

AN INVESTIGATION INTO THE SIGNIFICANT IMPACTS OF AUTOMATION IN ASSET MANAGEMENT

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ABSTRACT

This paper explores the implications of applying automation, a technological force in which computer systems can fulfill human tasks, into the asset management industry. The investigation explores a number of significant topics in which managers should begin contemplating, including workforce origination post automation, the primary skills necessary to facilitate augmentation, and how robo advisors could challenge an organization's value proposition. The investigation was centered on Jupiter Asset Management (JAM) to support their preparations for automation, as well as to provide insight from the 'grass roots'. Research centered on interviews with experienced individuals within automative and asset management. The findings identify that current entry level occupations with systematic, repetitive tasks in a fixed domain, will be automated. Placing a greater demand for analytical abilities in junior recruits as the cognitive understanding of what data represents is a weakness of artificial intelligence (AI) thus strengthening augmentation between employees and technology. Automated investment profilers known as robo advisors will challenge the value proposition of organizations, such as JAM, which in time will need to be onboard with the technology to remain competitive within a growing millennial market. The paper concludes that there is an evident need for asset management firms to design training processes that blend enhanced senior level shadowing, with programmes focused on broadening juniors' abilities to interpret and apply AI generated data through a series of newly identified skills.

Keywords: Asset Management, JAM