

ROUNDTABLE

Dialogue, Opinion, and Perspective

This quarter we sat down with four members of our portfolio-management team to discuss how their backgrounds help them craft unique client solutions.



Tim Woolston
Senior Portfolio Manager



John Conlon, CFA, CFP®
Director of Equity Strategy



Ashvin Viswanathan, CFA
Director of Quantitative Strategy



Karissa McDonough, CFA
Chief Fixed Income Strategist



WHAT IS YOUR FAVORITE HOBBY?

Tim Woolston: With the COVID-19-related restrictions on so many outside activities over the past 12 months, I've increased the time I spend reading biographies and other non-fiction. I always have a lot of unread books in the house, and despite my best efforts, I never seem to get through them all; instead, I'll buy a new book after reading a review of it, or I'll receive one as a gift.

But a silver lining in the current environment is that I've been able to at least whittle down the list. For example, I finally finished a bio of J.P. Morgan that I started several years ago. I also recently completed a bio of John Adams. Both books provide perspectives and insights that are applicable today, Morgan's on disruptive technologies that created new industries (steel and railroads), Adams's on politics and human nature (as they say, the more things change, the more they remain the same).

John Conlon: The answer would be golf. I'm not very good at it, but I find it relaxing and therapeutic. It allows me to zone out. And since I'm not the kind of golfer who throws his clubs away—or at something—after missing an easy shot, it's actually a calming influence on me. I can sort of mentally cancel out the world when I play, which can be a good thing, especially today.

Ashvin Viswanathan: My favorite hobby is to practice MMA (mixed martial arts). It's a great workout, and the technical aspects of jiu-jitsu are challenging. It's a time when I can shut out the noise, like what John just said, and focus on honing my skills. It's also a good way to channel frustration into fitness.

Karissa McDonough: Running. Half-marathons are my favorite distance, but I've also done 10ks, 10 milers, marathons, and 50ks. I have been transitioning to trail running and ultra-running over the past year or so. Endurance running, which is most of what I do, requires physical strength, but it's really more about mental capacity: the ability to weather the highs and lows that come with each challenge. The benefits from distance running—giving you more clarity, discipline, and perspective—carry over into every part of my life, very much including work.



HOW HAS YOUR BACKGROUND LED YOU TO BECOME A PORTFOLIO MANAGER AT PEOPLE'S UNITED ADVISORS?

Tim Woolston: Less than a handful of years after college, I entered the financial-services industry by becoming a registered representative. Developing a clientele, providing recommendations, and placing trades were the key components of my job; I also learned along the way about the many disciplines—security analysis, investment management, securities underwriting, investment banking, and so forth—that brokers may call upon to help serve their clients' needs.

And I cultivated a passion for research and portfolio management. After a brief hiatus to attend business school, I became an equity analyst and subsequently a portfolio manager working with private clients and institutions, helping identify, implement, and manage customized financial strategies.

John Conlon: It was my training as a research scientist for the U.S. Army working at NASA. I did theoretical and experimental work on state-of-the-art aircraft. It sounds like a world away from financial services, but research is research. It's the discipline that's important—the focus on extracting data, separating the message from the noise, knowing whom to talk to. At a high level, it's the same for securities and aircraft.

Ashvin Viswanathan: My educational background is in math and computer science. This gave me a foundation for working with large datasets and formulating quantitative models. So it was a direct line from my background to my responsibilities here at People's. It was a matter of translating theory into practice.

Karissa McDonough: My professional training was as a bond analyst and portfolio manager for mutual-fund and insurance companies, selling investment-grade and high-yield bonds when they got expensive relative to their default, duration, and liquidity risks, and buying them when they offered above-market compensation relative to risk.

The most valuable experiences I have had are during periods of extreme market stress. I never forgot what the 2008 market debacle felt like, and I think it made me a better risk manager. I experienced firsthand how bad a bond default cycle can get, and so I understand that "left-tail" risks are real and that clients look to bonds for protection that can sometimes be elusive.



HOW DO YOU ALIGN YOUR JOB AS A PORTFOLIO MANAGER WITH EACH CLIENT'S UNIQUE OBJECTIVES?

Tim Woolston: Aligning my role as a portfolio manager with the aspirations of clients means having a clear understanding of their objectives and risk tolerance and appropriate asset allocations. While each client's objectives are unique, we often find that the allocation for meeting his or her objective falls within a category ranging from most-conservative, typically all-fixed-income, to most-aggressive, typically all-equity.

Every investment objective on that continuum has a target weight for each asset class based on historical asset behavior and current market conditions. With that information, we're able to provide each client with a sense of what is reasonable to expect from the allocation most likely to achieve his or her risk/return objectives. Since portfolio returns are driven largely by asset allocation, getting it right for each client is one of our most important responsibilities. Communication and follow-up are also critical.

John Conlon: That is my job, or role, as a portfolio manager: finding investment solutions to client objectives. All people save/invest their money to meet certain needs unique to them. My job is to help them meet those needs or objectives. Of course, it's never one-size-fits-all. Solutions tend to bunch up at certain points on the continuum that Tim described. But the details of each solution count at least as much.

Ashvin Viswanathan: My goal as a portfolio manager is to eliminate emotion as much as possible from the investment process, which enables clients to make prudent decisions. I would say that over the years clients have come to expect tailored investment solutions that fit not only their financial needs but their ethical and social values as well.

My technology background has enabled me to help deliver on both aspects, because tech connects with the broad outside world—not only asset and market numbers.

Karissa McDonough: When I think about managing portfolios to achieve client goals, I start from a perspective of downside-risk protection because I know that the preservation of capital is my Job #1: Growing total return and generating income follow on the heels of establishing security. But the weight of each of these goals varies with the client.