University of Arkansas, Fayetteville

ScholarWorks@UARK

Finance Undergraduate Honors Theses | Finance

5-2021

The Advantages of Active Management Overtime Through Turbulent Markets

Alexandria Rook
University of Arkansas, Fayetteville

Follow this and additional works at: https://scholarworks.uark.edu/finnuht

Part of the Business Administration, Management, and Operations Commons, and the Finance and Financial Management Commons

Citation

Rook, A. (2021). The Advantages of Active Management Overtime Through Turbulent Markets. *Finance Undergraduate Honors Theses* Retrieved from https://scholarworks.uark.edu/finnuht/56

This Thesis is brought to you for free and open access by the Finance at ScholarWorks@UARK. It has been accepted for inclusion in Finance Undergraduate Honors Theses by an authorized administrator of ScholarWorks@UARK. For more information, please contact scholar@uark.edu, uarepos@uark.edu.

The Advantages of Active Management Overtime Through Turbulent Markets
Company Focus: Gerber Taylor

By

Alexandria Elaine Rook

Advisor: Dr. Timothy Riley

An Honors Thesis in partial fulfillment of the requirements for the Bachelor of Science in Business Administration in Finance

Sam M. Walton College of Business
University of Arkansas
Fayetteville, Arkansas

May 8, 2021

Table of Contents

Introduction

Charles Gerber and Andy Taylor founded Gerber Taylor, an independent investment advisory firm located in Memphis, Tennessee, in 1990. These two young entrepreneurs were looking for a new way to approach investment consulting focused on the clients' needs and offering unbiased advice. Gerber Taylor ("GT") identifies as a fund-of-fund management firm. Gerber Taylor started its first hedge fund strategy in 1991. Over the next few years, they expanded their investment strategies. In the year 2000, GT launched the GT Model Portfolio, which consisted of long-only equity strategies. The firm continued to grow exponentially and reached $1 billion in assets under management in 2005, their 15th anniversary year. In 2014, they hit a new milestone of $5 billion in assets under management. After raising $197 million in new commitments in 2018, the firm celebrated its 30th anniversary during the tumultuous year of 2020.

Unlike many other financial institutions and investment companies, GT seeks out and hires the best investment managers they can find instead of picking all the individual investments themselves. This fund-of-fund management approach is "an investment vehicle where a fund invests in a portfolio composed of shares of other funds rather than investing directly in stocks, bonds, and other securities" (Corporate Finance Institute). This approach allows GT's clients to have access to the best in the business managers that they would not be able to source or buy into on their own. Many of the best managers have a higher buy-in price to the fund than the individual investor can afford. This is especially significant when considering the diversification of managers and funds. Putting an entire investment portfolio with one fund or manager increases risk and goes against traditional investment advice. Funds typically have a team of 2-3 managers responsible for it. The relationships GT has built over its tenure inform them of when these new funds are opening or doing another round of funding. The process of deciding which managers to invest with is extremely involved and costly. However, doing this enables outperformance and instills confidence in the quality of the investment.

