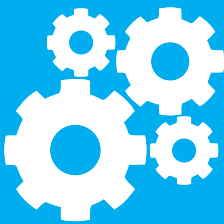




CFA Society  
Los Angeles

# e-Newsletter

## April 2023



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Original Content

# CFALA Members Manage Work-From-Home Policies

By Tom Derse, CFA

It has been over three years since the beginning of the pandemic, and many things have returned to pre-pandemic levels. Planes are full, stadiums are packed, and Los Angeles traffic can again be used as a defense for tardiness. One situation that has not returned to 2019 status is office attendance.

In 2021, Marc Benioff, CEO of Salesforce announced a permanent flexible working model, stating, “The nine to five workday is dead.” Caregivers and commuters everywhere applauded him and agreed that working from home was a win-win. Employees got work flexibility and less time in the car, while employers got high employee job satisfaction and potential office rent reduction.

Reconciling the pros and cons for both the employers and employees has turned out to be a difficult order. KPMG polling states that 79% of remote employees say remote work increases productivity. Many managers are not buying it. Notably, Salesforce CEO Benioff changed his tune about remote work early this year stating, “They do better if they are in the office.”

After the pandemic forced a work-from-home schedule on countless professionals, it turns out many are realizing that the office is a place for collaboration and productivity. How about in the asset management field? In a part of the country infamous for long commute times – often mentioned as an advantage of remote work – how are members of CFA Society Los Angeles (CFALA) dealing with the desire of workers to have a flexible workplace while meeting the needs of employers and clients?

Interestingly, several firms either politely declined to comment, or asked for confidentiality, ostensibly due to the delicate nature of the work-from-home policies. Not as surprising is the flexibility of firms with employees who are seeking a work/life balance. There is also a recognition that the nature of much of the analytical work done by members lends itself to working from home. And any CFA charterholder has already proven to be a self-starter.

Roger Gewecke, CFA, is a Principal at Clifford Swan, a 32-person firm in Pasadena. “Employees are allowed 20% of days to work remotely,” Gewecke said. “It is basically up to the employee who fills out a remote work request for the days they choose to do that. They are allowed to unless we feel we do not have adequate coverage for client requests in the office that day.”

A large firm shared that it is mandatory work-from-office every Tuesday, Wednesday, and Thursday, while the firm lets employees determine their Monday and Friday schedule. As a result, around 80% of the people work from home on Monday and Friday. Like most firms that responded, client needs dictate office attendance.

Original Content

# CFALA Members Manage Work-From-Home Policies (Cont.)

By Tom Derse, CFA

One firm has reinstated a full-time office attendance requirement, with ad hoc flexibility for appointments or other specific outside commitments. The firm realizes that full-time office attendance is not standard, but also feels that office presence is what provides the structural foundation to keep its collaborative culture intact. This policy has been in place for a year, and although there was a transition back to the office, the employees now largely treat it as normal.

Scott Larson, CFA, Co-Chief Investment officer at McMorgan & Co in Thousand Oaks said his team has been in the office full-time for more than two years. "It is just three portfolio managers, and our portfolio construction is driven by collaboration, so we are in the office together at least four days a week."

Like the virus that triggered a new discussion regarding working from home, many firm policies have changed since 2020. One firm said it is a mandatory three days a week in the office now, moving to four eventually, but not likely within the next six months. Gewecke added that for his firm, "I think it is evolving."

One change for a Los Angeles firm was the addition of free employee lunches five days a week. Prior to the pandemic, lunch was brought in two days a week. Another pleasant evolution for many firms that are back in the office is the increase in available parking. Also, the ability to bargain for better parking rates and location is a post-pandemic plus.

Managing the evolution of policies is challenging because the productivity of employees working from home is difficult to measure. Larson said, "As analysts, we want to be able to point to numerical evidence that working from home is either more productive, or, as many believe intuitively, suboptimal. We realize that we are more productive as a team when we are face-to-face so that is how we spend the vast majority of our time."

Salesforce, Apple, and Tesla are large companies that have made headlines with CEOs insisting on increased office attendance. The balancing act is complicated by employee morale, and potentially turnover. One CFALA member noted their attempt to consider all issues. "I personally have been seeing a productivity drop-off when people are working from home. People tend to be much more proactive on the in-office days. However, employees do receive tremendous utility from work-from-home flexibility. The benefits and job satisfaction that employees receive from the flexibility may outweigh the productivity losses."

Curated Content

Curators: Stuart Fujiyama, CFA  
Sona Shahinian



## ChatGPT and the Future of Investment Management

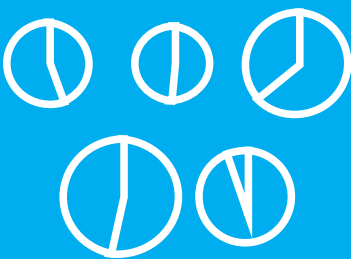
In this *Enterprising Investor* article, Larry Cao, CFA, senior director of industry research at CFA Institute describes the secret behind ChatGPT's breakthrough way with words and addresses a question on the minds of many investment management professionals: Can human advisors and analysts still compete in a post-ChatGPT world?

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## How does ChatGPT work?

How does ChatGPT produce those fully fleshed-out answers? In this *ZDNet* article, Senior Contributing Editor David Gewirtz takes us through the inner workings of the wildly popular artificial intelligence (AI) chatbot with a little help from ChatGPT itself. Gewirtz is also an author, U.S. policy advisor, and computer scientist.

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## ChatGPT Won't Replace Financial Advisors Yet. Here's Why

Do AI tools like ChatGPT have the potential to be serious competitors to traditional financial advisors? ChatGPT itself warns, "Be sure to do your research and consider working with a financial advisor to develop a diversified investment portfolio." Check out this *NerdWallet* article by Sam Taube for an overview of the benefits and limitations of ChatGPT as a financial advisor. [Read](#)

Curated Content

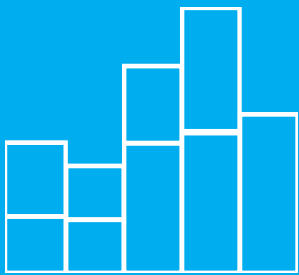
Curators: Stuart Fujiyama, CFA  
Sona Shahinian

## What are Financial Advisors (Measurably) Useful For?'

In this The Rational Reminder video podcast, Canada-based PWL Capital Portfolio Managers Benjamin Felix, CFA and Cameron Passmore provide an extensive review of key research and findings about the supposed and actual value that advisors can offer individual investors. Later in the podcast, their colleague, Senior Wealth Management Analyst Lukas Fleck, CFA presents the firm's latest internal book club selection..



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## How to Confidently Invest Your Money (A Guide For Beginners)

In this Seventeen article, financial experts from UBS, Morningstar, the Much budgeting app, and the SIFMA Foundation offer guidance to help the magazine's readers along their investment journey. [Read More... And More....](#)





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## April 2023



The CFA Society Los Angeles (CFALA) e-newsletter is a periodic publication with stories about noteworthy events and programs sponsored or hosted by the society, guest articles by members, book reviews, and other items of interest to CFALA members. If you'd like to contribute a story suggestion or write an article, we'd love to hear from you. Please email CEO Laura Carney at [laura@cfala.org](mailto:laura@cfala.org).

\*Please note that the content of this e-newsletter should not be construed as investment advice, nor do the opinions expressed necessarily reflect the views of CFA Society Los Angeles.\*