



OAK INVESTMENT MANAGEMENT GROUP



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Why is Real Estate So Misogynistic?

It is puzzling why real estate is so misogynistic. In many ways the sector would seem an ideal fit for women in the workplace. Generally, there is quite some flexibility as to when and where work is done, and even deal led activity can be easily shared amongst a small and collaborative deal team allowing women of all ages and all stages in life the chance to contribute greatly to an investment or management team.

Yet, most of real estate professionals are male. The male sex dominates agents, developers, investors, allocators, managers, executives and bankers. Ironically enough, the least gender imbalanced profession connected with real estate is the legal profession. This is ironic because the legal profession is one of the least flexible in real estate necessarily being centred on the deal itself. The huge contribution of female lawyers to the real estate industry is proof in itself that women could play a bigger role in the real estate industry.

One of the main reasons why real estate is so utterly dominated by men is the remorseless and relentless personal networking that is required in the industry. This is something that is somewhat of a non-stop activity, for which non-participation is disproportionately punished. It is in the socialising and the informal activity that critical circumstantial information is made available often within a very tightly knit group. This is evidently somewhere where it is hard for women (especially if they have a family) to keep up with their male cohort.

Modern technology can crack the stranglehold of men over the industry. Because technology can shine light onto asymmetric information, it has the twofold power to bring information into the public domain as well as disrupt the power of entrenched networks. Technology will certainly take away a little bit of the edge but will never eliminate this asymmetry of information.

The profession, therefore, actively needs to try and embrace a diverse array of people reflective of society. Obviously, women are just over half of society – so any process that exclude or alienates this cohort will result in sub-optimal investment decisions and allocations. This is without going into any qualities that women might generally have (such as empathy) or might not have (aggression). No quota system should ever be introduced, as this would not work and often creates a climate that is counter-productive – but every effort should be made to make the industry welcoming to female talent.

The aim of real estate should not be to pursue parity of the sexes for parity's sake. The aim should be to have a well-balanced and well-rounded team that is reflective of society, that can take collective responsibility, that can acquire insights of how real estate is used and how people behave with real estate to make optimal investment and allocation decisions.

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