>
<tr>
<td>A4: Strongly agree</td>
<td>2.0% (2)</td>
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... And that the lack of opportunities is reflected by the dearth of AAPI employees who advance to senior positions.

Asian Americans and Pacific Islanders are adequately represented at SENIOR EXECUTIVE LEVELS within my organization.

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<thead>
<tr>
<th>Answer</th>
<th>Respondents (99 Total)</th>
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<tbody>
<tr>
<td>A1: Strongly disagree</td>
<td>49.5% (49)</td>
</tr>
<tr>
<td>A2: Disagree</td>
<td>24.2% (24)</td>
</tr>
<tr>
<td>A3: Neither agree nor disagree</td>
<td>8.1% (8)</td>
</tr>
<tr>
<td>A4: Agree</td>
<td>10.1% (10)</td>
</tr>
<tr>
<td>A5: Strongly agree</td>
<td>8.1% (8)</td>
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More than 90% of respondents said the bamboo ceiling has had an impact on their personal career trajectory.

To what extent do you feel that the bamboo ceiling has been a problem for YOUR career trajectory?

<table>
<thead>
<tr>
<th>Answer</th>
<th>Respondents (99 Total)</th>
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<tbody>
<tr>
<td>A1: Not a problem</td>
<td>8.1% (8)</td>
</tr>
<tr>
<td>A2: Minor problem</td>
<td>31.3% (31)</td>
</tr>
<tr>
<td>A3: Moderate problem</td>
<td>41.4% (41)</td>
</tr>
<tr>
<td>A4: Serious problem</td>
<td>19.2% (19)</td>
</tr>
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HEADS DOWN, OVERLOOKED

Stereotypes about AAPI workers can work in their favor early on in their careers, some told us. Quiet, diligent, heads-down professionals are often exactly what managers are looking for among junior-level employees. “Stereotypes have helped early in my career,” one AAPI professional told us. “I was known as smart, good at math and hard-working.”

But cultural differences are hindering advancement. Some AAPI cultures, for example, don't value outspokenness. One respondent said some AAPI professionals feel shame and embarrassment when they speak up because they aren't taught how to constructively talk back at home.

Others say they face setbacks because they lack shared interests with their white colleagues who often enjoyed well-heeled childhoods. As the son of immigrants who weren't educated, one Asian American professional told us he didn't grow up on the golf course like many of his colleagues, and that was an obstacle as he became more senior within his organization.
“Oftentimes, when the senior management did informal get-togethers to go golfing or yachting, I would never get invited,” he said. “Lots of informal talks, meetings and bonding happens on the golf course. New sponsorships and opportunities always go to those ‘in the club.’ I am not sure if there is a good way to break this, but this is the reality.”

‘TOO MANY ASIANS’

What makes matters worse, corporate programs fail to recognize diversity and ensure opportunities for all. So-called Diversity, Equity and Inclusion, or DEI, initiatives often aren’t actually inclusive. For good reason, racial justice movements in summer 2020 accelerated DEI conversations in workplaces, according to a Gartner report. But not every community has benefited. Recent research in the Harvard Business Review, for example, found that some diversity and inclusion efforts actually failed employees of Chinese descent during the height of the pandemic as they faced discrimination and racist behavior.

More generally, according to our research, when Asian American and Pacific Islanders are included in DEI programs, they are often grouped together without consideration for the differences of experiences and issues facing workers who hail from vastly different cultures. And, often, these DEI initiatives have focused more on Black and Latino communities, leaving AAPI workers out — or worse.

“At my firm, the head of DEI publicly said at an event that there are ‘too many Asians,’” one respondent told us. “This is not acceptable.”

‘ZERO-SUM GAME’

As a result of these persistent stereotypes, cultural setbacks and lack of corporate recognition, problems persist for AAPI investment management professionals.

Institutions continue to overlook the bamboo ceiling effect, including the lack of upward mobility among their AAPI workforce. In fact, respondents told us that even though few AAPI professionals make it into senior roles, investment management firms often don’t think they have a discrimination problem because they have so many AAPI employees in junior level and middle management positions.

When organizations express support for other communities, the AAPI workforce is often disregarded. Respondents reported that AAPI workers tend to get grouped together with Caucasians, and advancement programs are designed for other minority groups, such as African Americans and Latinos.

