



Outperformance, Leadership, and the Evolution of the Hedge Fund Industry: The Legacy of Julian Robertson

Rami Sebastian Chammaa

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Prof. Peter V. Rajsingh**

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Abstract

This thesis examines the leadership, strategic choices, and cultural foundations behind the extraordinary success of Julian Robertson's Tiger Management and its enduring influence on the hedge fund industry. Using a mixed-methods approach, combining qualitative expert interviews, including former Tiger Cubs, and a quantitative survey, the study explores how visionary leadership, rigorous research, talent development, and adaptability contributed to Tiger's legacy. The analysis identifies six key factors underpinning hedge fund outperformance: leadership, corporate culture, risk management, investment strategy, innovation, and talent incubation. Empirical evidence confirms that Robertson's disciplined long/short equity strategies, conviction-based investing, and meritocratic culture created not only superior returns but also a pipeline of next-generation hedge fund leaders. The research further shows that many of Tiger's core principles, such as deep research, resilience, and cultural competitiveness, remain relevant and widely valued in the contemporary industry. The findings challenge traditional financial theories such as the Efficient Market Hypothesis, showcasing Tiger's sustained alpha generation. The thesis contributes to management and strategy literature by highlighting the role of entrepreneurial leadership in dynamic and high-risk environments. It also offers practical insights for aspiring fund managers and institutional investors by unpacking the strategic DNA of a pioneering firm. Ultimately, this study affirms Julian Robertson's dual legacy: as an investment innovator and a mentor whose influence continues to shape the evolution and ethos of the hedge fund industry.

Key Words: Hedge Funds, Julian Robertson, Tiger Management, Investment Strategy, Strategic Leadership, Corporate Culture, Talent Incubation, Risk Management

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Author: Rami Sebastian Chammaa

Sumário

Esta tese examina a liderança, as escolhas estratégicas e os fundamentos culturais por trás do sucesso extraordinário da Tiger Management de Julian Robertson, bem como sua influência duradoura na indústria de hedge funds. Utilizando uma abordagem de métodos mistos, combinando entrevistas qualitativas com especialistas, incluindo ex-integrantes dos Tiger Cubs, e uma pesquisa quantitativa, o estudo explora como a liderança visionária, a pesquisa rigorosa, o desenvolvimento de talentos e a adaptabilidade contribuíram para o legado da Tiger. A análise identifica seis fatores-chave para o desempenho superior de hedge funds: liderança, cultura organizacional, gestão de risco, estratégia de investimento, inovação e incubação de talentos. Evidências empíricas confirmam que as estratégias disciplinadas de long/short equity de Robertson, o investimento baseado em convicção e uma cultura meritocrática geraram não apenas retornos excepcionais, mas também uma nova geração de líderes do setor. A pesquisa mostra ainda que muitos dos princípios centrais da Tiger, como pesquisa profunda, resiliência e competitividade cultural, permanecem relevantes e valorizados na indústria contemporânea. Os achados desafiam teorias financeiras tradicionais, como a Hipótese dos Mercados Eficientes, ao evidenciar a geração sustentada de alfa. A tese contribui para a literatura de gestão e estratégia ao destacar o papel da liderança empreendedora em ambientes dinâmicos e de alto risco. Também oferece insights práticos para gestores aspirantes e investidores institucionais ao revelar o DNA estratégico de uma firma pioneira. Em última análise, este estudo reafirma o duplo legado de Robertson: como inovador em investimentos e mentor que moldou o ethos do setor.

Palavras-chave: Fundos de Hedge, Julian Robertson, Tiger Management, Estratégia de Investimento, Liderança Estratégica, Cultura Corporativa, Incubação de Talentos, Gestão de Risco

Título: Desempenho Superior, Liderança e a Evolução da Indústria de Fundos de Hedge: O Legado de Julian Robertson

Autor: Rami Sebastian Chammaa

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In this paper I used generative AI tools to assist me in several research activities. I engaged in prompting with the web search functionality in ChatGPT to help me identify additional relevant literature. All literature suggestions have been double checked to verify their original existence and avoid hallucinations. I also used ChatGPT to assist in optimizing and fine-tuning the writing process in terms of spelling and grammar. I verified the accuracy, validity, and appropriateness of all content where I relied on AI tools for assistance. I acknowledge the limitations of language models, including the potential for bias, errors, and gaps in knowledge.

