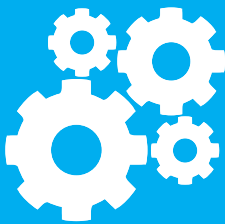




CFA Society
Los Angeles

e-Newsletter

August 2023



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Original Content

Board of Directors Update Strategic Plan

By Tom Derse, CFA

CFA Society Los Angeles (CFALA) is an organization alive with events, education, and professional development. Many of us are familiar with the CFALA calendar and how it is filled with opportunities to learn, network, or even just enjoy a social occasion. While the end product is the event we attend, the strategic plan of CFALA defines the overall direction of the organization and helps provide a blueprint for future goals and allocation of resources.

The last time the strategic plan was updated was in 2020 when the pandemic started and several action items were delayed because of COVID. Every three years the CFALA board renews the three-year strategic plan to ensure current and future board members have guidance on where the society should be heading. Board President Falko Hoernicke, CFA added, "We also believe this plan needs to be revisited every three years due to changes in our industry and our members' needs."

The CFALA strategic plan is not a boilerplate plan or a product of an AI prompt. As these pages have highlighted before, CFALA members contribute hundreds of hours, making the society meaningful to members. The entire board (along with CEO Laura Carney) met over two separate four-hour Zoom sessions in May. Incoming Board President Pete Stutz, CFA provided some insight on the process. "We started with the last plan from 2020 and used that as a base. That plan, being done during COVID, had a lot of uncertainty around what the future would hold. Three years later we are in a better position to evaluate. For example, we now know that there is continued demand for virtual events and that some events, like educational ones, tend to work better and get higher attendance if done virtually. This affects both the number of events and the budgeting going forward."

The board retained a facilitator to help with the process. Hoernicke said, "We seek outside counsel to get a fresh set of eyes on our local society and the industry's environment in general."

The facilitator, Allison Hart, has experience with CFALA on prior projects, and she has also worked with other CFA societies and non-profits to provide board training and planning.

Some of the plan elements remain constant. For example, "increase member value/engagement" is always included. There was also plenty of discussion around the changing relationship with CFA Institute since they are now a "professional learning organization," and the fact that the number of CFA candidates remains well below 2019 levels.

Original Content

Board of Directors Update Strategic Plan (Cont.)

By Tom Derse, CFA

Ultimately, the primary focus areas of the strategic plan were: 1) Engage and strengthen relationships with students, universities, professors, and employers; 2) Provide leadership and coordination with other CFA societies, particularly within the Western Region; 3) Increase member engagement by offering a value proposition of social, educational, and career-focused events; and 4) Ensure organizational continuity, financial stability, and sustainability by leveraging technology to streamline operations and enhance services.

Stutz added, "Overall, the aim of a strategic plan is to broaden our influence and connectivity to the financial community in Southern California. We are positioning CFALA as a resource for education, networking, and career development not only for charterholders, but for all finance professionals and those aspiring to be part of the industry."

Carney is now working on specific activities and implementation, including steps to take in year one and two, as well as determining the point person for each item of action. Hoernicke added, "The outside consultant summarizes and categorizes our strategic plan in groups and sub-groups. Based on those results, the defined groups and sub-groups will be assigned to a board member as their task of the fiscal year. That person has to start initiatives to finalize the project and monitor the process along the way. At the end of the year we look at what was accomplished and where we need to put more resources to work."

A best practice is to let your association members know the strategic direction of the organization. The board is dedicated to informing the membership of the direction of the society, along with listening to membership about ways to enhance member benefits. To that end, look for a member survey to complete in September. Take some time to let CFALA leadership know what you like and what can be improved.

Original Content

CFALA's 10th Annual Golf Tournament: A Scorching Success

By Teagan Jarvis

We are thrilled to share the success of our 10th Annual Golf Tournament! There was no better way to return from a tournament drought of four years than to play where this tournament was founded, the scenic Friendly Hills Country Club. With the support of members, sponsors, and colleagues, the event turned out to be a huge hit with record attendance. While the weather was warm, the temperatures did not deter spirits.

Over 130 enthusiastic participants gathered at Friendly Hills to showcase their abilities for a fun-filled day of golf. Another 20 guests joined for a cocktail reception and buffet dinner, complete with tournament prizes and a raffle.

Many thanks to Will Cobau, CFA who played a valuable role as chair of the event. We would also like to express our sincere appreciation to the member and student volunteers who selflessly contributed their time and energy to ensure everything ran smoothly.

Tournament Director Eric Souders, CFA shared some thoughts: "It was another successful golf tournament and hard to believe it was the 10-year anniversary of the event. The golf committee and CFA Society Los Angeles (CFALA) staff are very proud of this milestone and look forward to continuing to grow and develop the event alongside other society events in the future."

