



CFA Institute

Principles of Partnership and Operating Framework

A Shared Vision for Strengthening our Collective Impact

Start

Revised in May 2019

The CFA Institute mission is to lead the investment profession globally by promoting the highest standards of ethics, education, and professional excellence for the ultimate benefit of society.

How do we make it happen?

We believe local societies are the clearest route to serving members around the globe and delivering our mission in their communities.

In close consultation with societies, Principles of Partnership that define our commitments to each other and an Operating Framework that outlines our working relationship have been developed.

Learn how we work together to strengthen our impact and make our mission a reality.

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OUR PURPOSE ► MISSION & VISION

Our collaborative approach, which drives our strategy, is grounded in a shared mission and vision.

CFA INSTITUTE MISSION

To lead the investment profession globally by promoting the highest standards of ethics, education, and professional excellence for the ultimate benefit of society.

SOCIETIES 2.0 VISION

We are committed to helping our members to build productive and successful careers in an investment profession that is respected for working in its clients' best interests.

Together, we will build active communities of investment professionals throughout the world. We will engage the intellect and insights of our shared membership to raise professional standards through education, ethics, professional development, advocacy and outreach. We believe our objectives will be best achieved by positioning societies as the clearest route to our members and their investment communities.

We will work together to achieve this vision over time, through shared infrastructure and relationships, enhanced resourcing and appropriate governance.

The Societies 2.0 Vision was created in partnership with XL Society Executive Directors, Presidents Council Representatives, and CFA Institute leadership. It has been endorsed and signed by 153 societies.

OUR PURPOSE ► PRINCIPLES OF PARTNERSHIP

Together, CFA Institute and CFA Societies advance the CFA Institute and society missions and deliver member value throughout the world through a shared operating framework. Societies are the clearest route to members and their investment communities and are uniquely positioned to provide services and build our brand locally. CFA Institute offers infrastructure and provides resources to support them. Both CFA Institute and Societies commit to strong governance, sound management, and effective use of resources for the benefit of our stakeholders and our global ecosystem.

THE FOLLOWING PRINCIPLES UNDERPIN OUR COMMITMENTS TO EACH OTHER:

- We share a vision.
- We hold ourselves to the highest standards of ethics and professionalism, and protect and enhance the global reputation of our brand.
- We are transparent and open in our communications; mutual trust is the foundation of our relationships.
- We respect our independence and value our interdependence; we are stronger together.
- We determine our future together, through purposeful collaboration and strategic alignment, with our stakeholders always in mind.
- We are accountable to each other and for serving our stakeholders with excellence.
- We value our diversity, differences, and relative strengths; we create opportunities to learn from each other.
- We nurture the sense of community that is unique to our membership and global network.
- We challenge and inspire each other with new ideas and innovation.
- We recognize that a successful relationship requires attention, investment of time and resources, and openness to evolution.

Disclaimer: We use the term partnership in this document to reflect the spirit of our relationship, not to signify a legal partnership.

OPERATING FRAMEWORK

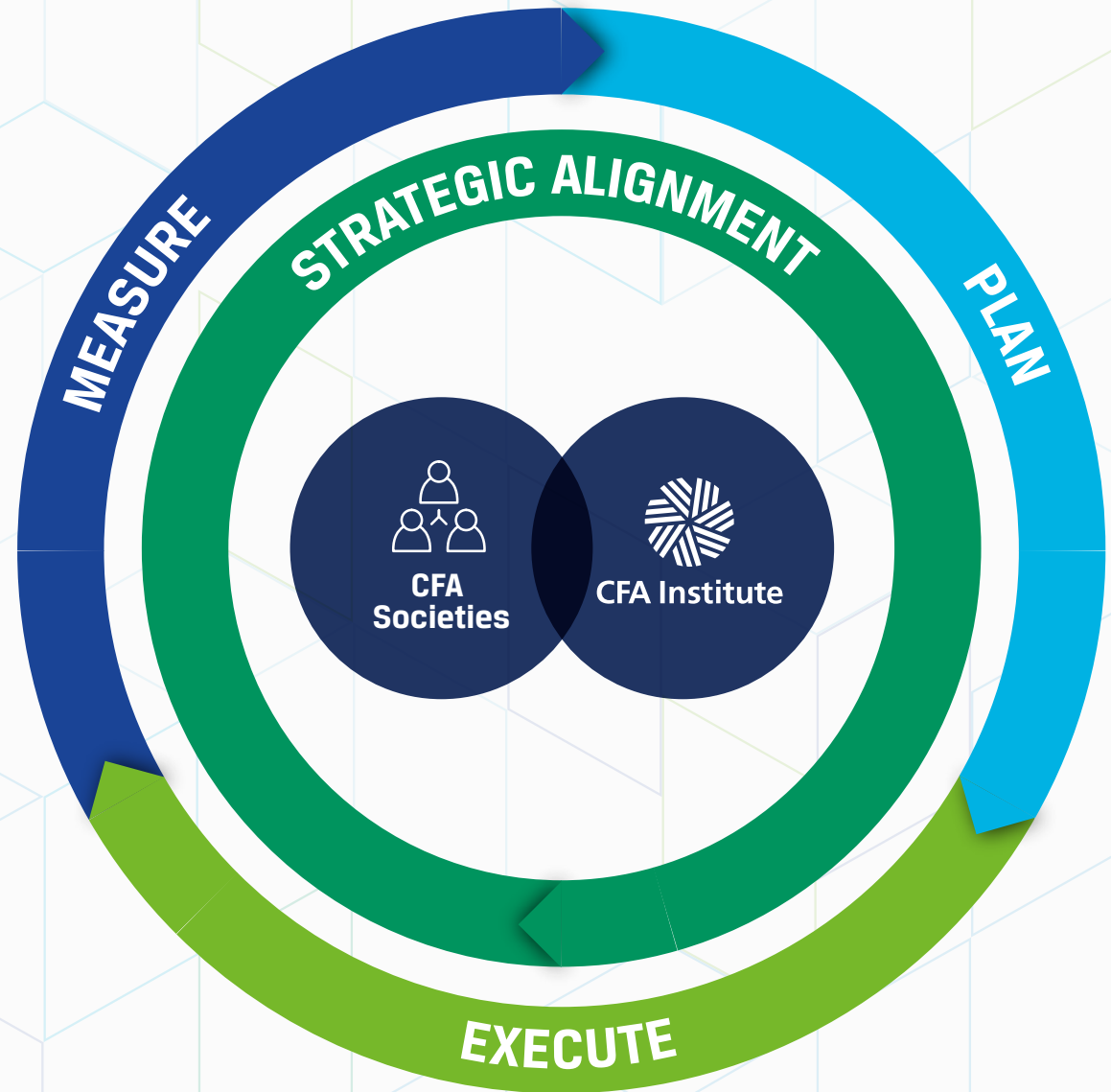
Our operating framework helps us work together effectively to achieve our shared mission, vision, and strategy. It guides how we interact, provide resources, support each other in delivering a world-class member experience, and build the investment profession in communities around the world.

