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BlackRock reshuffles senior leadership of investment teams: memo

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A woman walks next to a BlackRock sign pictured in the Manhattan borough of New York, October 11, 2015. REUTERS/Eduardo Munoz

NEW YORK (Reuters) - BlackRock Inc on Tuesday informed staff that it was reshuffling the managers of some of its most important investment units, including its stock and bond-picking businesses, according to an internal memo seen by Reuters.

The world's largest asset manager said it would unify its global fixed income business under Tim Webb, a longtime manager at the firm, and Rick Rieder, a well-known investor who is becoming chief investment officer of global fixed income.

New York-based BlackRock is also moving a senior executive, Rich Kushel, into a position as head of multi-asset strategies, which includes products that straddle investment styles, such as what the company calls "impact" investing.

BlackRock is also combining its two stock picking business, including a more traditional "fundamental" team and a "scientific" team that specializes in sophisticated data analysis, into one unit reporting directly to BlackRock President Rob Kapito, according to the memo, which was signed by Kapito and BlackRock Chairman and Chief Executive Officer Larry Fink.

Ken Kroner, who had overseen multi-asset strategies and the "scientific active equity" group, plans to retire this year after serving as an adviser through the year, according to the memo.

BlackRock declined to comment.

Under Kroner, the company had been working to mine data and employ other quantitative methods to improve investment performance not just in the scientific unit but within the rest of the firm's equity business, where performance had struggled, as well as in bonds.

The company has replaced teams within its fundamental stock business and said last year that the unit's previous overseer, Quintin Price, would leave the firm.

When it last reported earnings, in October, BlackRock said it had made progress. Citing its own figures, it said 80 percent of its products in the fundamental segment are above a benchmark or peer averages over a one year period.

BlackRock, which manages \$4.5 trillion in assets, will report quarterly earnings on Friday. The company's shares rose 0.4 percent in midday trading in New York.

The management changes, which take effect Feb 1, follow reshufflings in 2014 and 2012. The memo describes changes in eight areas of BlackRock's business after what Fink and Kapito described as an annual evaluation. The company did not announce changing any portfolio manager assignments.

Reporting by Trevor Hunnicutt; Editing by Bill Irott and David Gregorio

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