Congratulations to our Tournament Winners:

1st Place: Ben Phillips, CFA; Brandon Goethals; Joe Connolly; Robby Keilch

2nd Place: Chris Stegemann; Ronald Redell, CFA; Matthew Strom; Cris Santa Ana

3rd Place: Matthew Robinson, CFA; Kevin Cole, CFA; John Mahler; Walker Hollrah

Longest Drive

Men's: Brandon Goethals

Women's: Kate Freeman, CFA, CFP

Straightest Drive

Men's: Kais Zeiadah

Women's: Courtney Cobau

Closest to the Pin: Jeremy Meng, CFA

Putting Contest: Bruce Emken, CFA, CAIA

A large thank you to all our sponsors: First Trust, State Street, Payden & Rygel, Loomis Sayles, CAIA, NY Life, Brookfield Oak Tree, Global X, Cambria, Natixis, Shopoff Realty Investments, DoubleLine, and RBC.

The society looks forward to next year's tournament and hopes to see even more members in attendance!

Curated Content

Curators: Stuart Fujiyama, CFA
Sona Shahinian

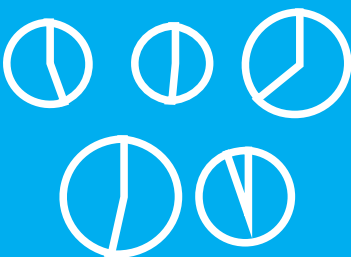


The Old Office is Going Extinct. Here's What the New Normal of Work Looks Like

Now that companies and workers have had the opportunity to evaluate the trade-offs of alternative work models, can we expect to revert to the pre-pandemic traditional full-time in-office model? Check out this Fortune commentary by Gleb Tsipursky, Ph.D., CEO of Disaster Avoidance Experts. Tsipursky shares his insights on the matter, referencing his work in helping companies figure out how to implement flexible work models. [Read More...](#)

The Evolution of Working from Home

How do work from home (WFH) arrangements affect worker productivity? In a recently published Stanford working paper, economists Jose Maria Barrero, Nicholas Bloom, and Steven J. Davis trace the five-fold rise of WFH from 2019 to 2023, highlighting the distinction between hybrid (WFH 2-3 days/week) and fully remote work arrangements. They then review the findings of WFH productivity studies conducted since 2020 on the two types of work arrangements. Here are their conclusions. [Read More...](#) [And More...](#)



Making Sense of America's Commercial Real Estate Crisis

Citing an Axios article (based on a CoStar Group report), David Faris, associate professor of political science at Roosevelt University observes that "the national office vacancy rate reached 12.9% in April 2023 -- a huge jump from the 9.4% at the end of 2019 -- with significant year-over-year increases in nearly every market." How big of a threat does this trend in commercial real estate pose to the broader economy? According to Faris, the experts are divided.

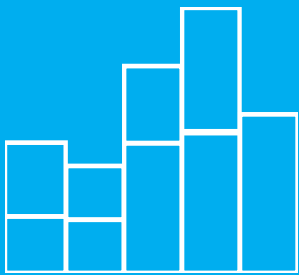
[Read More...](#) [And More...](#)

Curated Content

Curators: Stuart Fujiyama, CFA
Sona Shahinian

[Empty Offices Increase Risks for Banks Lending to Commercial Real Estate](#)

According to this U.S. Government Accountability Office (GAO) WatchBlog post, “576 U.S. banks were found to have exceeded regulatory guidance on commercial real estate loan concentrations” by the end of 1Q2023, an increase of 30% from the end of 1Q2022. In addition, “commercial real estate loans are seeing delinquencies on payments.” Why is this combination a cause for concern? The GAO looks back on how commercial real estate lending fared during the last financial crisis.” [Read More... And More...](#)



[Lessons from Silicon Valley Bank \(& Thoughts on CRE Loans\)](#)

At the end of his April 2023 memo on the significance of the failure of SVB, Howard Marks, CFA provides his thoughts on the potential problems posed by WFH and other factors influencing the CRE sector on banks, especially smaller ones. Marks is Co-Chairman & Co-Founder of Oaktree Capital Management, L.P. [Read More... And More...](#)

[Crash? What Crash? Why Commercial Real Estate Hasn't Gone Bust...Yet](#)

As of a month ago, we were still waiting. Rachel Witkowski, an assigning editor of mortgages and loans for Forbes Advisor provides an update and relays observers' now more tempered prediction of a downturn in this July 2023 article. [Read More...](#)





CFA Society
Los Angeles

E-Newsletter August 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.

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.