“Organizations are placing greater value on increasing representation by other people of color such as Black and Latino more than Asian Americans,” one AAPI professional told us. “They are making it a zero-sum game when it doesn't need to be.”
THE IMPLICATIONS FOR COMPANIES

The costs of the bamboo ceiling are far-reaching for the investment management industry beyond the individual AAPI workers who are passed over for promotions. Some of the best, brightest and dedicated employees — after all, they are recognized for being particularly strong in quantitative analysis — are either disgruntled or feel under-appreciated when they stick with an organization that doesn't recognize their differences.

MOVE OUT TO MOVE UP

And often, with no career path visible in front of them and the perception that they won't be picked for promotions, they move on. In fact, the senior executives we interviewed suggested that a move out of one company was a way to move up into another company and is a legitimate part of the career toolkit that AAPI that professionals should use. The single most helpful factor in overcoming career advancement challenges for one AAPI investment management professional was this: “Started my own fund.”

That's a costly proposition for companies, who must attract, train and retain new talent each time an employee moves on. According to the Work Institute's 2020 Retention Report, the cost of voluntary turnover among salaried workers is, conservatively, about 30% of an employee's annual salary. And in 2020, according to the report, the total exceeded $630 billion as employers faced costs associated with decreased productivity and efficiencies and increased training time. Bringing on a new employee also can lead to interrupted schedules and increased frustration among remaining employees as they grapple with the negative impacts of covering for vacancies or working with a new hire who isn't yet up to speed with the organization's workflows and processes.
CRASHING THROUGH: SENIOR AAPI PROFESSIONALS SPEAK

In our research, we asked senior-level AAPI professionals what problems they encountered and how they navigated them to move up in their career. Here’s what they told us.

PART 1: THE CHALLENGES

- **Lack of social connections**

  Respondents, in some cases coming from immigrant families or less wealthy backgrounds, said they had a hard time building social connections with colleagues or clients. They lacked common interests, didn't share hobbies, or didn't vacation in the same places. They were left out during informal happy hours, lunch outings and group texts.

- **Stereotypes**

  Leaders told us that they often had to overcome stereotypes that AAPI professionals work best, not as leaders, but “behind the scenes.” They’re considered “book smart,” but they face persistent beliefs that they lack the social skills, boldness and strategic thinking to rise to levels higher than middle management. Because of these stereotypes, some leaders were surprised that AAPI professionals were even interested in promotions.

  - **Branching out socially**

  Leaders said they moved out of their comfort zone and started gathering socially with colleagues. They accepted happy hour invitations, invited people out to lunch and looked for other ways to connect socially. “I broke down the perception that others often have and let them see me as an independent person,” one said. “It wasn’t an easy task, but relationship building starts from there.”

  - **Appearance and accents**

  One leader told us that it was more difficult to gain credibility with investors and business owners during initial meetings because they looked younger than others. Another said that even having a slight accent could give employees the reputation of not being a “good communicator.” Another saw a “brilliant” Asian professional get sidelined during a presentation because her executive vice president said he “couldn’t understand a word she said.”

  - **Culture of not standing out**

  Cultural differences that might make some AAPI professionals less likely to speak up or push for more are holding them back, leaders told us. “Certain values and traditions, which are important to my Asian American and specifically Chinese immigrant background, focus on family and team and community, not individualism and ways to stand out,” one professional told us. “Being meek and humble are traits that do not bode well if you’re trying to thrive and progress in a western, capitalistic society. Leadership positions and opportunities sometimes conflict with these inner cultural values, especially for my younger self.”
Grouped with Caucasians

Corporate diversity initiatives can leave out the AAPI workforce, and leaders don’t regard them as minorities. In turn, companies fail to address the obstacles that workers face and don’t build in the support mechanisms to help them.

Mistaken identity

Leaders told us that they were regularly confused with other AAPI workers because their colleagues believed that they “all looked the same.” Their own individual achievements and perspectives were lumped together with other AAPI colleagues simply because of the way they looked.

PART 2: THE SOLUTIONS

For senior AAPI leaders, it took overcoming common challenges and stereotypes that they were confronted with to break through the bamboo ceiling. Here’s what worked for them.

Networking

Respondents found success when they worked to build relationships both inside and outside their organizations — being intentional about setting up meetings, finding shared interests and exploring new ways to connect with others on similar career paths or industries. “Networking is work,” one leader acknowledged, “but, in the long-term, it is rewarding.”

