

Aligned With Clients

An Interview with Yie-Hsin Hung,
Chief Executive Officer, New York Life Investment Management

EDITORS' NOTE *Yie-Hsin Hung is the Chief Executive Officer of New York Life Investment Management (NYLIM) and a member of New York Life's Executive Management Committee. She joined the firm in 2010 with more than 25 years of industry experience, including senior roles at Bridgewater Associates and Morgan Stanley Investment Management. She is on the Board of Governors of the Investment Company Institute and an active member of the U.S. Institute CEO*



Yie-Hsin Hung

Roundtable. Hung also serves on Northwestern University's McCormick School of Engineering Advisory Council. She is on the boards of Next for Autism, Next for Neighborhoods and the New England Center for Children, all of which are nonprofit organizations that support individuals and families living with autism. She earned her M.B.A. from Harvard University and her bachelor's degree in mechanical engineering from Northwestern University. Hung was named to American Banker's "Most Powerful Women in Finance" in 2017.

COMPANY BRIEF *New York Life Investment Management is the global asset management business of New York Life, the largest mutual life insurance company in the United States. NYLIM offers traditional and alternative products and solutions to retail and institutional investors through its family of investment boutiques including Ausbil, Candriam Investors Group, Credit Value Partners, GoldPoint Partners, IndexIQ, MacKay Shields, Madison Capital Funding and Private Advisors. One of the world's largest asset managers, NYLIM had \$316 billion in assets under management as of September 30, 2017.*

What is it that makes New York Life Investment Management so special?

NYLIM and its clients benefit from being a part of New York Life, a 172-year-old mutual life insurance company. This business model affords us the opportunity to make every decision with an eye toward the long-term and doing right by our clients. New York Life invests alongside our third-party clients in NYLIM's products and capabilities, which creates a strong alignment of interests.

NYLIM also stands apart in today's

competitive environment with our multi-boutique model. Having an entrepreneurially minded set of boutiques enables us to attract and retain the best investment talent and deliver strong performance across asset classes, investment strategies and products to institutional and retail clients alike.

Thanks to the stability and financial strength of New York Life, we have built a global asset management business that is uniquely positioned to serve our clients' needs, yet

nimble enough to navigate a changing market environment.

Has growth on the investment management side come organically or through acquisitions?

We have grown NYLIM's asset management business by attracting client inflows and effecting strategic acquisitions, enabling us to offer a wide range of asset classes on a global basis today. Through our multi-boutique model, we are well-positioned to offer our clients individual products and broad-based solutions that tap into the expertise of our specialist boutiques.

The breadth of our asset management business today is a function of having decided about five years ago that while we had a robust U.S. franchise, we needed a stronger presence outside the U.S. To achieve that, we started in 2014 to extend our presence into Europe and Australia with the addition of two boutiques, Candriam Investors Group and Ausbil. We then added a local presence in Asia including South Korea and Japan. Today, more than 50 percent of our assets under management are for clients outside the U.S.

On the product side, we expanded into ETFs in 2015 with the addition of IndexIQ, a leading alternatives and strategic beta ETF provider, to complement our strong range of actively managed fixed income and equity strategies. The acquisition of Credit Value Partners in 2017, a specialist in opportunistic and distressed debt and high yield corporate credit, represented another step towards expanding on an already comprehensive range of alternative investment capabilities.

Guiding all of the steps we've taken over the years is a strong belief that a diverse range of investment strategies that includes traditional

fixed income and equities along with quantitatively oriented strategic beta ETFs and alternatives, coupled with the insights coming out of our boutiques, is how we can best help our clients position their portfolios to achieve their objectives.

How critical is cultural fit when it comes to an acquisition?

For a company like New York Life that is so grounded in its mission and core values, ensuring that a potential acquisition fits our culture is as important to us as having the right capabilities and an institutional investment process. We've been known to walk away from an opportunity if we don't share a deeply held set of common values and a commitment to the long-term. NYLIM is steadfast in its commitment to building a long-lasting asset management franchise premised on engaging and doing right by our clients in a way that is consistent with our values of integrity, humanity and respect.

Is technology playing a major role for the business?

Leveraging technology and data is critical to serving our clients better, whether in the investment process or in addressing our clients' needs. Helping NYLIM to do that is an internal venture unit New York Life established about five years ago, New York Life Ventures, that invests in emerging technologies that can help us deliver even more value to our clients.

How has NYLIM approached building a diverse and inclusive workforce?

Continued diversity of our employee base is a priority for us as an organization, as we firmly believe that diverse teams afford us the opportunity to bring together a broader range of perspectives and to make better decisions.

We are focused on identifying and engaging our high potential talent and fostering a development-oriented and feedback-rich environment. In my view, if we can be purposeful and programmatic at identifying high-potential talent earlier on in their careers, we can develop these people well in advance of their taking on leadership positions. Girls Who Invest is one program we have become involved with – providing internships and sponsoring young women to become the next generation of leaders in asset management. We're constantly looking for ways to expand our partnerships and other opportunities to further our commitment to diversity and inclusion. ●