

EPISODE SUMMARY:

In this episode of the Rainmaker Podcast, host Gui Costin welcomes Shane McCarthy, Managing Director at LAB Quantitative Strategies, for a thoughtful and practical conversation on building a lean, high-performing fundraising function in a data-driven investment firm. With over 25 years in the investment industry across operations, risk, product development, and portfolio management, Shane brings a rare full-stack view of capital formation.

Shane shares how LAB QS, a \$1.8 billion multi-strategy hedge equity manager based in Denver, is built around a risk-first, liquid, and return-per-unit-of-risk mindset. Originally spun out from one of the largest family offices in the U.S., LAB QS retains a strong cultural alignment with high-net-worth and family office investors, with growing interest from RIAs and small institutions. Their hedged equity strategy is structured to smooth volatility, limit drawdowns, and complement broader asset allocations.

The business development team is lean—just two people—but Shane emphasizes that LAB QS operates with a firmwide fundraising mentality, supported by every department, from operations to compliance. The sales strategy is guided from the executive committee level, with clear goals and aligned resource allocation. Everyone has defined roles, responsibilities, and expectations, which ensures a unified commercial mindset across the firm.

McCarthy stresses that face-to-face interaction and trust-building are still paramount in capital raising, especially in today's saturated and competitive investment landscape. While Zoom helps with efficiency, nothing replaces the relationship-building power of sitting across from an investor.

LAB QS's tech-forward approach is another key strength. They rely heavily on Salesforce for CRM, integrated with Dakota Marketplace for seamless prospecting and pipeline management. With support from a 10-person tech team, LAB QS uses proprietary tools to customize analytics and automate reporting, enabling more effective and informed client interactions. Culturally, LAB QS embraces a challenge process, encouraging employees at all levels to contribute ideas and question assumptions. This openness fosters humility, collaboration, and innovation—qualities that Shane believes are essential for long-term success.

To young professionals, Shane offers grounded advice: embrace the long game, expect rejection, and focus on knowing your client deeply. His leadership and experience reinforce a message that great sales organizations are built on cross-functional collaboration, disciplined execution, and the humility to keep learning.