Said another: “Speak to everyone and don’t underestimate the value of a strong and broad network. Hard skills are important, but only for survival. Visibility in big companies is crucial for those early in their career.”

Staking a claim

It can be easy to fall into behind-the-scenes work. But successful AAPI leaders say it’s critical to stake a claim within the organization. Take an inventory of what makes you stand out and uniquely valuable, and speak up, leaders recommended. “Build a reputation as a thought leader early on and take risks,” one said. “Control your book of business,” said another.

Becoming more outspoken

Leaders rated speaking up, promoting their successes and asking for what they wanted as the single most helpful solution to crack through the bamboo ceiling. Leaders saw success when they got out of their comfort zone and pushed for what they wanted, whether it was a new project or promotion. One AAPI leader said it plainly: “Don’t ask, don’t get.” Said another: “Learn to be uncomfortable.”
SQUEAKY WHEEL

Senior AAPI members consistently point out that being more outspoken was a key factor in their success and something they recommend to their younger, former selves.

Western culture teaches: “the squeaky wheel gets the grease.” Eastern culture teaches: “the nail that sticks out gets hammered down.”

Use the sliders to indicate the degree to which your personal beliefs align with the phrases below.

<table>
<thead>
<tr>
<th>Answer</th>
<th>All Respondents</th>
<th>Senior-Level Only!</th>
</tr>
</thead>
<tbody>
<tr>
<td>A1: The squeaky wheel gets the grease.</td>
<td>6.3%</td>
<td>6.74%</td>
</tr>
<tr>
<td>A2: The nail sticks out gets hammered down.</td>
<td>3.7%</td>
<td>3.26%</td>
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Which of these philosophies or phrases most closely reflect how you perform your job or carry yourself at WORK?

<table>
<thead>
<tr>
<th>Answer</th>
<th>All Respondents</th>
<th>Senior-Level Only!</th>
</tr>
</thead>
<tbody>
<tr>
<td>A1: I am the squeaky wheel looks for grease. (More vocal, outspoken)</td>
<td>4.89%</td>
<td>6.26%</td>
</tr>
<tr>
<td>A2: The nail sticks out gets hammered down. (Quiet, get the job done)</td>
<td>5.11%</td>
<td>3.74%</td>
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</table>

Finding a mentor

Respondents actively sought out mentors to help them as they navigated their career paths and worked to maintain those relationships over time. Mentors provided long-term career advice, advocated for them up the management chain and helped them navigate company politics, among other benefits. “Get a mentor who has an eye for the company and industry trends,” said one. “They can help position you well.”

How has having a mentor helped you in your career? (Select your top 3.)

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<thead>
<tr>
<th>Answer</th>
<th>Respondents (42 Total)</th>
</tr>
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<tbody>
<tr>
<td>A1: They were my champion or advocate up in the management chain.</td>
<td>45.2% (19)</td>
</tr>
<tr>
<td>A2: They provided advice for navigating company politics.</td>
<td>45.2% (19)</td>
</tr>
<tr>
<td>A3: They provided long-term career advice.</td>
<td>52.4% (22)</td>
</tr>
<tr>
<td>A4: They helped me understand the unspoken norms for interacting.</td>
<td>14.3% (6)</td>
</tr>
<tr>
<td>A5: They coached me how to be more assertive.</td>
<td>14.3% (6)</td>
</tr>
<tr>
<td>A6: They helped with my communication skills.</td>
<td>19.0% (8)</td>
</tr>
<tr>
<td>A7: They helped me break out of comfort zones.</td>
<td>35.7% (15)</td>
</tr>
<tr>
<td>A8: They were a good listener.</td>
<td>31.0% (13)</td>
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TEAM EFFORT: RECOMMENDATIONS FOR COMPANIES

While AAPI professionals may be able to do more to bolster their positions within their organizations, the onus should never be solely on them. Across an organization, there must be broad awareness, particularly among the leadership team, about the challenges that their AAPI workforce faces. Here’s what companies can do.

- **Include AAPI in DEI**

DEI initiatives often focus on Black and Latino communities, but exclude AAPI professionals from considerations. Companies need to recognize the diverse challenges of AAPI workers and ensure their perspectives and experiences are included in the dialogue. Look for ways to refute the model minority myth and understand the workplace microaggressions that many AAPI workers face on a daily basis.

