

# One BlackRock

An Interview with Laurence D. Fink,  
Chairman and Chief Executive Officer, BlackRock, Inc.

**EDITORS' NOTE** *Larry Fink is Founder, Chairman and Chief Executive Officer of BlackRock, Inc. He also leads the firm's Global Executive Committee. Fink and seven partners founded BlackRock in 1988. He was named one of the "World's Most Respected Leaders" by FORTUNE in 2016, "CEO of the Decade" by Financial News in 2011, and one of the "World's Best CEO's" by Barron's for the past 12 consecutive years.*



Laurence D. Fink

*Prior to founding BlackRock, Fink was a member of the Management Committee and a Managing Director of The First Boston Corporation. He earned an M.B.A. with a concentration in real estate from the University of California at Los Angeles (UCLA) in 1976 and a B.A. in political science from UCLA in 1974.*

**COMPANY BRIEF** *BlackRock (blackrock.com) is the world's leading investment manager, with \$6.3 trillion under management as of June 30, 2018. As a fiduciary to its clients, BlackRock helps investors of all types build better financial futures. BlackRock provides clients with global reach and the investment options they need to plan for the future, all backed by unparalleled technology, risk management and market insight.*

**What have been the keys to BlackRock's consistent strength and leadership?**

The single most important driver of BlackRock's success has been our unwavering commitment to being a fiduciary to our clients. We constantly strive to put ourselves in their shoes in order to understand their investment priorities. Whether that client is a pension fund serving public school teachers or an individual investor planning for retirement, we have to empathize with their unique financial objectives. It's by following our fiduciary principle that we've been able to do that and earn our clients' trust.

At the same time, BlackRock endeavors to serve all of its stakeholders, which include not only our clients, but also our shareholders, our employees and the diverse communities in which we operate. To do that, we need to embrace our purpose as a company to help savers and investors around the world achieve a secure long-term financial future.

**How do you describe BlackRock's culture and how important is collaboration at BlackRock?**

Culture is everything. We founded the firm as fiduciaries, and that defines everything we do – from innovation to product development to pursuing investment insights. BlackRock is unified by our culture and our principles.

BlackRock's culture is defined by that spirit of innovation and performance that has allowed us to deliver value for our clients and help make a difference in people's lives. It's

constantly renewed and made stronger by our employees who go above and beyond, and who live our principles every day.

One of those principles – to the question of collaboration – is the notion that we are One BlackRock. We don't operate in silos. The diversity of our people combined with tight collaboration allows us to generate the best solutions and deliver the best results to our clients. That requires all of us to understand the breadth of the firm and everything we do for our clients. Constant communication is critical to our success.

**How important is innovation for BlackRock and where is innovation taking place at the company?**

Innovation is incredibly important. In fact, a commitment to innovation is one of BlackRock's core principles and a driving force behind our growth. Just as we call on investors to invest for the long-term, we also believe in investing in BlackRock with an eye to the future. That means that as a company – and as employees – we have to be continually evolving. Where can we improve? What are our clients demanding?

To that end, innovation is everywhere, and found at every level at BlackRock. We are constantly developing new products and investment capabilities to meet our client's objectives. Smart ideas can come from anywhere, and we have to be prepared to leverage our technology and scale to put those ideas to work.

That's why we conduct an annual Hackathon, which in the past has generated new ideas that helped drive our business forward. But innovation is not a once-a-year endeavor. We constantly invite our employees to challenge each other with new ideas and come up with ways to put them to work in order to deliver value for our clients.

**How is BlackRock addressing technology and the impact that AI will have on the business?**

There's no doubt that rapid advances in technology are changing the investing landscape in profound ways. If we don't invest in ourselves – if we don't transform with the industry – we will get left behind. Because of that, we've made technology central to who we are as a firm – our Aladdin platform is at the very core of everything we do for our clients. It's why we launched our tech2020 initiative in 2016 – to drive innovation and demand that we become students of technology.

In recent years, that also means building out our digital wealth business, which has allowed us to forge deeper connections with our partners and clients. Earlier this year, we opened the BlackRock Lab for Artificial Intelligence to experiment with ways we can use artificial intelligence and machine learning to create new solutions for alpha generation. We also established Data Science Core, a central hub for all of our data science efforts across the company. Moving forward, BlackRock will continue to look for opportunities to invest in technology, both internally and externally.

**How critical is a commitment to learning for BlackRock's employees to the long-term sustainability of the business?**

First and foremost, as an asset management firm, our most important asset is our people. One of the reasons we're where we are today is because of the passion and knowledge that our employees bring to work every day. We believe that we have the best talent in the industry.

However, it's paramount that every one of us at BlackRock continually evolves with the changes happening in the industry. To be static is to fall behind. I always talk to our employees about being lifelong students of the market, and of technology – and that goes for our analysts, as well as our leadership. That certainly includes me!

In the past year, we've launched a number of resources, including courses, apps and modules that help employees develop their skills, hone their knowledge of markets, and tap into the institutional wisdom of BlackRock's 30-year history. We also want to make sure our clients have access to the expertise that our analysts and strategists bring to their work. Last year, we launched BlackRock Academies, which is a centralized platform for both our employees and our institutional clients. A commitment to learning is critical to the long-term sustainability of our business. ●