Strategic Alignment

Our relationship is rooted in collaboration and consultation. A robust annual planning cycle ensures strategic alignment between CFA Institute and member societies.

Planning

Regular planning with societies ensures effective delivery of goals in individual regions and markets.

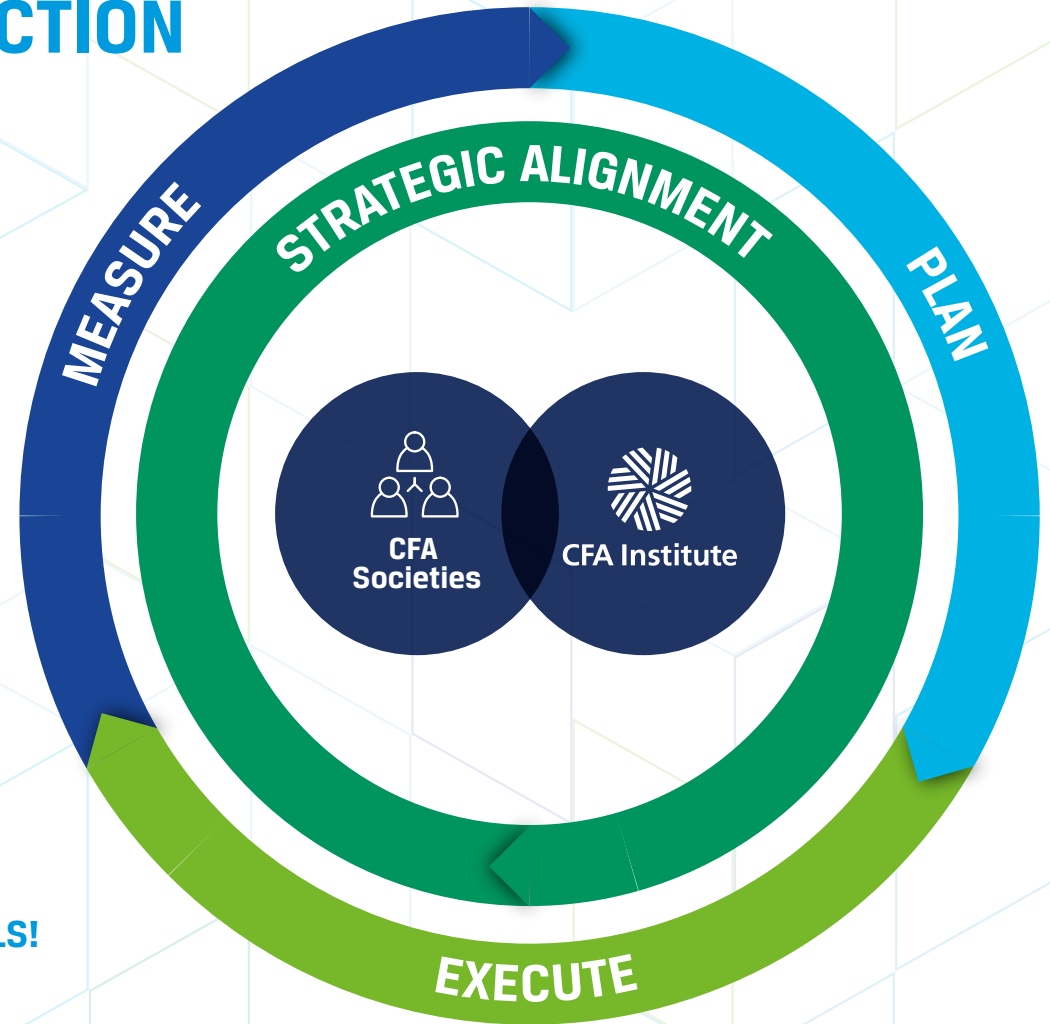


OPERATING FRAMEWORK IN ACTION

Our operating framework helps us work together effectively. When we do, everyone wins.

- ▶ Collaborative Decision Making.
- ▶ Stronger Communication.
- ▶ Clarity of Roles, Responsibilities, Expectations, and Accountabilities.
- ▶ Alignment of Priorities and Objectives.
- ▶ Better Representation of the Society Voice.
- ▶ Diversity of Perspective.
- ▶ Improved Efficiency and Results.
- ▶ Stronger Presence in Local Communities.
- ▶ Increased Satisfaction Among Members.

= MAXIMIZE OUR COLLECTIVE IMPACT AND REACH OUR GOALS!