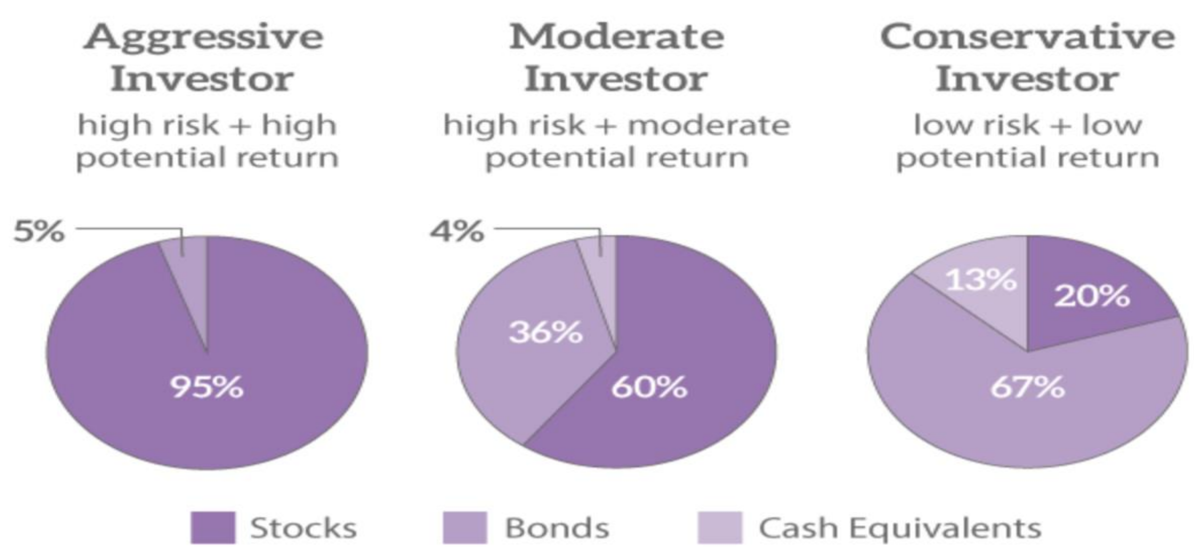
Gerber Taylor serves four different client types: retirements, family offices, individuals, endowments, and foundations. The structure of services offered revolve around clients' needs and have the option of individual customization. Retirement funds include asset allocation reviews, implementation of investment decisions, and comprehensive performance reporting. Endowments and foundations typically consist of asset allocation, investment policy development, and manager selection. These clients also receive holistic investment management and comprehensive performance reporting. Individuals, defined as those with net worth between $5 million to over $1 billion, receive the same kind of services. Family offices take a tax-aware approach, use low-cost life insurance, and annuity strategies. Gerber Taylor aims to include younger family members who are also beneficiaries in the investment process so that they transition smoothly to executors in the future. Building these relationships earlier also creates stronger retention. Clients involved in their younger years tend to keep their money with Gerber Taylor longer than those who were not. GT also specializes in serving clients as an Outsourced Chief Investment Officer. This CIO "acts as a fiduciary with legal accountability to protect [a client's] assets and advise [them] objectively about inherent opportunities and risk associated with various investment opportunities" (HighView Financial Group). Many clients choose this service because they defer the liability to an outside professional. They also can save money and time on recruiting, salary and benefits, training, and retention of this position themselves.

The main subjects of this analysis are Lead Consultant and CEO Billy Pickens and Partner Warren Milnor. Mr. Pickens is a Memphis native and graduated from the University of

Memphis. He was a founding member of the firm in 1990 and advises clients with a focus on institutions. Mr. Pickens has over 30 years of experience in the industry. He is also a member of the Asset Allocation Committee. Mr. Milnor joined GT in 1999 and focuses on client services. More specifically, he advises clients on their decisions regarding asset allocation. He also graduated from the University of Memphis and has over 21 years of experience in the industry ("About Us").

