

# CHECKLIST

## Factors to Consider When Choosing a Manager for Your Portfolio

Choosing the right provider of portfolio services is one of the most important decisions you can make for your investment strategy. Not all portfolio management service providers are created equal, and some may meet your needs more effectively than others.

Here are some factors to consider when choosing a portfolio service provider. The number of “Yes or No” answers you get does not suggest if one approach is better than the other. What matters is that you understand your portfolio manager’s process to know if it fits your preferences.

### Portfolio Construction Process

Ask if they:

		YES	NO
1	use a systemized process to design, build and monitor portfolios and if they ensure portfolios are well-optimized at all times	<input type="checkbox"/>	<input type="checkbox"/>
2	automatically rebalance portfolios at regular intervals to ensure you maintain your asset allocation strategy and your portfolio stays aligned to your objectives	<input type="checkbox"/>	<input type="checkbox"/>
3	have a static asset allocation strategy (i.e. set at 60% equities and 40% bonds)	<input type="checkbox"/>	<input type="checkbox"/>
4	research market trends continuously and can adjust your asset allocation structure to take advantage of new opportunities or trends in the market	<input type="checkbox"/>	<input type="checkbox"/>
5	build portfolios using a range of investment strategies (e.g. equities, fixed income, alternatives, risk management, etc.)	<input type="checkbox"/>	<input type="checkbox"/>
6	use a range of investment structures (e.g. ETFs, pools, separately managed accounts)	<input type="checkbox"/>	<input type="checkbox"/>
7	use an 'active-only' security selection strategy	<input type="checkbox"/>	<input type="checkbox"/>
8	build portfolios using index-linked strategies only	<input type="checkbox"/>	<input type="checkbox"/>
9	invest using Environmental, Social and Governance (ESG) principles	<input type="checkbox"/>	<input type="checkbox"/>

### Investment Philosophy

Ask if they:

		YES	NO
10	are impartial in their investment style and philosophy	<input type="checkbox"/>	<input type="checkbox"/>
11	have a specific investment niche or focus to their investment style (e.g. value-biased; growth-biased; hedge funds only; real estate only, etc.)	<input type="checkbox"/>	<input type="checkbox"/>
12	build diversified portfolios with multiple strategies and multiple managers within a single easy to use solution	<input type="checkbox"/>	<input type="checkbox"/>

13	portfolios to specific target range of returns to help you achieve your goals (i.e. do they focus on you and your needs)	<input type="checkbox"/>	<input type="checkbox"/>
14	manage returns to a peer group or category	<input type="checkbox"/>	<input type="checkbox"/>

## Investment Manager Selection

Ask if they:	YES	NO
15 have an objective and disciplined process for the selection and appointment of investment managers	<input type="checkbox"/>	<input type="checkbox"/>
16 hire all their investment managers in-house	<input type="checkbox"/>	<input type="checkbox"/>
17 use independent investment managers	<input type="checkbox"/>	<input type="checkbox"/>
18 can terminate a manager from a portfolio if that manager no longer meets the objectives of the portfolio	<input type="checkbox"/>	<input type="checkbox"/>
19 combine investment management talent effectively to ensure no over- or under-exposure to any one asset class, security, geographic market or investment style	<input type="checkbox"/>	<input type="checkbox"/>

## Investment Costs

Ask if they:	YES	NO
20 you will have to use multiple providers to meet your portfolio management needs	<input type="checkbox"/>	<input type="checkbox"/>
21 you've received a clear explanation of the cost structure for their portfolio management services	<input type="checkbox"/>	<input type="checkbox"/>
22 you understand the value you get for the costs of portfolio management	<input type="checkbox"/>	<input type="checkbox"/>
23 there are incentives, quotas or differences in compensation structures (direct or indirect) when an Advisor recommends a solution	<input type="checkbox"/>	<input type="checkbox"/>

**Read** [IPC Portfolio Services: What Makes Us Different](#)