Re-Booting for Growth

Introduction

Despite an anemic economic “recovery” the asset management industry is poised for growth. As the realities of this new environment set in, reflected in prolonged periods of market volatility along with an investor sentiment that desires creative solutions but often diminishes the value of active management, heads of sales and distribution are faced with a new set of challenges. What kinds of investment products will institutional investors require and what types of resources will be needed to meet these objectives? How can you satisfy the different types of investors, along with their inherent risk profiles, and retain those assets over time? How does a firm grow, compete and get more out of its current workforce in the new world order? For those involved in distribution and asset raising a re-boot will be in order to thrive.

This year’s Senior Delegate Roundtable will offer Institute members an opportunity to share insights and exchange views with thought leaders and peers on a host of vital issues. Roundtable participants will focus on identifying the products and market segments that are likely to be most promising as well as the marketing structures and strategies best positioned to capitalize on the opportunities that are emerging.
Tuesday, January 21, 2014

1:00 – 1:45
Registration

1:45 – 1:50
Welcome
Robin Coffey, Director, Institutional Investor Memberships

1:50 – 2:30
The State of the Asset Management Industry
After four years of stalled growth, the $62 trillion global asset-management industry has finally entered a recovery, but it promises to be a bumpy one for traditional managers of the industry's largest asset pools, according to a recent report by The Boston Consulting Group (BCG). The most successful managers, the report says, are either specialists or traditional providers who have become “ambidextrous.” That is, they have maintained their active core-asset businesses while developing capabilities to capture new faster-growth assets, including solutions and specialties. Gary Shub, a coauthor of the report and a BCG partner based in Boston, will present the salient findings of this report and discuss how the significant structural changes will affect the future of the asset management industry.

Gary Shub, Partner, The Boston Consulting Group

2:30 – 3:15
The Influential Investor – How Investor Behavior is Redefining Performance
In a climate characterized by uncertainty, investors globally have re-examined many of their investment beliefs. In particular, they have had cause to redefine their performance objectives as well as the rewards and risks they expect. Suzanne Duncan, leader of the Center for Applied Research, an independent think tank that resides at State Street, will present the results of The Center’s research on investor behavior and, crucially, whether investment managers are acting in the best interests of investors. This research provides a ten-year outlook of the future of the investment management industry, and is based on input from 3,300 industry participants across 68 countries.

Suzanne Duncan, Senior Vice President, Global Head of Research, State Street Corporation, Center for Applied Research

3:15 – 3:45
Coffee Break

3:45 – 4:45
A Very Crowded Sandbox: The Products, the Platforms and the Players
Reflecting on the salient points of the previous presentations, this panel will explore how industry trends are changing what types of strategies and vehicles are being created to meet the demands of the marketplace. Issues to be raised include: how have client demands for customization, smart beta and holistic solutions rendered one-size-fits all thinking obsolete? Have powerful intermediaries upended the balance of power and will this trend serve to permanently re-shape the industry? How has the increased demand for alternative products changed the dynamic? Will the move to de-risk permanently alter the business as we know it? This panel of industry experts will explore the new active model and discuss what is required in terms of product and vehicle innovation to stay competitive now and in the future.

Moderator: Harvey Shapiro, Senior Advisor, Euromoney Institutional Investor PLC
Christopher Arthur, Senior Vice President and Portfolio Strategist, LPL Financial LLC
Suzanne Duncan, Senior Vice President, Global Head of Research, State Street Corporation, Center for Applied Research
Kevin P. Quirk, Partner, Casey, Quirk & Associates
Gary Shub, Partner, the Boston Consulting Group
4:45 – 5:45  
**Discussion Groups (by $AUM)**

How are firms thinking about how they might re-engineer in response to current industry trends and client demands. How can firms deal with the growing array of intermediaries and others who are interposed between asset managers and asset owners? Roundtable participants will be divided into small groups, based on assets under management OR size of team, in order to explore the issues raised in the previous sessions.

**DISCUSSION GROUP LEADERS:**

I. **AUM Small Firm OR Small Team**
   - **Jason Ciaglo**, *Partner & Director, Business Development*, LSV Asset Management
   - **Adam B. Spector**, *Managing Director*, Brandywine Global Investment Management

II. **AUM Mid-Size Firm**
   - **Stephen W. Dunn**, *Executive Vice President/Director of Institutional Marketing*, Cohen & Steers Capital Management, Inc.
   - **Christopher J. Krein**, *Director of Institutional Sales*, WisdomTree Asset Management Inc.