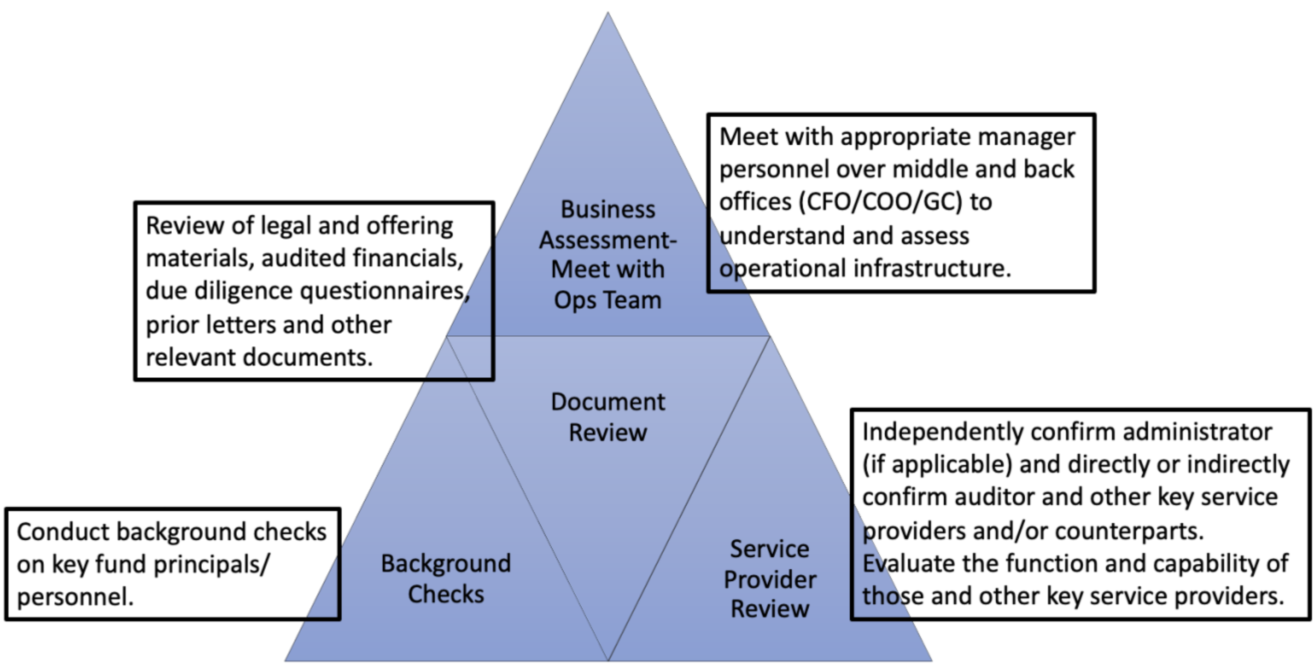
Asset Allocation Model

Gerber Taylor's core competency is their asset allocation model. It is carefully curated by the top management at Gerber Taylor and passes through many approval stages by the Asset Allocation Committee. Many non-professional investors stick to a 60/40 asset allocation of stocks and fixed income, respectively. Analysts at Gerber Taylor compile extensive research to build the model. Some of the components could be bonds, large-cap, mid-cap, small-cap, and a consortium of foreign stocks. The model is subject to change every quarter, and sometimes more frequently than that, to keep up with current market conditions; therefore, it never becomes obsolete (Pickens). The Asset Allocation Model is what makes Gerber Taylor a stand-out firm among their competition. Pickens notes that GT's model beats comparable benchmarks year-over-year. That is where the enormous value comes in for the clients. Even with its careful construction, some clients choose to work with their consultants to make some adjustments to the model. The client's personalized allocation is still based on the model, just attuned for preferences. The reason the clients may choose to do this is that clients have different spending needs. For example, endowments typically have a policy where they need to spend 5% a year, whereas an individual may not have any plans to spend the invested money for many years. Spending policies are put in place to "resolve the tension between the competing goals of preservation of endowments and stability in spending" (Swensen p.29). Below is a graph of example weightings investors may choose based on their risk tolerance and security preferences (Asset Allocation and Different Investing Strategies).



Picking Money Managers

Picking the best money managers is one of the most important tasks Gerber Taylor undertakes. At the core of their business, the managers of the funds they choose to invest in can make or break performance returns for Gerber Taylor's clients. Once GT sources a favorable-looking fund, due diligence digs deeper. Special attention to factors often overlooked makes the due diligence department at GT an integral part of the investment process. One of the things that contributes to Gerber Taylor's fee is how thoroughly they investigate funds and their managers before committing any capital to them. The background check for just one manager on a team of 3 or so runs about $1,000 and takes several days to get results back. The operational due diligence team initiates conversations with potential managers to determine if they are a good fit or not. They start with the basics of the organization's profile including offices and personnel details like turnover, employees, and compensation. GT inquires about the ownership of the firm and if there is any phantom equity. Studies show that there is a "positive relation between manager ownership and performance" and "fund performance improves 'by about 3 basis points for each basis point of managerial ownership'" (Cremers, et.al, p.8). Colloquially, investment professionals refer to this as the eating one's own cooking. Those without their own money on the line have less to lose from subpar performance. Next, they disclose the characteristics of the fund like fundraising targets, investment vehicles, and plans for additional funds. The other aspects taken into account during this initial due diligence meeting include the portfolio profile, back-office operations, trading and investing, pricing and valuation, investor base, conflicts of interest, the board of directors, business interruptions, and legal issues. After the discussion on these topics concludes, the GT due diligence team presents their recommendation to the board. If a positive recommendation prevails, allocated capital flows to the fund (Rikard). The graphic below shows the due diligence process (Operational Due Diligence Summary).



Literature Review

Active Management

Active management and passive management are two philosophies by which to approach investing. However, both of these philosophies believe in Modern Portfolio Theory, which is the idea of building a portfolio so that the return is maximized against the risk. A passive investor believes in tracking the market by utilizing an index fund or asset allocation and a strong version of the Efficient Market Hypothesis. This philosophy assumes that one cannot beat the market, so the investor should instead follow it. An example of this would be a long-term 60/40 stocks/bonds asset allocation or investing in the S&P 500. On the other hand, active investors believe that one can outperform the market. An active investor watches his or her investments closely, looking for chances to find underpriced securities and otherwise arbitrage the market. This group believes in a weak version of the Efficient Market Hypothesis (Dulin). There are many benefits and drawbacks to consider when investigating active management.

