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Fidelity Picks New Leader for $2.8T Asset Mgmt Division

By Alyson Velati December 4, 2019

A shorter version of this story ran as a breaking news item on Tuesday morning.

Fidelity Investments has picked **Bart Grenier** to lead its $2.8 trillion asset management division, replacing **Steve Neff**, who is to retire from the firm after just a year in the role.

Neff, who previously served as the head of technology and global services, was tapped to run the firm's asset management division following **Charles Morrison**'s retirement late last year, as reported. Neff's appointment as the head of the asset management division came at a time when Fidelity emphasized the importance of technology. He is slated to retire at the end of the first quarter of 2020.

While Grenier, who currently serves as global head of asset management for Fidelity International Limited, lacks the technology background of his predecessor, the asset management division is likely to continue to prioritize tech capabilities, analysts say.

"Fidelity will continue to be a leader in how asset managers use technology," says **Dan Sondhelm**, CEO of **Sondhelm Partners**, a marketing consultant for asset managers, via email. "Technology is here to stay for the industry and Fidelity uses it as well as anyone for sales and marketing, operations, trading, research, etc."

For Fidelity and other large asset management firms, incorporating technology creates "efficiencies .. [and] creates better outcomes," says **Dennis Gallant**, senior analyst at Aite Group.

"I think technology can enable asset managers to perform better, while lowering costs," he says.

Neff, who was with the firm for roughly 23 years, "was not unfamiliar with the asset management marketplace," but leading an asset management division is not "an easy role for someone to take on," Gallant says.

During his time at the helm, Neff aided the transition of asset management systems to the cloud and oversaw efforts to employ artificial intelligence and machine learning in the firm's investment management operations and processes, CEO **Abigail Johnson** wrote in an internal firm memo sent to employees yesterday.

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Over the past few months, Fidelity has partnered with third-party firms to help bolster its technological capabilities across various divisions.

This past fall, Fidelity rolled out customized environmental, social and governance (ESG) separately managed accounts (SMAs) through a partnership with **Ethic**, a fintech firm that uses data analytics to construct ESG portfolios for its RIA division. The new accounts are currently available to large RIAs and family offices, but will eventually be open to "almost any wealth management advisor and especially those that are looking to distinguish themselves," said **Bob Litle**, head of intermediary sales at Fidelity Institutional Asset Management, at the time.

"[Ethic is] using technologies and data to look into clients' portfolios to understand what they are investing in and how that aligns with their values," **Tricia Haskins**, v.p. of digital strategy and platform consulting at Fidelity Investments, told *FundFire* at the Money Management Institute (MMI) conference in October. "And their tool also allows that advisor to have those deeper conversations with their end clients so to understand what matters to them, where their values lie and then what the impact is on their portfolio."

In October, Fidelity said it was introducing customized asset allocation portfolios through its managed account platform, Automated Managed Platform (AMP). AMP was rolled out in 2017 after partnering with **eMoney Advisor**, which Fidelity acquired in 2015.

Contact the reporter on this story at avelati@fundfire.com or (212) 542-1282.