III. **AUM Large Firm**
   - **Tom Regner**, *President*, Franklin Templeton Institutional, LLC
   - **Aiden Redmond**, *Senior Vice President, Head of Institutional*, Delaware Investments

IV. **Alternatives**
   - **Joseph F. Gieger**, *Managing Director*, GAM USA Inc.

5:45 – 6:15  
**Pre-Keynote Reception**

6:15 – 7:00  
**Keynote Speaker:**

**Jon Favreau**, *Director of Speechwriting for President Barack Obama (2009-2013)*

**Words Matter: Storytelling in an Age of Sound Bites**

The significance of meaningful and effective words cannot be overrated, especially when a critical message is needed to stand out in a 24/7 news cycle and break through the constant noise of social media. Jon Favreau—director of speechwriting for President Barack Obama (2009-2013)—knows this all too well as he has worked on some of the most important communications coming from the Oval Office. According to Obama chief advisor David Axelrod, he has had his “stamp on all the great speeches from 2005 to early 2013” and always sought to tell a compelling story rather than string together a collection of sound bites. However, it is not simply a sheer talent with words that has made Favreau a success. While his rhetorical prowess has played a role, what sets Favreau above the rest is his unique ability to “see” or get behind the words—to capture the essence of an issue and create dialogue that clearly and powerfully articulates what it is about that issue that matters and why we should care. As former right-hand man and “mind reader” to arguably one of the greatest orators in United States history, Favreau offers his audiences valuable insight on how precisely—from conception to delivery—to “get behind the words we speak.” In the process, he discusses the significance of “mining” resources for inspiration, creating scripts that speak from and to the heart and “walking the walk” of talk.

7:00- 9:00  
**Cocktail Reception, Whiskey Tasting & Buffet Dinner in Monarch Hall**

Lobby level, St. Regis Aspen
Wednesday, January 22, 2014

7:45 – 8:45
Breakfast

8:45 – 9:00
Investor Intelligence Network Sentiment Survey & Manager Intelligence Network Update
This session will provide an overview of the current sentiment of asset owners. Based on a survey of the U.S. members of the Investor Intelligence Network, the survey will also reveal current asset allocations, and intended changes to portfolios. All Investor Intelligence Network members are senior investment officials in their organizations.

Olivier Daviron, Director, Investor Intelligence Network, Institutional Investor

9:00 – 10:00
Investment Leadership: Creating a Culture of Excellence
The new world order calls for strong leadership and cultures of excellence. Focus Consulting Group’s research shows that “Excellence/Continuous Improvement” is the top value that asset management firms are rallying around in the new environment. So, how do leaders build excellence into their culture? What is the mindset of leaders and professionals who demonstrate excellence? Jim Ware, CFA and founder of FCG, has been consulting with investment leaders on these issues for over 15 years. He is the author of three books and numerous white papers on investment leadership.

James Ware, CFA, Founder, Focus Consulting Group

10:00 – 10:30
Table Top Discussions
Delegates will discuss issues and themes raised in the previous presentation in small table-top discussion formats.

10:30 – 11:00
Coffee Break

11:00 – 12:00
Simultaneous Workshops:

I. Capturing the Growing Defined Contributions Asset Pool
The nation’s pension assets are rapidly becoming dominated by defined contribution plans. Although investment management and record keeping have been unbundled, many asset managers are struggling with how best to build their DC businesses. What are the best distribution structures and models? Which vehicles do you need for DCIO sales? How do asset managers manage the transition from institutional sales effort to dealing with DC plan sponsors and the retail sales with record-keepers? Which DC products will be in greatest demand by plan sponsors?

Moderator: Lori Lucas, Executive Vice President & Defined Contribution Practice Leader, Callan Associates
Richard A. Davies, Senior Managing Director, Defined Contribution and Co-Head North America, AllianceBernstein
Bas NieuweWeme, Managing Director, Head of Institutional Distribution, ING U.S. Investment Management
Marc S. Pester, Senior Vice President, Prudential Financial

II. Tapping the Asia Potential
According to the McKinsey Global Economic Growth Database global investment demand is expected to increase to about 25% of GDP over the next two decades. As a result, asset managers are ramping up their global distribution capabilities in Asia, with China, most notably, topping the list. Despite a recent slowdown, all markers point to accelerated growth in this second largest...
Senior Delegates Roundtable – Institutional Investor Institute

Economy in the world which is poised to become the largest. This panel will explore how firms should organize themselves to tap this opportunity and best distribute investment products in Asia.