One factor that many investors see as a drawback to choosing active management over passive is the fees associated with it. The fees are typically charged at the fund level. During the two decades from 1997 to 2017, “the average feed paid by investors in active funds decreased by about 20%” (Cremers, et. al, p. i). However, fees can be negotiable for some firms depending on how much money the investor commits to putting under the firm’s management (Milnor). One can passively invest with no fees on new platforms such as Robinhood. This makes some investors extremely fee sensitive. It can also be difficult for the average investor to have enough money to buy into big management firms. A typical net worth required to buy in is a high net worth individual of $5 million. Ultra-high net worth individuals are those with at least $20 million in net worth (Pickens). Klarman recommends finding a firm that is not commission-based because “Wall Streeters get paid primarily for what they do, not how effectively they do it” and “large fees may motivate a firm to underwrite either overpriced or highly risky securities” (Klarman, p. 33). It becomes a game reliant on quantity instead of quality.

In much of modern literature regarding active management, it is said that active managers are prone to underperformance and therefore aren’t worth the investor’s consideration. Thus, “active investing is on the defensive” (Ellis). However, several direct and indirect benefits come from hiring an active manager. One often debated direct benefit is the skill of the manager. Many critics emphasize that these investment professionals “who seem to ‘beat the market’ year after year are just lucky” (Buffet p.4). However, active managers have a wide variety of skills and “in many cases, tend to make value-added decisions” that “create value for investors even after accounting for fees” (Cremers, et. al p.1) To further that point, it is necessary to address the problem of luck versus skill. Cremers, et. al note that if managers have been successful in the past but not in the present, they may have experienced a bout of luck. On the other hand, for managers who consistently report overperformance and otherwise good returns, the probability of all the positive performance cannot be luck. Skill must be a part of the managers’ decision-making. Cremers, et. al conclude this point by noting that if luck is what is driving outperformance, it would not be prudent to invest in even the best actively managed funds. Further, there should be a better way to measure the skill of individual managers.

Most modern literature measures the skill of an active manager as the “net alpha of the fund, which is the return of the fund after fees compared to a benchmark” (Cremers, et.al p.5). Cremers et. al remark that this way of measuring skill can often lead to undervaluing the active manager. These authors later discuss that “an active manager’s skill should be measured as the fund's 'gross return over its benchmark multiplied by [assets under management]." Buffet furthers the argument of skill and that this outperformance cannot "simply be explained by random chance," . . . and that how active managers beat the market is by "search[ing] for discrepancies between the value of a business and the price of small pieces of that business." This again brings in the consideration of the efficient market hypothesis. Buffet writes that he is unquestionably convinced that the market is not as efficient as others claim it is and that there must be inefficiencies. If that were not true, Berkshire Hathaway and investors that have worked with Warren Buffet would surely not have been nearly as successful as they have been consistently over many years. Buffet remarks that he and his close investor colleagues "all exploit the difference between the market price of a business and its intrinsic value." If there were no differences to be found, the argument for a strong efficient market hypothesis would have a much stronger foundation to stand upon. Seth Klarman corroborates Buffet by writing that he "believes[s] that only the weak form is valid" and that "[t]echnical analysis is indeed a waste of time" (Klarman p.110).

The idea of fundamental investing versus value investing also plays a significant role in reviewing active investing. Value investing consists of "targeting equities that are believed to have an undervalued intrinsic value in relation to each company's extrinsic value" (Franomacaro p.2). Both Buffet and Klarman heavily advocate for the exclusive use of fundamental and value investing over the use of technical analysis. The way they value securities relies almost exclusively on the margin of safety. The margin of safety is a term used to refer to the price buffer between the extrinsic and intrinsic value. The bigger the buffer, the bigger the margin of safety. In other words, value investing "is a large-scale arbitrage between security prices and underlying business value" (Klarman, p. 113). The word arbitrage is used cautiously in that definition because while classic arbitrage is risk-free, but value investing is not.

When choosing actively managed funds, an intelligent investor will research the funds of interest. One major resource is Morningstar that provides ratings, denoted by stars, for performance. These star ratings may point to strong returns for the investor, but "money pour[s] into 'five-star' funds after their best years and then pour[s] out after the inevitably poor years" (Ellis, p.5). Ellis continues by saying that "five-star ratings are virtually of no use in estimating future returns" (p.5). This is important because value investing is "one of the most overused and inconsistently applied terms in the investment business" (Klarman, p. 114). Managers of funds tend to change their strategies as a marketing tool as the market shifts around. Klarman warns investors to be wary of these "chameleon" managers "who violate the conservative dictates of value investing, using inflated business valuations, overpaying for securities, and failing to achieve a margin of safety for their client" all in the hopes of "attract[ing] funds to manage" (p. 114).