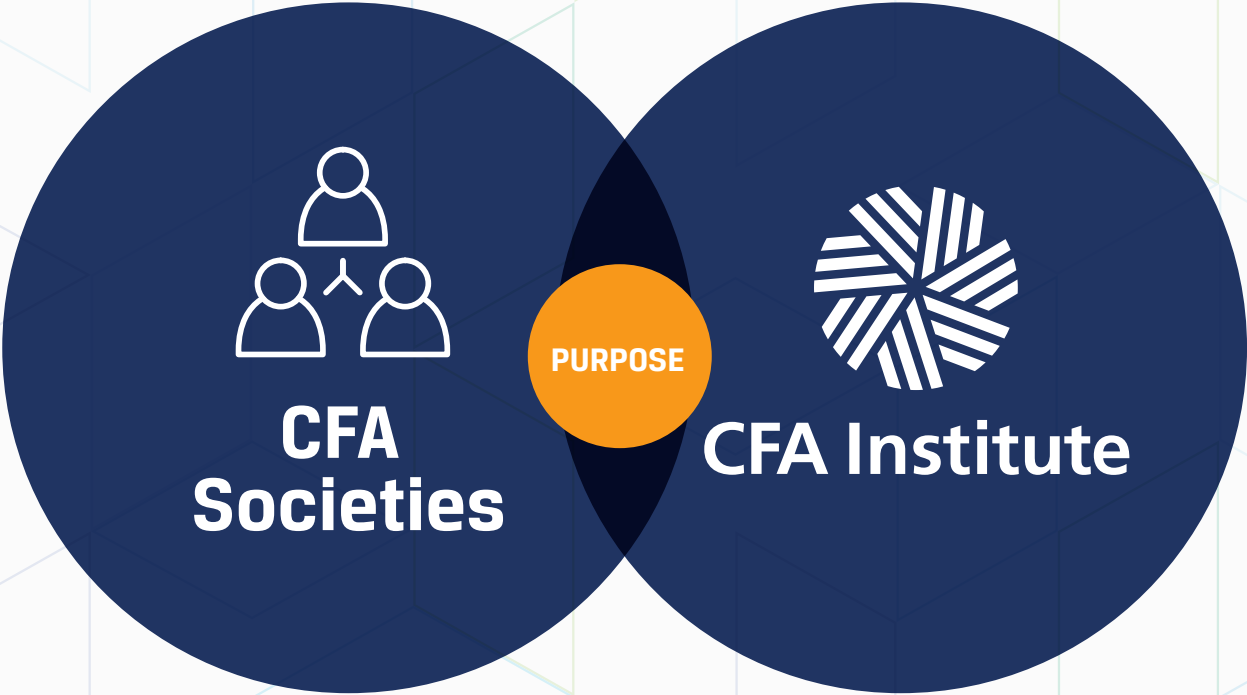
**DELIVER
MEMBER
VALUE**

**DEVELOP
FUTURE
PROFESSIONALS**

**BUILD
MARKET
INTEGRITY**

OUR PURPOSE

Our collaborative approach is rooted in our shared vision and our commitment to these principles of partnership.



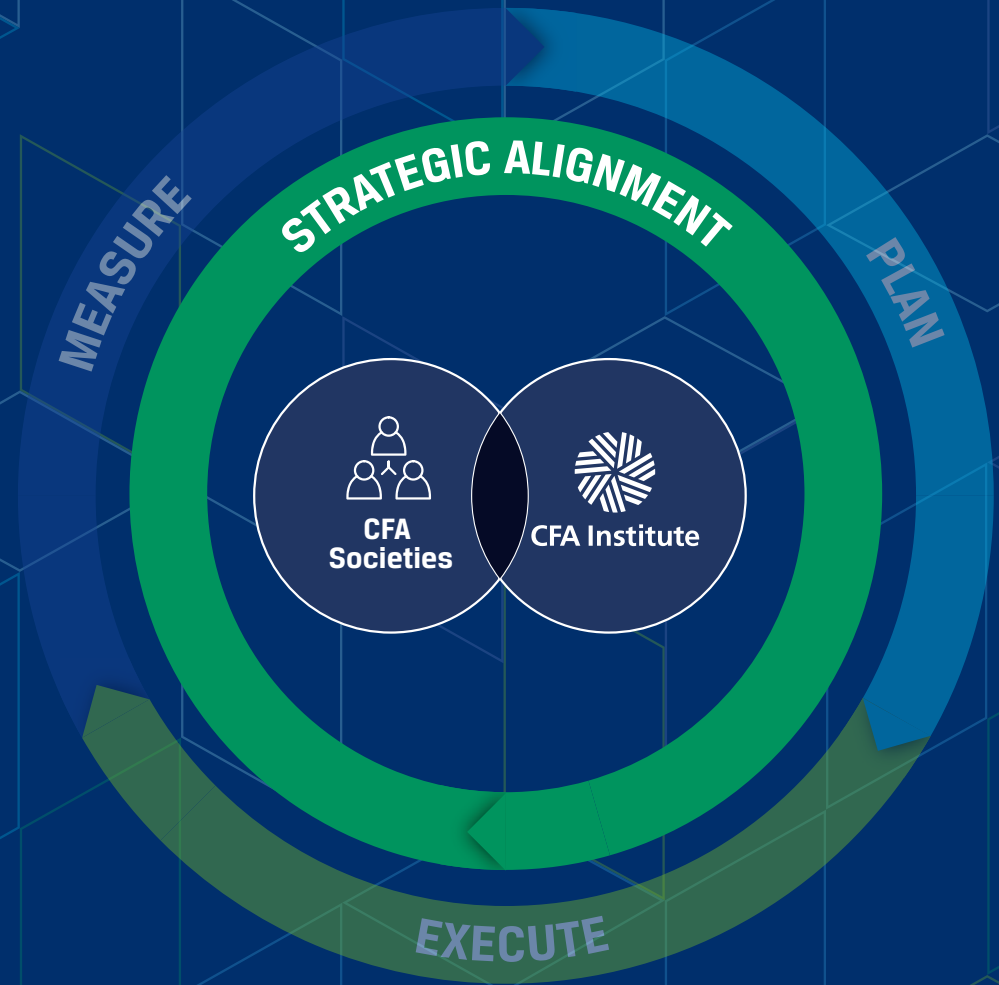
- ▶ MISSION & VISION
- ▶ PRINCIPLES OF PARTNERSHIP
- ▶ ALIGNED STRATEGY

OPERATING FRAMEWORK IN ACTION ► ALIGNED STRATEGY

Throughout the fiscal year, we make decisions through consultation on our strategic direction and other matters impacting societies, our global membership, and the investment management profession, including:

