Identifying And Capitalizing On Irrational Investment Practices

Common biases. Irrational investment behaviors. Decision-trap situations. In today’s complex and rapidly changing financial markets, senior executives responsible for managing client assets need to understand these and other factors that can lead to sub-optimal outcomes for investors.

Led by world-class Harvard faculty and foremost finance practitioners, Investment Decisions and Behavioral Finance explores the behavioral underpinnings for investment decision making. This intensive two-day program offers a deep examination of the central principles surrounding the psychology of decision making under conditions of risk and uncertainty, providing critical insights and practical applications for those responsible for managing assets and constructing portfolios for investment clients. Participants will be a part of an extraordinary group of global peers, offering networking opportunities both during and long after the conclusion of the program.

“As a board member of one of the largest pension funds in America, I found this to be the most valuable class I have ever taken.”

- BRUCE PERELMAN
FORMER SECRETARY OF THE BOARD OF INVESTMENTS
LOS ANGELES COUNTY EMPLOYEE RETIREMENT ASSOCIATION
Investment Decisions and Behavioral Finance features thought-provoking classroom sessions and interactive learning exercises with leading behavioral finance professionals and academics. The program curriculum provides intellectual stimulation and allows participants to:

» Understand the applied science of effective decision making
» Discover how our brains are ill-wired to deal with the decisions that modern financial markets require and ways to adjust for these shortcomings
» Learn how and why financial bubbles develop and strategies for recognizing them
» Identify documented psychological proclivities that lead investors to make severe investment errors

The program will also focus on practical, actionable strategies addressing the following topics:

» How should you invest in a world where there is extreme uncertainty about the economic future?
» How have effective decision makers and companies implemented behavioral finance approaches?
» Given all this information, how do you best manage your clients, colleagues, supervisors, and subordinates?
» How do you identify erroneous assumptions that underlie many standard financial practices?
KEY PROGRAM TAKEAWAYS

*Investment Decisions and Behavioral Finance* will offer you critical insights and practical solutions to challenges like:

- Predictions – exploiting overconfidence of security analysts’ estimates
- Agency issues – dealing with clients in disruptive market environments
- Risk evaluation – evaluating potential risks and what can realistically go wrong
- Peer pressure – dealing with investment committee dysfunction

WHO SHOULD REGISTER

This program is designed for senior-level decision makers in the investment community, including:

- investment company presidents
- chief investment officers and senior executives of corporations
- investment strategists
- portfolio and fund managers
- pension plan executives
- senior analysts
- directors of research
- high net worth private investors

TO REGISTER OR LEARN MORE ABOUT PROGRAM DATES, CURRICULUM, TUITION, AND MORE, PLEASE VISIT

[WWW.HKS.HARVARD.EDU/EE/FINANCE](http://WWW.HKS.HARVARD.EDU/EE/FINANCE)

Admission is competitive and based on professional achievement and organizational responsibility. There are no formal educational requirements; however, fluency in written and spoken English is a necessity for participation.
Richard Zeckhauser

Frank P. Ramsey Professor of Political Economy at Harvard Kennedy School. Many of Zeckhauser’s policy investigations explore ways to promote the health of human beings, to help markets work more effectively, and to foster informed and appropriate choices by individuals and government agencies. Professor Zeckhauser’s contributions to decision theory and behavioral economics include the concepts of quality-adjusted life years (QALYs), status quo bias, betrayal aversion, and ignorance (states of the world unknown) as a complement to the categories of risk and uncertainty. In 2014, Professor Zeckhauser was named a Distinguished Fellow of the American Economic Association. He holds a BA (summa cum laude) and a PhD in economics from Harvard University.

Arnold S. Wood

Founder and former President and CEO of Martingale Asset Management, L.P. Behavioral finance and investment practices have been his professional focus since the early 1980s. Before founding Martingale, Mr. Wood was Trustee and Senior Vice President of Batterymarch Financial Management where he was a global investment strategist and portfolio manager. He was also head of the Pension Asset Department and the Investment Strategy Committee at SSgA (formerly State Street Bank and Trust Company); Governor of the CFA Institute; Chairman of the former Financial Analysts Federation; Chair of the Financial Analysts Journal Committee; and, a founding member of the International Society of Financial Analysts. Mr. Wood received the Daniel J. Forrestal Leadership Award for Professional Ethics and Standards of Practice and the Leadership Award in Global Investing.

For a complete list of faculty and speakers, please visit www.hks.harvard.edu/ee/finance

“The quality and variety of both the lecturers and my peers was excellent, and I look forward to staying in touch with many of them in the months and years to come.”

– GIOVANNA CAROLLO CARTER
PRINCIPAL, DUNCAN FAMILY OFFICE IN HOUSTON, TEXAS
YOU’RE HERE TO MAKE A DIFFERENCE.℠