- **Require sensitivity training for senior management**

Sensitivity training or unconscious bias training should be mandated for senior management and cover the obstacles and cultural biases that the AAPI workforce faces. When leaders know better and do better, that knowledge will trickle down to hiring managers and supervisors. Ultimately, you’ll be supporting some of your best employees who want to advance up the corporate ladder but continue to face obstacles because of their discomfort with speaking up or higher-ups’ inability to see them as somebody who can do more than crunch numbers or work in the background.

At the same time, senior leaders should look amongst themselves. If most of the faces looking back are white colleagues, it’s time to understand why. Assess your hiring and promotion practices with concrete analytics. Then, act. “Get an understanding of why Asian Americans aren’t advancing, particularly at the senior executive level, in order to identify solutions to address it,” one leader said.

- **Offer mentorship and sponsorship opportunities**

Mentors can help professionals along the journey, providing some guidance as they consider their next steps. Sponsors actively advocate for individuals as they seek specific promotions or career changes. AAPI professionals could use both. To cultivate sponsorship relationships, in particular, senior management should ask their leadership teams to identify qualified workers who are in line for succession. If they only select white men, it’s time to pull in human resources to find out why and help build a more diverse list.

- **Facilitate networking**

Ensure that informal networking and advancement opportunities are shared broadly. Provide access to professional development resources so employees can network outside the organization but within the industry. Set up regular networking sessions with senior management. Organize smaller networking groups within business verticals and establish peer cohorts, who meet regularly and can develop professional relationships over time.
Provide self-improvement programs

Help AAPI professionals bolster their existing skills and build on new ones by providing resources and opportunities. Employee Resource Groups are employee-led affinity groups that are designed for particular workers — perhaps working parents or Black employees. Ensure an Employee Resource Group is dedicated to AAPI workers too where they can network and learn from each other.

“Create an employee resource group with actual senior-level involvement,” said one respondent. “Asians are the forgotten minority within my organization and are required to rely on unofficial means for networking. But without senior-level support, it doesn’t help us advance beyond the bamboo ceiling. We all know each other, but none of us are on the management committee.”

Support workers’ desire to improve their skills and provide access to resources such as Toastmasters where employees can bolster their public speaking skills and confidence.

Consider 360-degree reviews, where employees are evaluated based on feedback from everybody they work with — from their supervisors to the people who report to them. These can provide a more inclusive look at individual employees’ impacts within an organization.

IN THEIR OWN WORDS

Senior AAPI members consistently point out that being more outspoken was a key factor in their success and something they recommend to their younger, former selves.

> “Formally recognize the disadvantages that Asians face. Don’t use Asians as the plug or scapegoat. And address the over-representation of Caucasians at mid and senior levels.

> “Acknowledge that one size fits all doesn’t apply to every ethnic minority or immigrant group.”

> “Provide a coach or mentor for junior staff.”

> “Budget for self-improvement programs for employees that don’t necessarily lead to a degree.”

> “Conduct bias training for all, especially executives; provide focused mentorship for AAPI employees who may not otherwise have a mentor; and actively recruit and hire diverse candidates.”

> “Make an effort to grow the pipeline of talent at the ground level and be open to different communication and leadership styles.”

What programs or resources are offered by your company to help overcome barriers that may relate to the bamboo ceiling?

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<tr>
<th>Answer</th>
<th>Respondents (99 Total)</th>
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<tbody>
<tr>
<td>A1: Toastmasters (or other public speaking resources)</td>
<td>20.2% (20)</td>
</tr>
<tr>
<td>A2: Internal networking groups</td>
<td>28.3% (28)</td>
</tr>
<tr>
<td>A3: Mentorship programs</td>
<td>23.2% (23)</td>
</tr>
<tr>
<td>A4: Management training</td>
<td>26.3% (26)</td>
</tr>
<tr>
<td>A5: 360 degree reviews</td>
<td>27.3% (27)</td>
</tr>
<tr>
<td>A6: Affinity groups (like-background support group)/Employee Resource Group</td>
<td>35.4% (35)</td>
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CASE STUDY: KATE

For Kate, a senior-level investment manager, the bamboo ceiling has followed her throughout her career.

When she arrived at her job a decade ago, she was mistaken for another Asian American woman named Stephanie, a hard-working deputy manager who had the thankless task of disciplining younger white men on the team. Stephanie didn't go out drinking with the rest of the team and wasn't well-liked. When Kate arrived, she was called Stephanie 2.0 because she was considered a much-improved version.

“They were comparing us to each other, at her expense, and not on our merits,” Kate said.