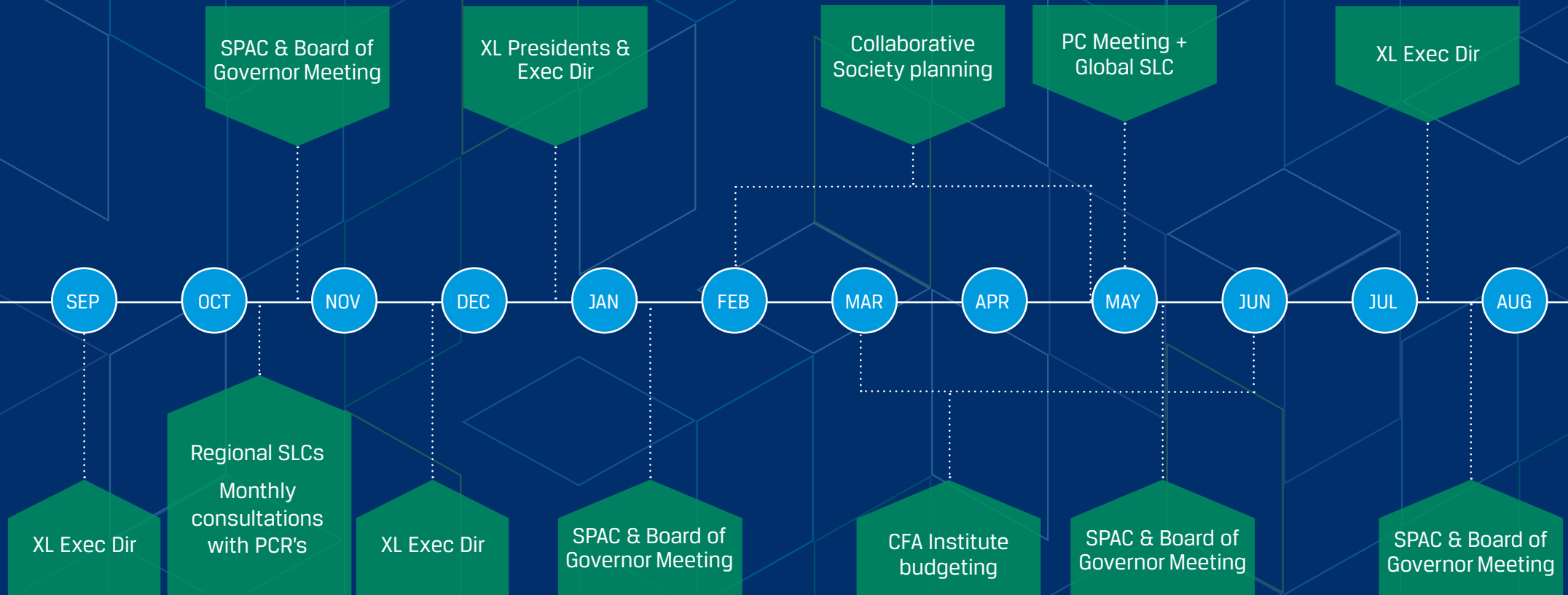
- Membership policy.
- Candidate engagement.
- Continuing Professional Development (CPD).
- Advocacy.
- Recommendations for Board of Governors (BOG)/Society Partnership Advisory Council (SPAC) and the President's Council approval or support.

Consultation includes staff-to-staff and volunteer engagement and regular PCR consultation.



OPERATING FRAMEWORK IN ACTION ALIGNED STRATEGY

Annual planning cycle.



This consultation cycle informs decisions by the CFA Institute Leadership Team and Board of Governors that impact societies and members.

OUR PURPOSE ► ALIGNED STRATEGY

We are aligned around a core strategy to develop global financial markets that serve the public interest. Our long-term vision of success includes all investment management professionals working as a community for the ultimate benefit of society in three key areas:

DEVELOP FUTURE PROFESSIONALS

through relevant and accessible credentialing programs

DELIVER MEMBER VALUE

that accelerates the professional success of our members

BUILD MARKET INTEGRITY

that benefits investors and our members who serve them

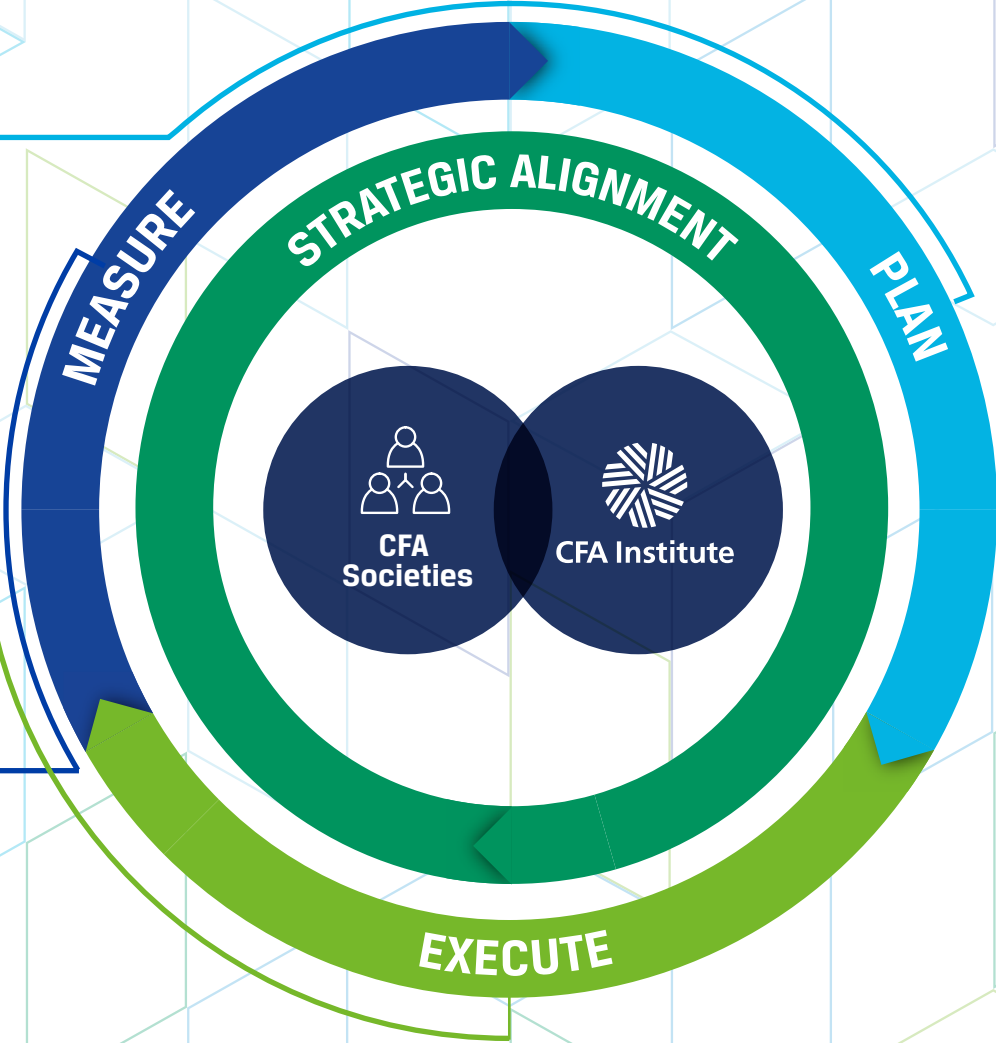
OPERATING FRAMEWORK IN ACTION ► PLANNING

Planning with societies to deliver regionally and locally.

