



SpencerStuart

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Dear Investment Professional:

Last spring, in partnership with global executive search firm Spencer Stuart, the NVCA embarked on one of the most ambitious studies ever conducted on human capital issues related to the venture capital and private equity industries. Our objective was to identify the most valuable – and value-adding – CEO skill sets and best practice assessment processes. The study included an industry-wide survey, interviews with more than 80 leading firms, and in-depth case study analyses of 100 successful CEO recruitments.

As you will see in the enclosed Executive Summary, the findings are intriguing, as well as thought provoking. After the final study is published, we will provide all current NVCA members with a copy of our white paper, that will include a comprehensive review of study findings.

Additionally, the NVCA and Spencer Stuart, in collaboration with the Venture Capital Institute, have developed an interactive presentation for smaller audiences. This session allows for a facilitated and interactive discussion about issues related to investment in human capital and management assessment best practices. Spencer Stuart has agreed to lead these sessions at no cost, requiring only reimbursement of expenses. If you would like to receive information about these sessions, please contact the study's author Richard Smith at 404.504.4421, or his Partner and Co-Practice Leader Jonathan Visbal at 650.356.5562.

Given the state of the marketplace, it is clear that intelligent decisions regarding management are more critical than ever. We hope this study and future related programs will help NVCA members and the industry in navigating these important issues.

Sincerely,

Mark Heesen

Richard A. Smith