Moderator: Drew Mason, Managing Partner, Jade Capital
James-Keith Brown, Head of Global Investor Relations, Executive Managing Director, Och-Ziff Capital Management Group
Richard Garland, Managing Director, Americas, Japan and Asia Advisor Client Groups, Investec Asset Management
Steven E. Moeller, CFA, Managing Director, Portfolio Manager, Head of Multi-Asset Solutions – Asia, Franklin Templeton Multi-Asset Solutions
Michael Negline, Head of Institutional Business Asia Pacific, Allianz Global Investors
Frank Saeli, Head of Sales & Relationship Management, Manulife Asset Management

III. Seizing Opportunities in the Sub-Advisory Marketplace
The sub-advisory universe, a high-potential, rapidly growing segment of the asset management industry, has continued to grow and evolve. Is your firm well positioned to capitalize on these opportunities and how to open the door? This panel will explore the size and trends in the sub-advisory market, different ways of identifying potential opportunities, and highlight some of the recent managers making sub-advisor changes.

Moderator: Christopher Yeomans, Director, Retirement and Sub-Advisory Products, Strategic Insight, an Asset International company
Robert N. Fanelli, CFA, Head of Manager Research, John Hancock Investments
Christie Loftus, Senior Vice President, Director DCIO/Sub-Advisory Strategic Accounts, OFI Global Asset Management
Robert C. McGowan, Managing Director, Head of Distribution, Financial Institutions and Corporate, UBS Global Asset Management

12:00
Box Lunch Pick-up, Peer Networking & Activity

6:15- 6:30
Depart hotel lobby for Gondola Ride up Aspen Mountain

6:30- 9:00
Cocktail Reception & Dinner at the Top of Aspen Mountain
The view is unmatched. The gondola door opens to the summit ridges of Mount Hayden, Aspen Highlands and the Maroon Bells 11,212 feet above sea level.

Thursday, January 23, 2014

8:00 – 9:00
Breakfast

9:00 – 9:45
Sales Performance Management: How Do Measurement, Motivation, And Mentoring Drive Institutional Salesperson Success?
Institutional asset management follows long selling cycles, and often, the salesperson’s performance isn’t solely reflected in the sales outcome. This session will explore ways to structure the selling process and measure performance, goal setting and methods for motivating and rewarding salespeople. Aspects of compensation design, including best practices in using objective-based incentives will also be discussed along with commissions and traditional goal-attainment bonuses.

Jason Brown, Principal, ZS Associates
9:45 – 10:30

**Sales Organizational Effectiveness**

In light of changing investor needs, asset managers are increasingly looking inward to see if their resources are appropriately aligned with the demands of the marketplace. What should today’s sales and marketing team look like and how should it be compensated? In conjunction with Korn/Ferry, a global financial executive search consultancy, the Roundtable is once again surveying its members on compensation and organizational issues related to the sales and marketing functions. This panel will explore optimal organizational effectiveness drawing upon the results of the survey.

*Jane Hobson Marcus, Senior Client Partner, Asset & Wealth Management Financial, Korn/Ferry International*

10:30 – 11:00

**Coffee Break**

11:00 – 12:00

**Discussion Groups (by $AUM)**

Building on the previous two panels, discussion group participants will explore how changing products, changing clients, and evolving market directions require new skill sets. Finding, mentoring and retaining top talent may be the most challenging assignment sales and marketing executive have today. What is the best organizational structure for your sales, consultants and client relations team? When thinking about optimal management, what are the key elements to consider? How should you motivate professionals and marshal resources to achieve optimal performance? Alignment of incentives, teamwork, career paths, supporting resources and effective communications are all important to a team’s success, but what’s the right recipe for mixing these ingredients? Are product specialists the sales force of the future? How should sales and marketing interact with your investment team? How do you deal with geographic (US v. non-US) and market (retail v. institutional)?

**DISCUSSION GROUP LEADERS:**

I. **AUM Small Firm OR Small Team**
   - **Steve Sexeny, Managing Director**, Cornerstone Capital

II. **AUM Mid-Size Firm**
   - **Gregor Andrade, Ph.D, Principal**, AQR Capital Management, LLC
   - **Daniel P. Charles, Global Head of Client Service and Business Development**, William Blair & Company
   - **Dean Patenaude, Jr., Managing Director**, Artisan Partners LP

III. **AUM Large Firm**
   - **John F. Gallagher, Executive Vice President, Director of Institutional Services**, Loomis, Sayles & Company, L.P.
   - **Susan Oh, Senior Vice President, Head of Janus Capital Institutional**, Janus Capital Group

12:00 – 1:00

**Buffet/Grab-n-Go Lunch**

**Roundtable Concludes**