- ▶ **PLAN**
 - ▶ Roles and Responsibilities
 - ▶ Strategic Plan
 - ▶ Deliverables
 - ▶ Milestones

- ▶ **EXECUTE**
 - ▶ Communicating
 - ▶ Executing Workplan
 - ▶ Operational Support
 - ▶ Monitoring Outcomes

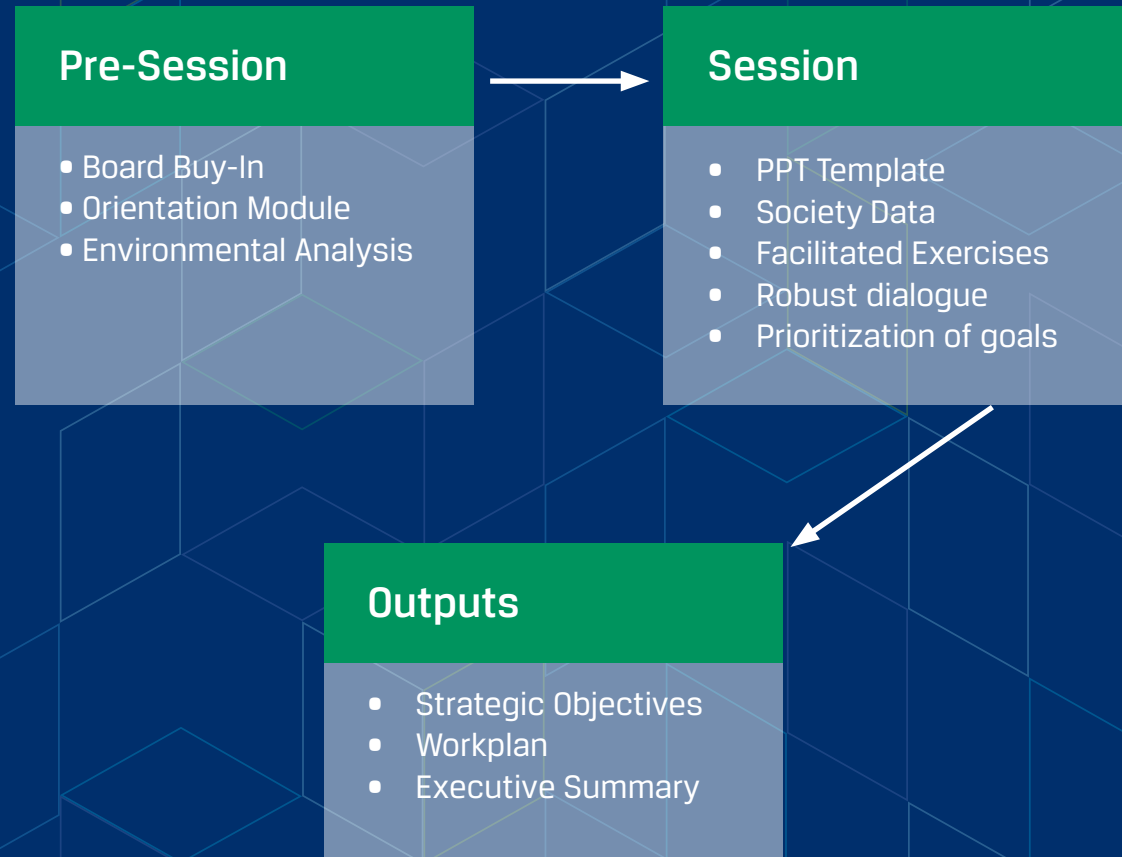
- ▶ **MEASURE**
 - ▶ Monitoring and Analyzing
 - ▶ Reporting
 - ▶ KPIs & Benchmarking
 - ▶ Sharing Learnings



OPERATING FRAMEWORK IN ACTION ► PLANNING

The strategic planning process helps your society leadership to establish your long term strategic priorities, and identifies the activities that will help accomplish them. Your Society Relations Manager can facilitate a planning session tailored to your unique needs. Planning activities can include:

