

# Module 9

## Lifecycle Investing and DC Management

In collaboration with  
TIAS School for Business and Society

The VBA Academy is powered by  
CFA Society VBA Netherlands

### Why this module ?

Do you already know how to develop a strategic asset allocation under the Wet Toekomst Pensioenen? If not, this is the course for you. Through a combination of lectures, discussions and group cases, you will learn best practices from experienced lecturers and understand and be able to design and implement DC (Defined Contribution) and lifecycle insights in your own investment organization. DC investing requires a new skill set from advisors, board members and investors. On completion, you will have the skills and knowledge to effectively play your role as an advisor or decision maker. You will be able to develop a lifecycle model within a collective pension scheme, understand how asset allocation is managed in a DC-pension plan context, and be able to develop a realistic implementation plan.

### About this module

DC is rapidly becoming the dominant investment approach in retirement management. Trustees and advisors of a DC scheme will need to design default arrangement investment strategies that cater for all members invested in it with a wide range of needs. The pension reforms in the Netherlands have spurred innovative thinking on how to embed DC strategies and choices in a collective setting. The transition from DB (Defined Benefit) to DC plans in private sector pensions is shifting investment risk to households. Households are therefore becoming increasingly exposed to financial markets, and retirement income may be subject to greater variability than before. In this module you will get acquainted with DC, lifecycle theories and study the different factors that influence the optimal mix between the portfolio weight of risky assets and age based on the concept human capital. You will learn about the role of DC in the specific Dutch pension reforms context, the differences, and commonalities with “traditional” DC investing.

### Learning objectives

After this module, you will:

- Have the overview of the latest theoretical underpinnings of DC investing: lifecycle theories, role of human capital.
- Understand the differences and commonalities between DC investing and the proposed pension schemes under the Dutch pension reforms. To what extent does the Dutch pension agreement absorb, innovate or amend insights from DC/lifecycle investing. What cross-pollination/learning is there from these perspectives?
- Understand the role of risk tolerance, capacity and attitude, existing theories, how they can be measured. You will learn to form a well-founded opinion on this.

- Be able how to translate risk appetite into an implementable investment mix for different groups/cohorts, including hedging of inflation and interest rate risk.
- Understand how the assumptions of risk premiums of assets influence the composition of investment mixes within DC investing, the role of illiquid assets in the de-risking phase.
- Have learnt from other DC providers, for example with regard to the implementation of investment policy.
- Know the technology specifics to DC implementation, and how it affects implementation choices. For example, pooling/unitizing, NAV, platform distribution, automated advice on (risk) preferences.

## Study load & format

The module will require 10 weeks of 10-12 hours of study load, including classes. This will vary according to your pre-education and work experience.

You are expected to attend in-class lectures at TIAS School for Business and Society in Utrecht<sup>1)</sup>, which are supported by pre-readings and pre-assignments.

A variety of teaching styles, such as lecturing, guest lecturing, individual homework and assignments, group assignments, case studies, group presentations and essay writing will be used.

<sup>1)</sup> depending on COVID-developments, lectures may be offered online

## Classes & info

### Dates

|   |             |
|---|-------------|
| Tuesday August 30                                 | 16:30-18:00 |
| - <b>Kick-off</b>                                 |             |
| Wednesday September 14                            | 15:00-21:00 |
| - <b>Roel Mehlkopf and Roelof Salomons</b>        |             |
| Wednesday September 28                            | 15:00-21:00 |
| - <b>Gosse Alserda and Rogier Potter van Loon</b> |             |
| Wednesday October 12                              | 15:00-21:00 |
| - <b>Roelof Salomons</b>                          |             |
| Wednesday November 2                              | 15:00-21:00 |
| - <b>To be announced</b>                          |             |

### Exam

The exam will be in the form of a group case study.

### Lecturers

#### **Prof. dr. Alfred Slager RBA**

Academic director at TIAS School for Business and Society

#### **Prof. dr. Roelof Salomons**

Professor of Finance at University of Groningen, CIO a.i. at Blue Sky Group

#### **Dr. Roel Mehlkopf**

Pension Fund Advisor at Cardano, Postdoctoral Researcher at University of Tilburg

#### **Gosse Alserda PhD, CFA**

Senior Investment Strategist at Aegon Asset Management, Lecturer at University of Groningen

#### **Rogier Potter van Loon PhD**

Behavioral Economist at TKP Expert Centre

## Designed for you?

Ideally, you are a mid to senior career professional.

Typically you work as:

- Advisor investment committee
- Board member
- Investment manager
- Portfolio manager
- Risk manager
- Investment advisor
- Fiduciary manager
- Client manager

Participants could also work for a regulatory authority or hold a supervisory position.

## Registration & admission

If you would like to apply for this module or the complete RBA program, a short motivation letter and resume are requested. Admission will be based upon your pre-education and the level of relevant work experience.

Please send your application to:  
[annemarie.munnik@cfavba.nl](mailto:annemarie.munnik@cfavba.nl)

### Colophon

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