Module 5

The future of manager selection, monitoring & evaluation

In collaboration with

VU Amsterdam

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CFA Society VBA Netherlands

Why this module ?

Most institutional investors outsource at least part of their asset management to external managers. To realize their investment objectives and be in control of all relevant risks. A thorough process to select, monitor and evaluate external managers is of vital importance. After completing this module you will know the critical steps in the selection process, you will know how to evaluate Requests for Proposal (RFP's) of the managers and you will be able to design a dashboard which enables you to proactively monitor the performance and risks of the external managers.

About this module

The manager selection process is embedded in the overall investment process of the organization. Therefore it is critical to have a firm understanding of the investor's strategic objectives, its investment beliefs, its ESG policy and its internal and external governance policy. From that you can start building the manager selection process, which involves at least the following steps: construction of a long list, development of a Request for Proposal (RFP), evaluation of the RFP, visiting the managers on the short list, the operational and legal due diligence and the final decision making. You will develop the required skills for the manager selection process by working on a real life case study. You will also build your own dashboard to monitor the external managers, which enables you to stay in control after the managers have been selected.

Learning objectives

- Understanding how the manager selection process fits within the overall investment process
- Understanding of the role of the different investment functions with regards to the manager selection, monitoring and evaluation process
- Ability to construct a Request For Proposal (RFP) containing all the information needed to evaluate the investment proposals
- Ability to evaluate the RFP both with regards to the financial and non-financial information
- Understanding the main operational and legal risks covered by the Operational Due Diligence (ODD) and Legal Due Diligence (LDD)
- Understanding the specifics of the manager selection process for private markets mandates (with a focus on private equity and private debt)
- Ability to construct a dashboard which can be used by both the investment professionals and the board to monitor and evaluate the external asset managers

Topics

- The design of a manager selection process, and its link to the investor's investment objectives, investment beliefs, its ESG policy and governance structure
- Application of the different steps of the manager selection process by using a real-life case study
- The specifics of the manager selection process for managers in private markets (private equity and private debt)
- Design of a dashboard to effectively monitor and evaluate managers that have been selected

Study load & Format

The module will require 10 weeks of 10-12 hours of study load, including classes. This will vary according to your pre-education and work experience.

You are expected to attend in-class lectures at VU Amsterdam*, which are supported by pre-readings and pre-assignments.

A variety of teaching styles, such as lecturing, guest lecturing, individual homework and assignments, group assignments, case studies, group presentations and essay writing will be used.

**) depending on COVID-19 developments, lectures may take place at an alternative location or may be offered online*

Designed for you?

Ideally you are a mid to senior career professional. Typically you work as:

- investment manager
- portfolio manager
- risk manager
- investment advisor
- fiduciary manager
- client manager
- financial analyst
- researcher

Participants could also work in a capacity of trustee, work for a regulatory authority or hold a supervisory position.

Classes & Lecturers *

Monday September 6, 2021 from 15:00 to 21:00
Introduction to the manager selection process and the construction of a RFP by Hans de Ruiter

Monday September 20, 2021 from 15:00 to 21:00
Evaluation of the RFP and introduction to the ODD and LDD process by Hans de Ruiter

Monday October 4, 2021 from 15:00 to 21:00
Manager selection process with private equity and private debt by Hans de Ruiter

Monday October 25, 2021 from 15:00 to 21:00
Design of a dashboard to monitor and evaluate external managers by Hans de Ruiter

**) experienced guest lecturers will be invited to share their knowledge*

Monday TBD, 2021
Deadline Assignment

Registration & Admission

If you would like to apply for this module or the complete RBA program, a short motivation letter and resume are required. Admission will be based upon your pre-education and the level of relevant work experience.

Please send your application to:
annemarie.munnik@cfavba.nl

Colophon
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