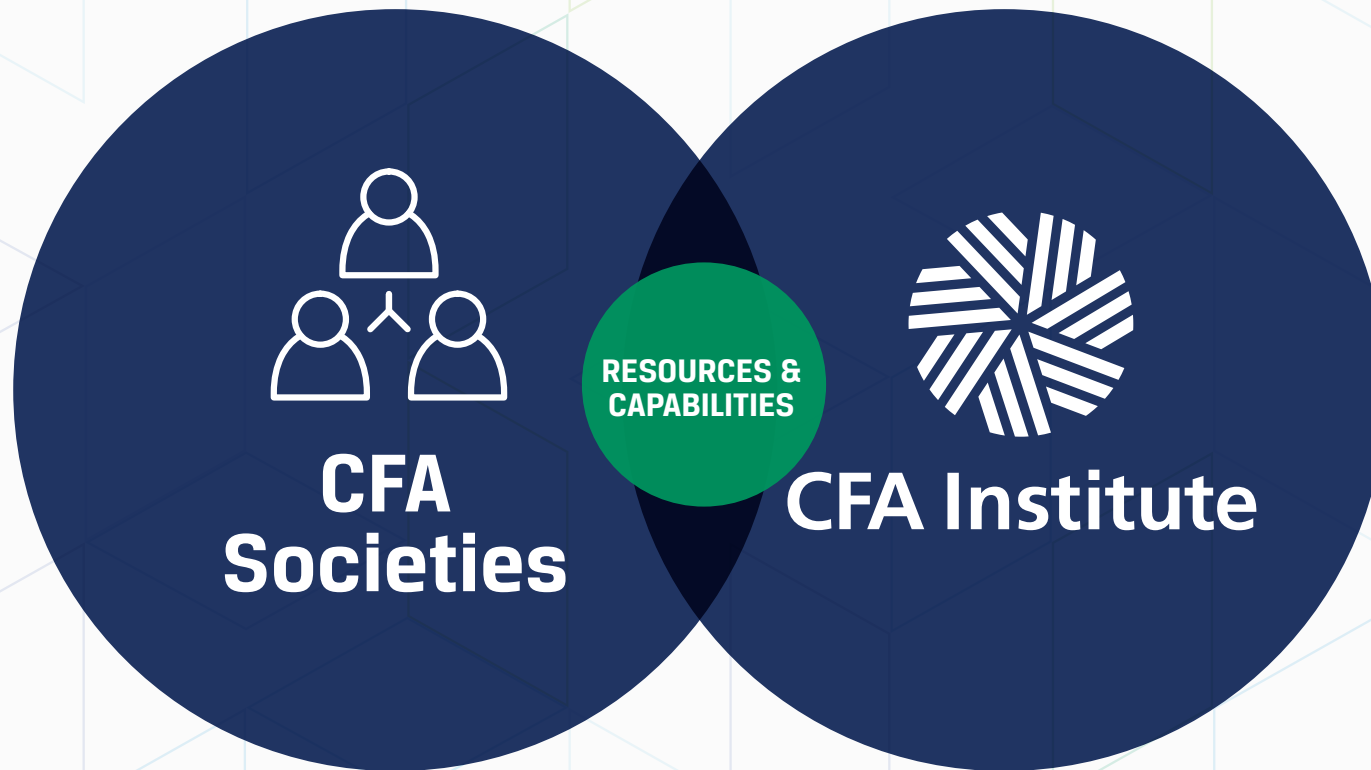
- Conducting initial surveys to gain board input and assess opportunities and challenges.
- Building an initial framework for your society's strategic plan.
- Facilitating a strategic planning session.
- Providing guidance on KPIs, timelines, and activities that will deliver on identified strategic objectives.
- Developing a business plan that reflects timelines and necessary resources.
- Working with CFA Institute staff to align goals and develop a collaborative plan for executing in your market.



SUPPORTIVE INFRASTRUCTURE

The operating framework infrastructure supports our vision for a global membership, where all members receive the full spectrum of benefits of a global organization through the single interface of their local society, underpinned by a strong infrastructure and good governance, and enabled through a shared digital platform.

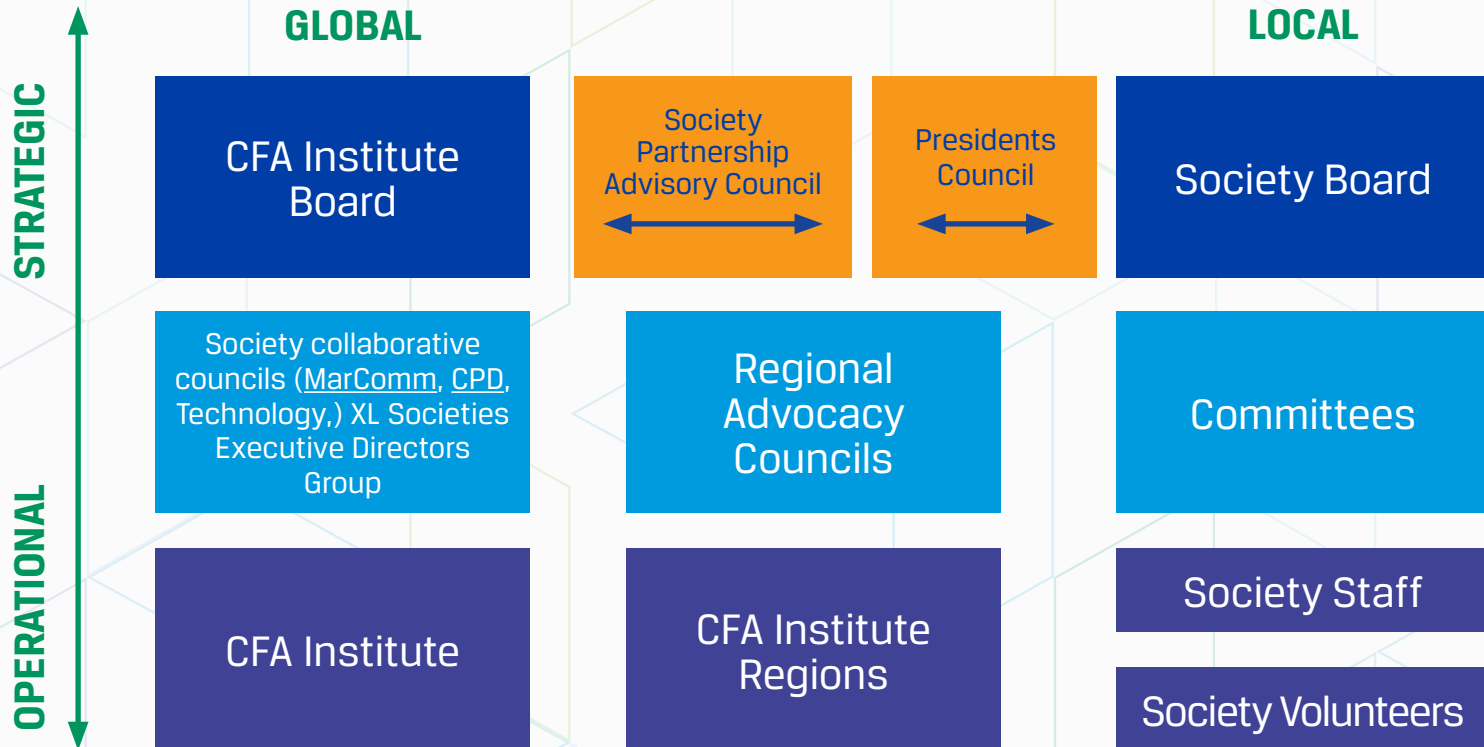
The infrastructure is designed to support you in meeting these needs easily and effectively with:



- ▶ GOVERNANCE
- ▶ PLANNING
- ▶ FUNDING
- ▶ RESOURCES

SUPPORTIVE INFRASTRUCTURE ► GOVERNANCE

Although separate and independent legal entities, CFA Institute and CFA Societies have a governance structure with global, regional, and local reach.