Kate blames her upbringing, in part, on the obstacles she faced. Her family wasn't wealthy, and she didn’t vacation in the Hamptons like many of her coworkers and clients. Higher-ups seemed hesitant about giving her visible roles. When she was considered for a speaking opportunity, leaders opted to assign an older white woman to co-lead the program with her. “I see white people getting tapped more than me,” she said.

Despite the barriers, Kate has found success.

Advice for workers:

- **Find your niche.** “That earned me a level of respect,” she said.
- **Improve your weak points.** Kate signed up for Toastmasters to boost her presenting skills.
- **Get a mentor.** She found somebody to help her as she sought a CFA.
- **Point to the value you bring** in a constructive way.

“I wish I could tell my younger self, ‘Don’t set aside or ignore the bamboo ceiling, but don’t let it be the driving force behind your ambition,’” she said. “Think more about how to add value. Regardless of race or ethnicity, you have to deliver value to the firm.”
CASE STUDY: ANNE

AAPI professionals are interchangeable in the eyes of others, Anne said. “I get called the name of my other Asian American employees all the time,” she said. “It isn’t malicious, and I try not to take it personally. Most of them realize quickly what they’ve done. If they don’t, I am quick to correct them.”

Anne grew up in an immigrant family where she developed grit. Keeping your head down while working hard was valued. She learned much later that advocating for yourself was just as critical.

Advice for workers:

- **Ask for what you want.** “Nobody is going to give you anything just because you worked for it,” she said.
- **Remember that your title is important.** “Once you have it, nobody can take it away,” she said.

CASE STUDY: ARJUN

Over the past 20 years, Arjun has seen evidence of the bamboo ceiling time and again. “Asians are expected to be model-behaving minorities,” he said. “We’re not expected to raise our voices or ask about pay. We’re expected to play the role of a good corporate citizen and not ask for things.”

Others were more vocal around him, but Arjun fell into line. He was underpaid because he didn’t ask for more and wasn’t getting promoted. And his shy and demure demeanor prompted some co-workers to single him out in meetings. “They used me to make a negative point,” he said. “There were times when I would get yelled at in the hallway because the expectation was that I would not raise an objection.”

And he missed out on client meetings. “What I found, consistently, was white American males who were asked to come to those meetings,” he said. “With that client exposure, it sets them up unfairly to be viewed positively.”

How he overcame:

- **Forged his own destiny** by becoming an entrepreneur.
- **Found his niche** and joined a new company as an Asia specialist, focusing on India.

Advice for companies:

- **Incorporate formal mentorship programs** where mentors are not a direct or indirect boss of the employee.
- **Develop relationships** and provide comfort about competence, Arjun advises managers. “Don’t just be happy when an employee shows good performance,” he said.
CASE STUDY: SUSAN

Susan has worked her way up to the C-suite, but she’s faced plenty of setbacks as both a woman and member of the AAPI community, despite glowing reviews. When she was up for a promotion, a manager told her she was too attractive, she remembers. It was better for her to find a husband and settle down.

Advice for workers:

- **Ask your supervisor what you need to work on to move up.** When she asked, her supervisor recommended she return to school to get a master’s degree. She did and was promoted.

- **Speak up.** “You need to tell people what you want,” she said. “If you don’t, you won’t get it.”

- **Network.** “I used to be really shy,” she said. “I had to get out of my comfort zone. I started going out with co-workers, building relationships, attending happy hours and getting to know people.”

- **Know your worth.** When Susan felt she was underpaid, she went out and got another offer.

- **Don’t be timid.** Be ready to approach people respectfully. “In some firms, you can’t be too humble,” she said.

Advice for companies:

- **Be aware** of different cultures.

- **Reach out** to introverts, ask them questions. “Just because they don’t say anything doesn’t mean they have nothing to say,” she said.

- **Be intentional** about hiring people from different backgrounds.
CONCLUSION

The COVID-19 pandemic put a spotlight on something that has always existed — structural racism that impacts the daily lives of the Asian American and Pacific Islander community in a myriad of ways. On the job, it can lead to everything from outright taunts to quiet microaggressions that leave AAPI professionals less likely to climb the corporate ranks. In investment management, in particular, our research shows that this bias and these racial assumptions are a deep-seated obstacle for some of the industry's most accomplished professionals.