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List of Abbreviations

AI	Artificial Intelligence
AUM	Assets under Management
CAPM	Capital Asset Pricing Model
CEO	Chief Executive Officer
ERM	Enterprise Risk Management
HNWI	High Net Worth Individuals
HPWS	High Performance Work Systems
SEC	(U.S.) Securities and Exchange Commission
S&P 500	Standard & Poor's 500 Index
VRINE	Valuable, Rare, Inimitable, Non-substitutable, Exploitable

1. Introduction

Few if any managers have had a more profound impact on the hedge fund industry than Julian Robertson Jr., the founder of famed Tiger Management Corp. A brilliant investor in his own right, Robertson built one of the most successful hedge fund firms of all time. Julian Robertson and other Hedge Fund Industry Awards winners will be honored at a gala dinner and awards ceremony at the Mandarin Oriental in New York City on Monday, June 21, 2010. (Julian Robertson Receives Hedge Fund Industry Lifetime Achievement Award, Taub, Stephen, Institutional Investor, Apr 2010)

The hedge fund industry represents a significant sector within business, finance, and asset management. As part of the alternatives sector of asset management, hedge funds are important as an asset class dedicated to absolute returns that are independent of market direction. As such, the various sizable pools of capital in the global economy, particularly asset-liability matching institutions such as pensions funds and insurance companies, look to hedge funds to help them meet their target returns.

The industry has undergone a significant evolution since its inception in 1949. Alfred Winslow Jones, a reporter for Fortune Magazine, laid the groundwork for hedge fund strategies by beating the market when he put on short as well and long trades (Travers, 2012). Hedge funds came into their own in the 1970s with various figures such as George Soros, Paul Tudor Jones, Jim Simons, George Weiss, Michael Steinhardt, etc., making impressive returns from novel trading strategies (Mallaby, 2010). The industry continuously entered new phases of growth and innovation.

Central to the development of the sector was Julian Robertson, whose Tiger Management founded in 1980 with \$8 million of capital became one of the most influential hedge funds of the modern era. Robertson's distinctive approach, leadership capabilities and including his innovative use of long/short equity strategies, not only shaped Tiger Management's success but also contributed to the establishment of hedge funds as a major force in global finance (Strachman, 2004).

At its peak in 1998, Tiger managed over \$22 billion, making it one of the largest hedge funds globally (Hershey, 2022). Robertson's success was grounded in his use of the now mainstream long/short equity strategies, which allowed him to hedge market risks while seeking absolute returns (Strachman, 2004). This strategic flexibility, along with his disciplined approach to

research and risk-taking, distinguished Tiger from other funds that were more dependent on market trends. Beyond its financial success, Tiger Management also is known for incubating new managers, the "Tiger Cubs," a group of protégés Robertson mentored during their time at Tiger Management and after its closure in 2000 and then seeded in some of their own ventures. Many of these individuals, including managers like Chase Coleman, John Griffin, Lee Ainslie, went on to launch highly successful hedge funds of their own (Gavrand, 2019). This created a lasting legacy, as Robertson's influence spread throughout the industry via the next generation of hedge fund leaders.

The motivation behind studying Julian Robertson's career and Tiger Management lies in its foundational impact on the hedge fund industry. Robertson's emphasis on deep research, talent cultivation, behavioral factors, and a particular attitude toward risk-taking reshaped how hedge funds operate, making his leadership a blueprint for modern hedge fund managers (Fletcher & Agnew, 2021), and for corporate leadership in general. This thesis seeks to answer the *Research Question*:

Research Question: What strategic choices created success for Tiger Management as an industry pioneer, and how did these influence the evolution of the hedge fund industry?

The key objectives are to identify the specific strategies that allowed Tiger Management to outperform, to assess how Robertson's mentorship of the Tiger Cubs contributed to the promulgation of his investment philosophy and then evaluate the broader impact of these elements on the hedge fund industry. Ultimately, this research will provide deeper understanding of leadership and strategic factors that influence firm success (in alternative asset management) and how these phenomena disseminated into the industry.

The thesis begins with a literature review that explores key theories on hedge fund strategies, management theory, leadership, and Julian Robertson's influence on the industry. Next, we outline the research design, incorporating both qualitative case studies, interviews, and quantitative analysis through a survey. The discussion chapter synthesizes findings. Finally, the conclusion presents theoretical and practical implications and suggests directions for future research.

