

Pensions & Investments

Big challenges for the new year

BY ROB KOZLOWSKI & JIM COMTOIS · DECEMBER 23, 2019



Photo: James Yang

With 2020 bringing a new decade and a likely contentious election season, asset owners and money managers are making resolutions to overcome challenges both professional and personal.

Plan sponsor and money manager executives preached patience and a responsible approach to long-term investing in a challenging environment. And some even spoke of personal goals, like exercising more control over how much to spend on coffee and spending more time with charitable efforts.

What follows is a collection of New Year's resolutions, edited for clarity:

"To stay upright and carry on — keep moving forward because you can't stop time, and at my age, staying upright is critical. For CalSTRS, that means focusing on succession planning and maintaining our balance in an increasingly volatile marketplace and social landscape. We need to build adaptability into our investment philosophies because in the next decade our way of life has to and will change."

Margo Cook, president of Nuveen Advisory Services, Chicago, the global client organization for Nuveen LLC, with more than \$1 trillion in AUM as of Sept. 30

"Next year I want to stay relentlessly focused on achieving Nuveen's vision to be known as a responsible long-term investor while also delivering capabilities, like alternatives, that help clients achieve their goals. Personally: I am going to practice saying 'no' more often so that I can say 'yes' to the things that I really want to do!"

Robin Diamonte, CIO at United Technologies Corp., Farmington, Conn.

"With the spinoff of Otis and Carrier and the merger of UTC and Raytheon, 2020 will be an extremely busy year. My resolution is to create clear and definitive personal and professional stretch goals for 2020, then to attack those goals with focus, creativity, passion and humor." UTC had \$30.8 billion in pension plan assets as of Sept. 30, according to *P&I* data.

Luke Ellis, CEO, Man Group PLC, London

"Generate strong alpha for our clients and improve diversity across Man Group at all levels. Be there when my family needs me."

Man Group had assets under management of \$112.7 billion as of Sept. 30.

Michael Francis, president and CIO, Francis Investment Counsel LLC, Brookfield, Wis.

"See at least three employees go on their four- to five-week sabbatical to a place they have never been. Commit to spending the time needed to help my newly 'empty nester' wife adjust to life with just me again. Commit to spending more time with the charitable boards on which I sit."

Francis Investment Counsel oversees \$9.6 billion in assets under advisement.

Jim Grossman, CIO, \$59.1 billion Pennsylvania Public School Employees' Retirement System, Harrisburg

"Continue our asset allocation strategy of maintaining a highly diversified portfolio and build out the depth of our investment professional staff, and conquer the challenge of finding suitable office space for all the new employees, while hoping for another championship among one or all of the Philadelphia sports teams."

Greg Fitchet, investment officer, \$2.6 billion Phoenix City Employees' Retirement System

"We have had significant changes in our portfolio over the past 18 months with more in the pipeline. Having this much money in motion creates a number of administrative challenges. My resolution is to continue to make the transition orderly as possible, and to the extent I can, minimize its impact on performance."

Richard Lacaille, global CIO, State Street Global Advisors, Boston

"I would like to encourage professional challenge of industry norms wherever these might be an obstacle to better investment outcomes. Additionally, I resolve to work with investors to recognize that material ESG factors can boost performance and improve decision-making, as we see ESG being integrated into investment processes across the industry, rather than treated as a separate set of solutions."

SSGA had \$2.95 trillion in assets under management as of Sept. 30.

Taimur Hyat, chief operating officer, PGIM Inc., Newark, N.J.

"In 2020, we resolve to look through the political noise and beyond the media hype to try and find sustainable value for our clients by sticking to our knitting, encouraging non-consensus views, and not chasing short-term results."

PGIM had more than \$1.3 trillion in assets under management as of Sept. 30.

Judy Marlinski, president of Fidelity Institutional Asset Management, Boston

"Last year, I admitted I typically don't set New Year's resolutions and instead focus on goals that evolve throughout the year. That is still true today, but looking ahead in 2020, I will be very focused on how we're going to take technology to the next level to help our clients meet their goals. It's not just enough to have technology help us scale our business — it's understanding how technology can help us serve our clients better and help them manage their business more effectively."

FIAM had \$1.2 trillion in AUM as of Dec. 31.

Angela Miller-May, CIO, \$10.8 billion Chicago Public School Teachers' Pension & Retirement Fund

"For 2020, my resolution would be to continue working on 2019's resolution and to inspire other women and minorities to find their place in this industry, especially in this current market environment where we need sustainable solutions to increase returns, mitigate risk and manage through any downturns."

Shannon Nutter, a principal and head of participant strategy and development at Vanguard Group Inc., Malvern, Pa.

"There's always so much going on at any given time, challenges to face, hurdles to clear. In 2020, I want to ensure I'm continually reminding myself and my team WHY it is that we do what we do, and what a privilege it is. We get to come to work every day and help millions of employees retire better. The awesome responsibility of that makes any tough day brighter."

[Vanguard Group](#) had \$5.9 trillion in assets under management as of Oct. 31.

Jack Towarnicky, executive director, Plan Sponsor Council of America, Columbus, Ohio

"Finish (re)reading two books by Charles Krauthammer — 'The Point of It All' (and) 'Things that Matter.' I encourage you to read his take on historical figures like Christopher Columbus, Winston Churchill and individuals prominent in his life. Stop, take a moment, look back, give thanks for those prominent in your life."

Charles Van Vleet, CIO, Textron Inc., Providence, R.I.

"Never buy back-tested models. Eliminate random acts of punctuation. Spend less than \$924.16 on coffee at Starbucks." Textron had \$7.1 billion in pension plan assets as of Sept. 30, according to *P&I* data.

Staff writers Margarida Correia, Danielle Walker and Christine Williamson contributed to this story.