The Society Partnership Advisory Council is a council of the CFA Institute Board of Governors, made up of CFA Institute staff, BOG members, and PCR's. The council hears directly from society leaders and staff, and is responsible for making recommendations to the Board on matters impacting societies.

The Presidents Council, made up of presidents of all Member Societies, meets annually and makes key decisions.

Presidents Council Representatives represent the voice and views of societies directly to the Board of Governors.

SUPPORTIVE INFRASTRUCTURE ► FUNDING

As society membership grows and candidate numbers increase, society funding follows. Societies can pursue operational, project, and brand funding from CFA Institute.

OPERATIONAL FUNDING

Funds to support general operational costs, from staffing to events and other member services. Societies must submit a business plan to receive operational funding, which is determined by a simple, transparent formula aligned with the CFA Institute business model.

PROJECT FUNDING

Additional funding for innovative and significant projects that advance our shared mission. Project funding empowers societies to more effectively deliver member value in their local communities under common quality standards and success metrics.

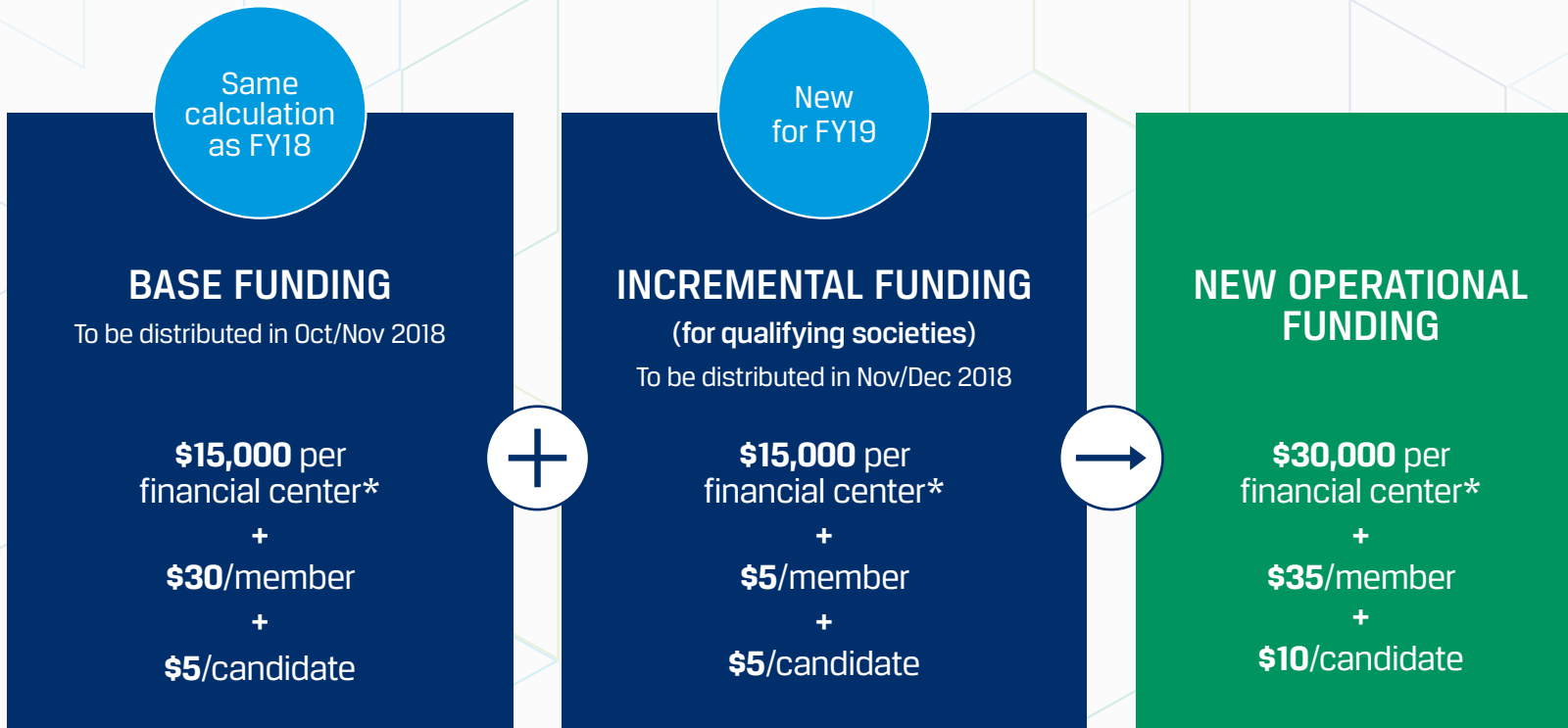
BRAND FUNDING

Funding to support brand building efforts at a local level. Societies must meet with regional marketing and communication leads to create a marketing plan to accompany their funding requests.

FUNDING ► OPERATIONAL FUNDING

The following will be requirements for ongoing incremental operational funding:

- ✓ Strategic plan is in place (less than three years old) and shared with CFA Institute.
- ✓ Beginning and end-of-year business plans are submitted on time.
- ✓ Society Member Service Standards are met.
- ✓ The bi-annual Member Society licensing agreement is signed.
- ✓ 80% of board members and 100% of staff have completed the online orientation training.
- ✓ Conflict of Interest and Code of Conduct Policies are in place.
- ✓ Board manual is in place and updated.
- ✓ If applicable, a plausible plan is in place to reach a minimum of 100 members within three years.