Active Management Over Time

Strong performance over long periods is of the utmost importance to keep active managers in business. Once more information became widely available, "investors gained a significant advantage compared to their predecessors . . . between 1900 and the 1930s" (Francomacaro, p.1). More modernly, there have been times in the market where active managers have been out of favor. The past few years "ha[ve] been a particularly mean-spirited time for active managers owing to a rare market phenomenon" (Ellis, p.4). One example of this is the period from 1999 to 2009 where the majority of active firms found it difficult to add value. Active management firms, on average, made -2% returns during that period. On the other hand, the decade from 2010-2020 provided a great opportunity for managers to add value. The average across firms during that period was 13% a year (Pickens). One thing is certain about the historical data for active management: "the actual risk of a particular investment cannot be determined from historical data" (Klarman, p. 94). However, another study shows "returns generated by the fund's trading activity over a past period- as measured by the difference between a fund's actual returns over the period and the hypothetical returns generated by keeping the fund's portfolio holdings constant- predict performance" (Cremers, et.al, p. 8). Since active managers receive payment to change investments as the market deems appropriate, managers sell off investments that fail to outperform. In fact, "no investment should be considered sacred when a better one comes along" (Klarman, p. 101). Risk is strongly connected to the price in that paying too much for a security increases the risk of lower returns. Price does not equal the underlying value. Market prices are not long-term oriented like the active manager is. Furthermore, active managers are legally required to act according to prudent man standard that is "applied to an entire portfolio rather than to the individual securities" (Klarman, p. 49). However, this caused some investors to see this as a loophole to ignore certain large risks if they balanced it with other low-risk securities. That spiraled into the "short-term, relative-performance derby" from institutional investors (Klarman, p. 51). This orientation makes the client the loser.

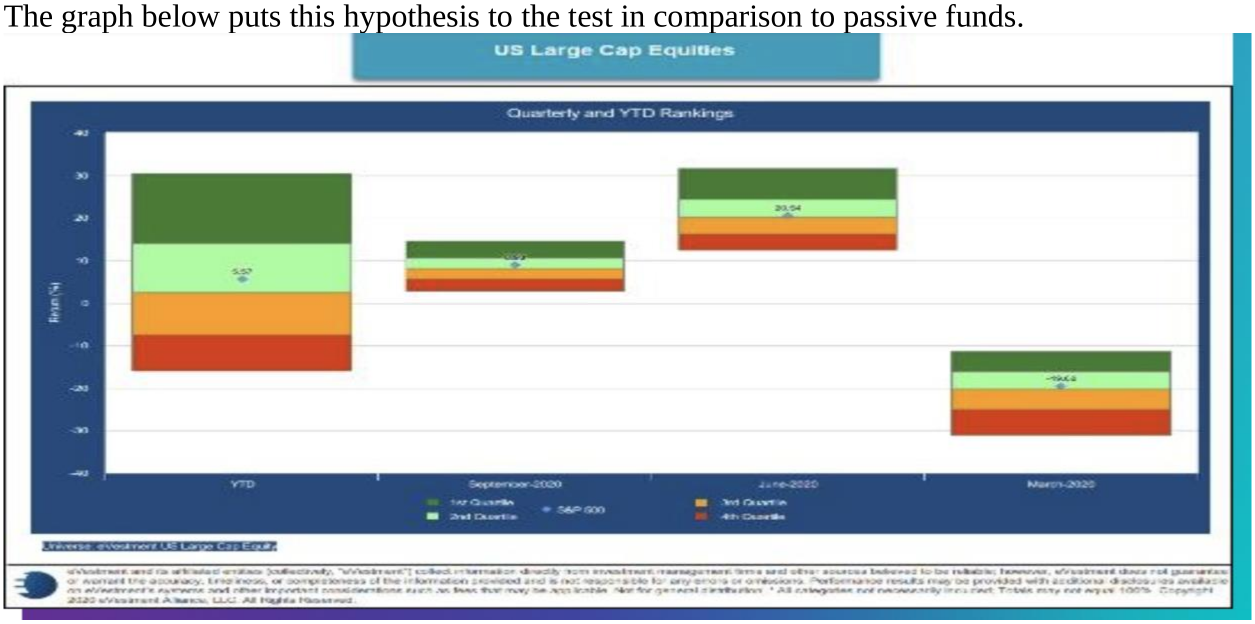
In the short-term, it is "supply and demand alone [that] determine market prices" and "most day-to-day market price fluctuations result from supply-and-demand variations rather than from fundamental developments" (Klarman, p. 25). For that reason, the investor may try to find a mathematical, data-driven way to outsmart price movements. However, "financial markets are far too complex to be incorporated into a formula" (Klarman, p. 30). Klarman recommends that investors would be much better off focusing on the results of superior fundamental analysis. Further, active managers can oversee short-term investment fads in favor of fundamentally strong options. Klarman describes fad investing by noting that success can be a self-fulfilling prophecy. As buyers continue to favor a certain sector of security and bid the price up, it justifies their enthusiasm for the security. Just as quickly as confidence rises, it will fall after the peak, causing the price drop to also be self-fulfilling. This is the over-supply issue that comes with every fad investment cycle (p. 43). This is why "[v]alue investing as a whole is one of the only [investing] styles that has proven over time that one can beat the benchmarks" (Francomacaro, p. 11).

