

A Spirit Of Innovation And Excitement

An Interview with Viral Patel, Chief Executive Officer, Blackstone Private Equity Strategies

EDITORS' NOTE Viral Patel is the Chief Executive Officer of Blackstone Private Equity Strategies (BXPE). Patel is a member of the Investment Committees for BXPE, Blackstone Growth, and participates on the Investment Committee of technology focused deals in Private Credit. He has been with Blackstone since 2005 and he was involved in the launch of Blackstone Tactical Opportunities, as well as incubating and building other Blackstone businesses. He was also the Global Head



Viral Patel

of Technology Investing for Blackstone Credit. Before joining Blackstone, he was a member of the Credit Suisse Structured Products business. He has served on the boards of various Blackstone portfolio companies. Patel graduated magna cum laude from Cornell University with a BS degree in operations research and industrial engineering.

FIRM BRIEF Blackstone (blackstone.com) is the world's largest alternative asset manager. The firm seeks to deliver compelling returns for institutional and individual investors by strengthening the companies in which it invests. Our more than \$1.1 trillion in assets

under management include global investment strategies focused on real estate, private equity, infrastructure, life sciences, growth equity, credit, real assets, secondaries, and hedge funds.

How do you describe Blackstone's culture and values?

Meritocracy, excellence, openness, integrity and innovation are certainly hallmarks of Blackstone's culture, but what sticks out to me over the course of almost two decades at the firm is its entrepreneurialism. I've been

given many opportunities to build out a new part of the business or take on a new leadership role – and I'm not the only one. More than half of our current partners have been at Blackstone for more than ten years, and nearly 30 percent of them started as an analyst or associate.

The firm fosters an environment where exceptional talent can build lasting careers and, because of these opportunities, our employees are deeply committed to the values that define our culture. Blackstone's achievements are only possible because of our most valuable asset: our people. As our founder, Steve Schwarzman says, there are no patents in finance – our success relies on the talent of our teams around

the world, knit together by our goal to deliver outstanding performance for our investors by stewarding their capital with integrity and conviction.

What have been the keys to Blackstone's industry leadership, and how do you define the Blackstone difference?

I trace many of Blackstone's advantages back to our scale – spanning more than 12,700 real estate assets and 240 portfolio companies – which gives us more, better and richer private data. Not only does that inform our ability to invest in dynamic sectors positioned for long-term growth, but it also enables us to marshal real-time data across our portfolio to develop macro insights that we can share across our businesses – from pricing trends and spending behavior to hiring activity and the employment market. Working at a firm that adapts quickly to changing conditions really fosters a spirit of innovation and excitement.

You joined Blackstone almost 20 years ago. What has made the experience so special for you?

The dynamism – we're constantly seeing around corners and innovating so we can deliver for our investors. That openness to innovation allowed me to play a part in developing our Tactical Opportunities and Growth businesses

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very early on, as well as starting a team focused on tech lending within our Credit & Insurance business. Across my Blackstone career, I’ve been proud of my ability to form strong relationships, because building businesses requires bringing people together – which is front of mind for me in my latest role as CEO of Blackstone Private Equity Strategies (Blackstone’s private equity strategy for individual investors).

Will you discuss this role and how you focus your efforts?

I’ve always been highly focused on team collaboration. I want all of our investment teams firm-wide to view my team as an accelerant to their own businesses and another helpful partner as Blackstone executes deals. With \$331 billion in private equity AUM and a 35+ year track record, Blackstone has the world’s largest private equity platform. Now, we want to bring that platform to individual investors.

My team works across corporate private equity, secondaries, growth, opportunistic, life sciences and beyond – so the more seamless and coordinated we can become, the better the outcomes will be for the firm. I believe that we have the best talent in the industry, and I have confidence in how, together, we’ll continue building this strategy to meet the needs of both our existing and expanding set of investors.

The team I lead focuses on finding opportunities across the many private equity sectors that we invest in at Blackstone. This ranges from our control private equity business and secondaries to tactical opportunities – which is our special situations platform – and others like our life sciences and growth equity businesses.

How important is it for Blackstone to build a diverse and inclusive workforce?

It’s critical. I strongly believe that when people are empowered to do their best work, they generate business results that provide lasting value. Creating an environment where many perspectives are welcome, opportunities for advancement and training are plenty, and mentorship and sponsorship are encouraged are all key elements in encouraging a culture of inclusivity. Across Blackstone, we aim to build businesses equipped to navigate challenges and lead in their industries by attracting, developing and retaining high-quality talent both at the firm and across our portfolio.

On the empowerment point, we continue to focus on broadening our pipeline of talent. We use hybrid recruiting strategies to connect with more than 1,000 schools, including Historically Black Colleges and Universities. We have also invested in early-pipeline programs to educate students about the firm and introduce them to meaningful careers across our industry.

What do you see as Blackstone’s responsibility to be engaged in the communities it serves?

To my earlier point about scale, Blackstone’s portfolio companies collectively represent the equivalent to one of the largest Fortune 500 employers, with over 700,000 employees. Our main goal is to help our companies meet their hiring needs, build more representative workforces and foster inclusive cultures – which in turn helps them increase creativity and innovation, enhance problem-solving and decision making, and heighten employee engagement.

We encourage our portfolio companies to participate in our signature recruiting and talent development initiatives – Blackstone Career Pathways, as well as our Veterans Hiring and Refugee Hiring Initiatives.

What advice do you offer to young people beginning their careers?

Come to the table with an opinion, and don’t be shy about sharing it. There’s a reason we work by committee: we can make better decisions when we look at each opportunity from different viewpoints and assess each deal from different lenses. Your managers want to hear what you have to say – forming a view, backing it up and articulating it well are essential parts of learning the business, and it’s our responsibility to help you grow these skills. ●

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