2. Literature Review

This chapter reviews the existing literature on the hedge fund industry, outlining key concepts, practices, and relevant management theory. It will also discuss Julian Robertson and Tiger Management and its broader influence in relation to the “Tiger Cubs.”

2.1 The Origin and Growth of Hedge Funds

As of the second quarter of 2024, the total Assets under Management (AUM) for hedge funds was \$5.13 trillion with more than 30,000 hedge funds operating worldwide (BarclayHedge, 2024). To understand what hedge funds are, it is useful to discuss their origin. Alfred Winslow Jones, an Australian sociologist and financial journalist, is credited with creating the first hedge fund investment vehicle in 1949, using both long and short positions to “hedge” potential movements in the market to maintain a “market neutral” portfolio (Lowenstein, 2001). This effectively laid the foundation for the modern hedge fund and balancing market exposures to minimize risks while seeking absolute returns (Connor & Woo, 2004). However, hedging and market neutrality are not prerequisites for a vehicle to be labeled a hedge fund. Today, hedge funds can be any pooled investment vehicle that operates outside the framework of traditional mutual funds and employs strategies that differ from the typical approach of holding long positions in bonds, equities, money markets, or a combination of these asset classes (Lhabitant, 2001). Mutual funds typically track the performance of an index, such as the S&P 500, and tend to be more tax-efficient and have lower expense ratios than actively managed hedge funds.

Several factors caused the expansion of the hedge fund industry. Due to the long/short equity strategy, hedge funds are popular in bear markets as performance may still be positive (Cappocci et al., 2005). The fee structure for assets managed by hedge funds usually consists of a management fee (typically 2%), which covers the fund's operating costs, and an incentive fee (typically 20%), paid when a certain return threshold (hurdle rate), is reached. This also means that the incentives of hedge fund managers are aligned with those of investors and the manager has skin-in-the-game where a significant part of his or her net worth is tied up in the fund (Getmansky et al., 2015).

This alignment of incentives between managers and investors due to the performance-based fee structure is taken to promote generating higher returns. To further enhance returns, hedge funds

often use leverage, i.e. the practice of borrowing capital, typically from banks acting as prime brokers, to increase the fund's notional exposure to risk assets. This amplifies both potential gains and losses and heightens volatility (Getmansky et al., 2015). In short, leverage measures how much exposure a fund has to risk assets compared to the total value of the portfolio, often expressed as a ratio or percentage (Ang et al., 2011).

Another reason for inflows into hedge funds is the asset-liability mismatch of pension and mutual funds. The origins of modern pensions funds can be traced to 1954 when General Motors president Charles Wilson proposed the idea of the GM Pension Fund, where employee's savings were invested in a portfolio of stocks (Fell, 1977). Pension fund managers invest to meet future pension obligations and are the largest pools of investor funds in capital markets (Megginson et al., 2020). Pension assets have increased along with their asset-liability mismatch, where their long-term liabilities (future payouts) do not match the returns being generated (Bookstaber & Gold, 2015). This has caused pension funds to seek out alternative asset classes as sources of return, such as private equity and hedge funds (Megginson et al., 2020).

2.2 Main Difference between Hedge Funds and Mutual Funds

The Investment Company Act of 1940, also known as the "40 Act," is the principal law that regulates mutual funds in the United States. SEC regulation of mutual funds is the price for being able to legally access millions of small investors (Romero & Balch, 2018). Hedge funds, on the other hand, are less transparent and regulated and have historically only been available to institutional investors and high net worth individuals (HNWI) (Subhash & Enke, 2019). This separates retail from institutional investors, colloquially referred to as "dumb money" and "smart money," respectively. Another feature distinguishing traditional asset management from hedge funds is the latter's focus on absolute performance. Traditional asset managers primarily seek to minimize tracking error relative to a benchmark, such as a stock index, i.e. to match the performance of that benchmark as closely as possible (El-Hassan & Kofman, 2003). This context is to reduce the variance between the fund's returns and the benchmark and align performance with general market trends. On the other hand, hedge funds focus on generating alpha (excess returns over the benchmark) through active management and innovative strategies, regardless of overall market conditions (Kao, 2002).