Over time, active managers have also done a significant amount of good for society. The fixation on costs and fees poses a strong opposition to active management but overlooks the indirect benefits both economically and socially. Efficient marketplaces are beneficial to global society by letting outsiders participate with fair security prices and low transaction costs. Further, these efficient markets "enable growing companies" because they lead investors to trust the capital markets (Ellis, p.6). This way, companies can raise money for their capital needs through the markets encouraging research, innovation, and growth. As active investors have searched out and eliminated market inefficiencies, they collectively and "increasingly combined into one global marketplace" all the while "active investing has been integrating the world's stock and bonds market and incorporating global markets" (Ellis, p.6). All of this has resulted in thrilling advancement in "faster growth, more and better jobs, more democracy, and better prospects for world peace" (Ellis, p.6). Ellis also describes how active managers have integrated markets massively has distributed risk, lowered people's uncertainty, decreased the price of capital, and encouraged the average citizen to save and invest more. There has also been an increase in the

American ideal of the pursuit of happiness. Active investing has not solved all of these issues on its own, but they certainly could not have been solved without it. Incredibly, these factors, greatly impacted by active management over time, have "lift[ed] over 1 billion people out of poverty in just one generation (Ellis, p.6). The social and economic benefits overtime deserve celebration and appreciation. Active management costs placed in this content seem very minute. Therefore, many of the critics, often jealous of the success, "curiously ignore the enormous benefits to everyone in society that come directly from active investors' generous philanthropy" (Ellis, p.6).

Turbulent Marketplaces

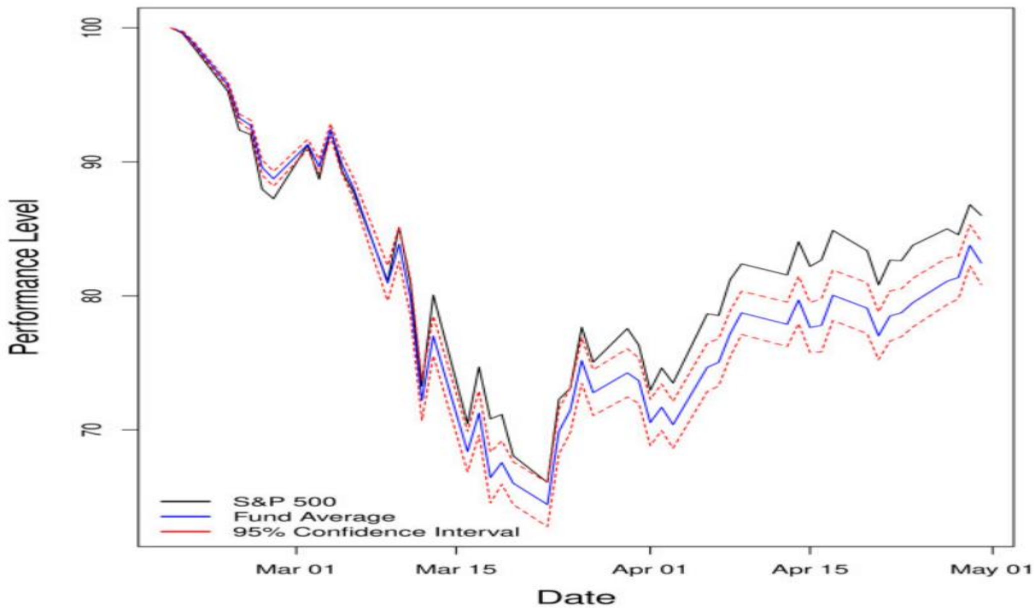
It is no secret that COVID-19 has created nothing short of a turbulent marketplace. COVID-19's marketplace is a prevalent and ongoing example in current times as the world is not past its effects now, nor likely in the near future. To start, it is imperative to discuss common misconceptions that result in popularity falling to passive investments during turbulent marketplaces. First, it is "erroneous to assume that participants can differentiate between active and passive options" (Iekel), which makes the role of the fiduciary much more complex in terms of engaging clients and explaining relevant services. Iekel also further explains that nonprofessional investment participants often assume that past returns are indicative of future results, therefore expecting too much consistency in historical returns than what is prudent. These misconceptions are important because they demonstrate that often investors turn quickly to passive investing instead of understanding the factors that play into active investing, especially in times of economic turmoil. Turbulence has one guarantee: volatility. 2020 was an incredibly volatile year and "there has been wide performance dispersion between the best performing and worst performing stocks" (Wright). This is where active management has a chance to demonstrate its value. With 2020 providing a performance spread of near 80%, there should have been an environment for active investors to demonstrate skill and pick the best stocks (Wright). The graph below puts this hypothesis to the test in comparison to passive funds.