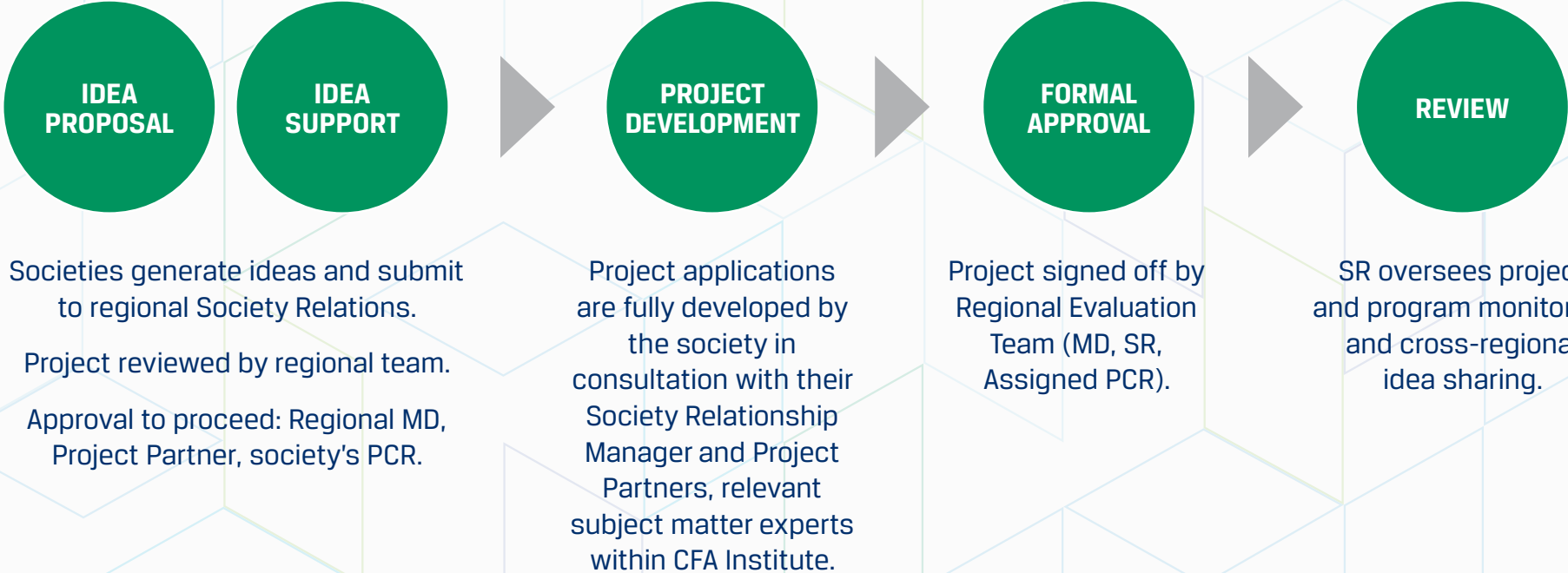


*City where there are >50 members. 50 miles (80km) from any other financial center and member services are being provided.

FUNDING ► PROJECT FUNDING

GLOBAL OVERSIGHT: Head, Global Society Relations, and PC Chair report regularly to PCRs and SPAC.

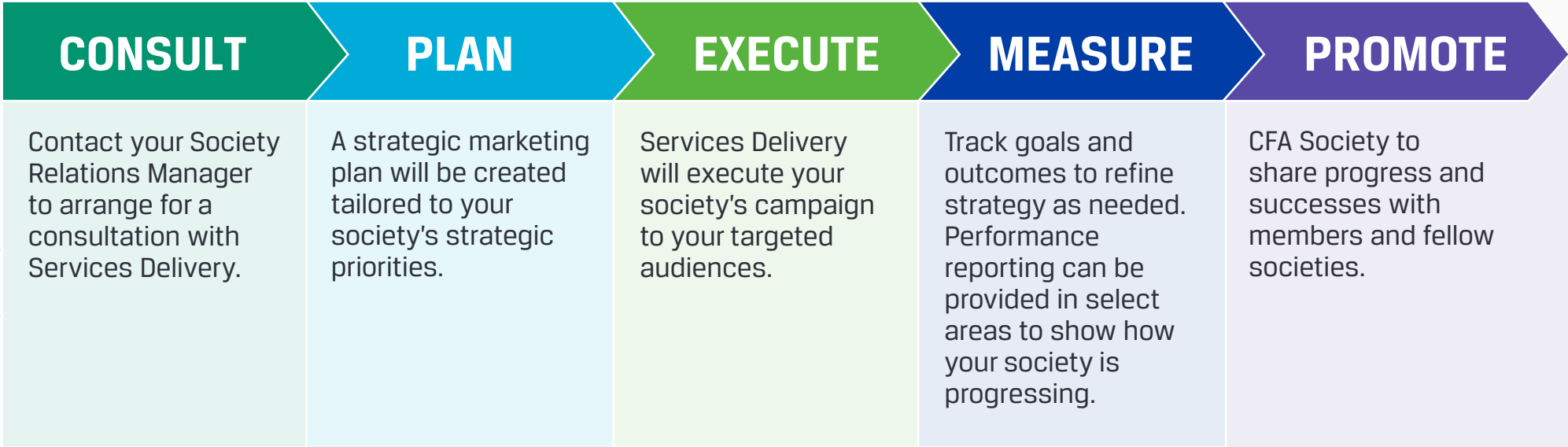
REGIONAL MDS:
accountable to LT and board



[Find out more >](#)

FUNDING ► BRAND FUNDING

Contact your Society Relations Manager to start the consultation process.



OPERATING FRAMEWORK REVISED IN COLLABORATION BETWEEN CFA INSTITUTE AND CFA SOCIETIES:

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CEO, CFA Society Germany

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Ashraf Bava, CFA

PCR APAC South

Emily Dunbar

Managing Director, Society Relations & Member Value

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PCR EMEA West

Dan Fasciano, CFA

Board of Governors

Lynn O'Connor

Deputy General Counsel

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CEO, CFA Society Germany

Randi Tolber, CFA

Head, Global Society Relations

PRINCIPLES OF PARTNERSHIP REGIONAL VOLUNTEER REVIEW GROUPS:

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Myriam Ferran, CFA Society France

Amer Khansaheb, CFA Society Emirates

Ertunc Tumen, CFA Society Istanbul

Steve Wamathai, CFA Society East Africa

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Masataka Aoto, CFA Society Japan

Vinay Bagri, CFA Society India

Julio P.G. Bucoy, CFA Society Philippines

Jason Lee, CFA Society Malaysia

AMER, James Bailey – PCR

Jeff Augustine, CFA Society Boston

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George Chen, Atlanta Soc. of Fin. & Invest. Prof.

Tiago Lage, CFA Society Edmonton

Kate Lyons, CFA Society Minnesota

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LET'S STRENGTHEN OUR COLLECTIVE IMPACT

Revised in May 2019, in collaboration with CFA Societies.

In the future, the Operating Framework will be accessible on Connexions:

connexions.cfainstitute.org

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