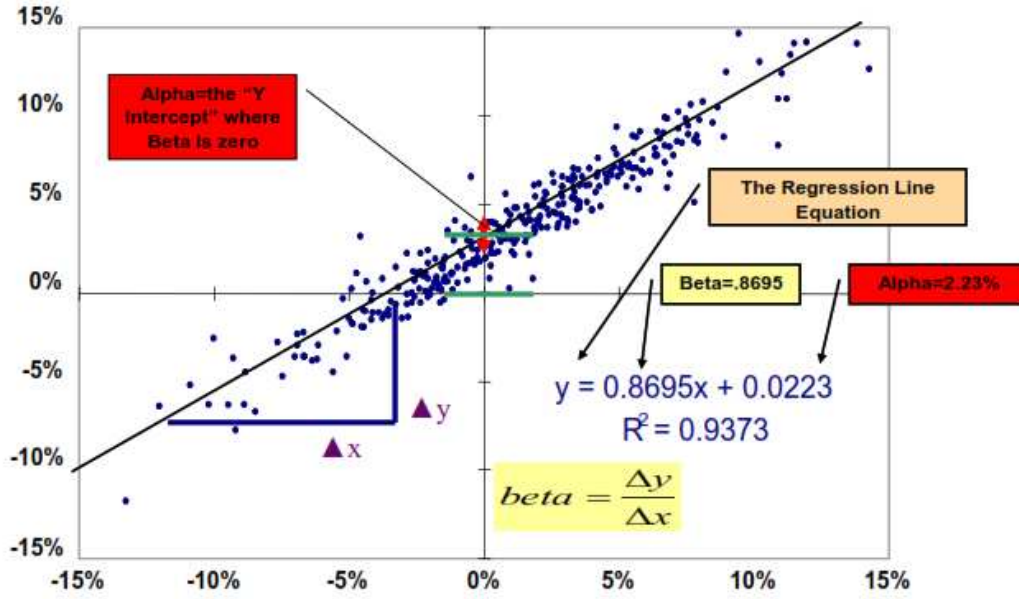


Figure 1: Hedge fund's return stream regressed against the index showing positive 2.23% alpha.

2.3 Hedge Fund Strategies

Hedge funds over decades have proven to be versatile and dynamic investment vehicles pursuing generating alpha. The Sharpe ratio shown in equation 1, is a common metric for assessing the performance of hedge funds.

$$S_p = \frac{R_p - r_f}{\sigma(R_p - r_f)} \quad (1)$$

S_p denotes the Sharpe ratio for the portfolio p . R_p stands for the return of portfolio p , whereas r_f stands for the risk-free rate of return and σ denotes the standard deviation. Greater efficiency is indicated by a higher ratio. It is preferable to have a Sharpe Ratio greater than 1.

Another important performance measure is the Jensen measure, which stems directly from the theory of the CAPM model (Sharpe, 1966; Lintner, 1965; Mossin, 1966; Black, 1972).

$$\alpha_p = R_p - [r_f + \beta_p (R_m - r_f)], \quad (2)$$

where, α_p stands for Jensen's alpha, which represents the excess return over the expected return derived by the CAPM model, β_p denotes the portfolio beta (systematic risk of the portfolio) and R_m represents the expected return of the market.

The Sharpe ratio and Jensen measure provide insight into what hedge funds are trying to achieve: generating alpha with the least amount of risk (where risk is defined as volatility, reduced to mean variance as measured by a fund's standard deviation) (Fung et al., 2002). Markowitz (1952), who developed modern portfolio theory, introduced the notion of the efficient frontier, an ideal portfolio that offers the highest return per unit of risk.