It is a visual representation of the ranking of US Large Cap Equities. Wright describes that if a passive fund is in the top 2 quartiles, it outperformed more than half of the managers in that respective benchmark. The conclusion Wright draws from this graph is that "active managers in the US large-cap space have been able to translate the bifurcated market and volatility of 2020 into consistent outperformance." In terms of the S&P 500 as a benchmark, it "ranked in the top 2 quartiles in all three quarters and year-to-date [but] . . . did not finish in the top quartile in any period" (Wright). This proves that active management can add value in turbulent marketplaces, especially considering the presence of a weak version of the efficient market hypothesis.

Additionally, COVID-19 has created a space for many retail investors to enter the market. It is traditionally thought that retail investors, those who are nonprofessional and sporadic investors, buy stocks when the prices are high and then sell on the way down, losing money in the process. Another theory attached to that says that when retail investors flood into the market, that "is a sign of the top" (Levine). In layman's terms, if retail investors are enthusiastic about the market, the stock prices are already too high. A current example of this comes from February of 2020. A cover story for Bloomberg Businessweek was set to release about the Reddit day traders which according to the theory would signify reaching the top of the market. Looking from hindsight, it was correct. The S&P's big all-time high happened the week before the publishing of the cover story, and the crash occurred right after the story came out (Levine). Those theories and examples beg the question of why do retail investors flood the markets when things are good and seemingly disappear on the downfall? Levine devises yet another theory to answer that quandary. The answer is two-fold in that that during COVID-19, many of our society's traditional forms of entertainment have become unavailable and there was a crash of the stock market. We can't so easily meet up with friends for happy hour or spend an afternoon at the bowling alley. Furthermore, many people have wanted to take the time to learn financial literacy. COVID-19 provided these people the time to sit down and take control of their finances. Henceforth, "as long as it's fun- as long as stocks are going up- [retail investors] increase their investments" and on the contrary "[w]hen it stops being fun- when the stocks go down- [retail investors] get out" (Levine). This is the basis of the boredom thesis. Access to the stock market is also more readily available now than ever with retail stock commissions hitting zero in late 2019. These retail investors played a part in the market's comeback and their "buying represents a formidable force that has helped the market claw back more than half of the ground lost in its fastest bear-market drop" (Levine).

Another question to determine when considering turbulent marketplaces is what investors are willing to tolerate in terms of active managers. One thesis states that investors will tolerate "underperformance because active funds outperform in periods that are particularly important to investors" (Pástor, et. al). For this to hold, we must accept that COVID-19's era has been of significance to investors as a fact. COVID-19 is suitable to consider as a crisis because of the "unprecedented output contraction[,] . . . fastest increase in employment on record[,] . . . and active managers have an opportunity to perform well during this crisis because the crisis has created unusually large price dislocations in financial markets" (Pástor, et. al). There should be all the reasons for the active managers to succeed in this kind of market since the market is seeping with mispricing of securities. Pástor, et. al uses data from a specific 10-week period ranging from February 20- April 30, 2020 and conclude that "active funds perform poorly during the COVID-19 crisis." The graph below demonstrates this with the S&P 500 as a benchmark and a 95% confidence interval.