It's taken a long time for us to get here, and there are no easy solutions that will permanently break through the bamboo ceiling for the AAPI community immediately. But there are steps that company leaders, managers, human resources professionals and AAPI community members, themselves, can take. Our hope is that this report is a catalyst for both communication and change, so we all can chart a new and better course towards acceptance and full inclusion.

A WORD FROM BACKSTOP

The rise in hate and violence against the AAPI community spurred by the COVID-19 pandemic only underscored what many of us have known for a long time: AAPI members have long suffered through discriminatory practices and racial biases that have limited their careers and filtered through every other aspect of their lives. At Backstop, we believe it is more important than ever for the AAPI community to speak out and share their experiences.

Because we serve the investment management industry and advocate for diversity and inclusion efforts, we jumped at the opportunity to support this important research for AAAIM and are a proud sponsor of this report. The compelling stories highlight the obstacles and biases that AAPI professionals continue to face in this industry and spark the need for further examination of the experiences of all professionals in this industry.

But, bottom line, what this report tells us is that we all have more work to do. At Backstop, we are recommitting to the cause of diversity. We will do better ourselves.
WHAT AAAIM IS DOING TO BREAK DOWN THE BAMBOO CEILING

What makes this survey and study so powerful is that the words and personal experiences of our members give all of us an honest assessment of the corporate “bamboo ceiling” that many AAPI professionals continue to face. At AAAIM, our goal is to promote diversity and inclusion in the investment industry by promoting policies, best practices and personal development programs that help to break down these long-standing barriers to upward mobility.

One of the pillars of AAAIM is our Emerging Leaders Initiative (ELI), which was created to help young AAPI individuals achieve their full potential in the field of investment management. As this research shows, many AAPI members face significant challenges in moving beyond the mid-career level because of the lack of institutional focus and career development opportunities. To address this professional growth gap, AAAIM launched an ELI cohort program in 2021 with a select group of mid-career professionals. Through mentorship, executive coaching, and personal development training, our cohort candidates are receiving the guidance and support they need to achieve their career goals. Our plan is to expand the program in 2022 to support AAAIM’s mid-career professionals in all regions.

We can work to expand and fine-tune our skills through programs like the ELI cohort program, however, there must be an equal commitment on the part of investment firms and our industry overall to fully recognize and nurture the enormous talent pool represented within the AAPI community. This commitment does not fall just on asset management firms but also the various fund allocators and other service providers that make up our industry.

As several respondents from the study point out, the AAPI community also must be part of the DEI dialogue. Too often, we are relegated to the side table when it comes to these DEI discussions with very little consideration given to the unique challenges and needs of the AAPI workforce. At AAAIM, we will continue to push for greater corporate focus on nurturing its AAPI workforce and ensuring that C-suite executives better reflect the makeup of its diverse workforce.

Lastly, our hope is that through this and other research efforts supported by AAAIM, the industry will begin to engage in a productive and honest dialogue about ways our industry can change and open more opportunities for traditionally underrepresented professionals at all levels within the investment field.

This research would not have been possible without the support from Backstop Solutions and Ron Carson and Sarah Hall at Thirdside. AAAIM is grateful for all their hard work and diligence in creating such a thoughtful paper.
ABOUT OUR RESEARCH SPONSORS

ABOUT ASSOCIATION OF ASIAN AMERICAN INVESTMENT MANAGERS (AAAIM)

The Association of Asian American Investment Managers (AAAIM) is a national 501 (c)(3) non-profit organization dedicated to increasing diversity and inclusion in the investment management industry, serving as a powerful voice for the Asian American and Pacific Islander (AAPI) community. Our goal is to elevate underrepresented groups through education, networking, and empowerment.

AAAIM is recognized as the national voice of AAPI investment managers and the only national organization dedicated to supporting the growth of AAPI investment managers. Our coalition of seasoned and rising investment managers is committed to mentorship, promoting access to capital, and educating the industry and public at large about prejudice experienced by AAPI.

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ABOUT BACKSTOP SOLUTIONS GROUP, LLC

Backstop's mission is to help the institutional investment industry use time to its fullest potential. We develop technology to simplify and streamline otherwise time-consuming tasks and processes, enabling our clients to quickly and easily access, share, and manage the knowledge that is critical to their day-to-day business success. Backstop provides its industry-leading cloud-based productivity suite to investment consultants, pensions, funds of funds, family offices, endowments, foundations, private equity, hedge funds, and real estate investment firms.

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