Only 74.2% of active funds underperformed their respective benchmarks (Pástor, et. al). Although that is certainly a big majority, that leaves the 25.8% of active funds that either paralleled their benchmark or outperformed it. That shows that there are active funds providing value to their investors even if the majority of the active funds are seeming to fail. Therefore, the individuals' choice of money managers and investment firms is of the utmost importance. A great choice can result in competitive returns, amongst the other perks of hiring an effective active manager.

Conclusion

This thesis set out to establish the many advantages active management has for investors and society overtime and through turbulent marketplaces. The advantages described balance with a discussion about the drawbacks of this investment strategy. Gerber Taylor personifies the skillful active investor and what that can offer to clients. GT continues to beat its benchmarks with lower risk. Their philosophy of not getting rich quick, but staying rich forever is shown in their investment strategies of a finely tuned asset allocation, stringent due diligence, and fervent effort to hire the best money managers in the business. GT shows integrity at every turn, treating their clients' money as it were their own. Gerber Taylor Lead Consultant and CEO Billy Pickens describes his passion for active management as pride in doing the right things for his clients even when it's the hard choice and persevering through times where active management strategies are out of favor. Building relationships with generations of clients have maintained his consistent business and popularity even outside the local region of Memphis, Tennessee.

Active management has important implications in relation to efficient markets, global economies, and the everyday person's financial independence. Active management has been a catalyst for improved economic conditions over a long period. Active money managers will continue to follow their convictions of finding market discrepancies and beat the market. In conclusion, active managers will continue to add value for their clients and the welfare of society as a whole.

Works Cited

"About Us." *GT*, www.gerbertaylor.com/about-us.

"Asset Allocation and Different Investing Strategies." *MakingCents by Navy Federal Credit Union*, www.navyfederal.org/makingcents/knowledge-center/retirement-savings/making-a-retirement-plan/investing-strategies.html.

Cremers, K.J. Martijn, et al. "Challenging the Conventional Wisdom on Active Management: A Review of the Past 20 Years of Academic Literature on Actively Managed Mutual Funds." *Financial Analysts Journal*, 31 May 2019.

Dulin, Jon. "Active Investing vs. Passive Investing: Which Is Right For You." *Compounding Pennies*, 27 Nov. 2020, www.compoundingpennies.com/active-vs-passive-investing/.

Ellis, Charles. "In Defense of Active Investing." *CFA Institute Enterprising Investor*, 31 July 2017, blogs.cfainstitute.org/investor/2015/06/23/in-defense-of-active-investing/.

Francomacaro, Steven. *Fundamental and Value Investing*.

"Fund of Funds - Learn the Pros/Cons of Multi-Manager Investments." *Corporate Finance Institute*, 14 Apr. 2020, corporatefinanceinstitute.com/resources/knowledge/trading-investing/fund-of-funds-fof/.

Iekel, John. "Active Management in the COVID-19 Era." *National Association of Plan Advisors*, 15 Oct. 2020, www.napa-net.org/news-info/daily-news/active-management-covid-19-era.

Klarman, Seth A. *Margin of Safety: Risk-Averse Value Investing Strategies for the Thoughtful Investor*. HarperBusiness, 1991.

Levine, Matt. "If You're Bored You Can Trade Stocks." *Bloomberg.com*, Bloomberg, 30 Apr. 2020, www.bloomberg.com/opinion/articles/2020-04-30/if-you-re-bored-you-can-trade-stocks.

Milnor, Warren, and Lexie Rook. “Internship Debrief.” 31 July 2020.

Gerber Taylor. “Operational Due Diligence Summary.” 2016.

Pastor, Lubos, and M. Blair Vorsatz. “Mutual Fund Performance and Flows During the COVID-19 Crisis.” *NBER*, 20 July 2020, www.nber.org/papers/w27551.

Pickens, Billy, and Lexie Rook. “Internship Debrief.” 31 July 2020.

Rikard, Justin. “Operational Due Diligence.” 7 July 2020.

Swensen, David F. *Pioneering Portfolio Management: An Unconventional Approach to Institutional Investment*. Free Press, 2009.

“What Is an Outsourced Chief Investment Officer.” *HighView Financial Group*, 17 Nov. 2020, www.highviewfin.com/highview-cio/

Wright, Dorsey. “Active vs. Passive Management in 2020.” *Nasdaq*, www.nasdaq.com/articles/active-vs.-passive-management-in-2020-2020-12-11.