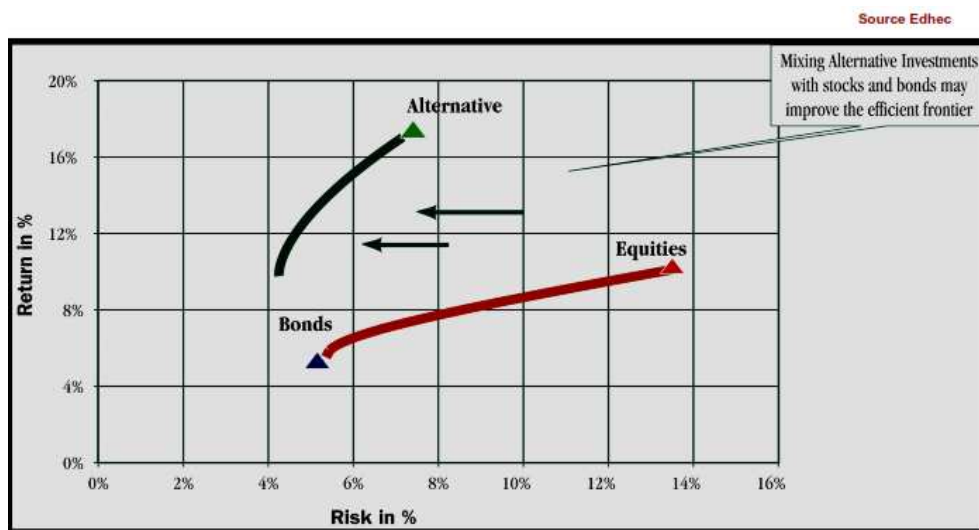


Figure 2: Plot of asset classes by risk and return by EDHEC

Because these portfolios optimize returns relative to the risk assumed, they are regarded as efficient, with those below the frontier deemed inefficient (Markowitz, 1952). Strategies used by hedge funds have been shown to improve the efficient frontier by generating better risk-adjusted returns, i.e. adjusting a portfolio so that it offers better results in terms of the balance between risk and return. (Charpin & Lacarze, 2002; Darius et al., 2002).

Usually, hedge funds pursue either arbitrage strategies or directional strategies. Arbitrage refers to taking advantage of differences in the price of the same good in two different markets (Romero & Balch, 2018). In contrast, directional strategies include taking positions based on market trends or on the conviction that a market or asset will move in a specific way (Stafylas et al., 2018).

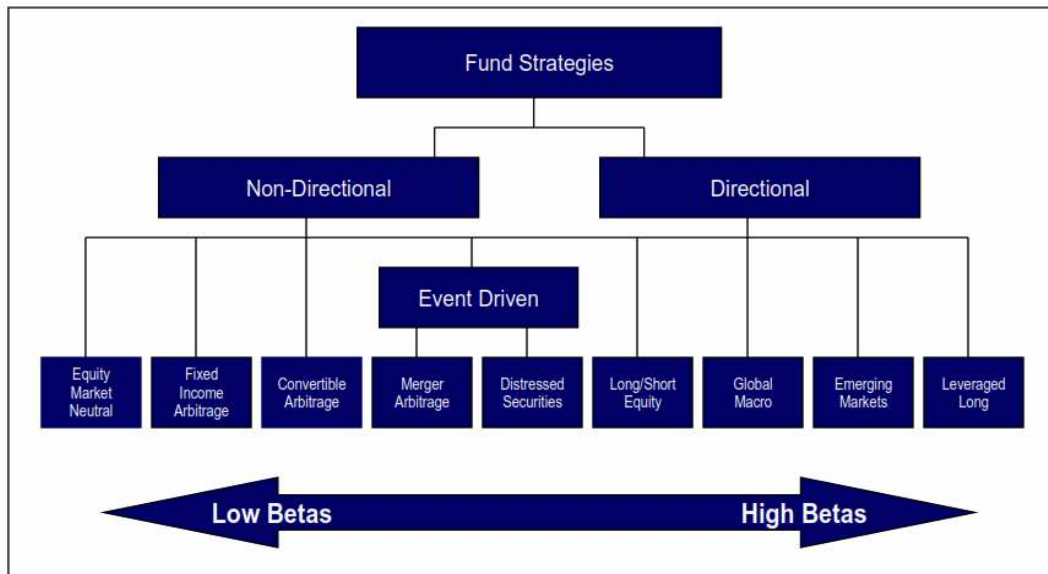


Figure 3: Hedge fund strategies, with non-directional (low-beta) and directional (high-beta) categories

2.3.1 Long/Short Equity Strategy

Long/short equity arose with Alfred Winslow Jones in 1949 where his fund took long as well as short positions in equities (Fung & Hsieh, 2011). The aim was to generate returns based on stock selection, regardless of general market movements. This strategy aims to minimize exposure to the systematic volatility of the market (beta) and maximize returns by generating alpha from idiosyncratic exposure to long and short positions (Brush, 1997).

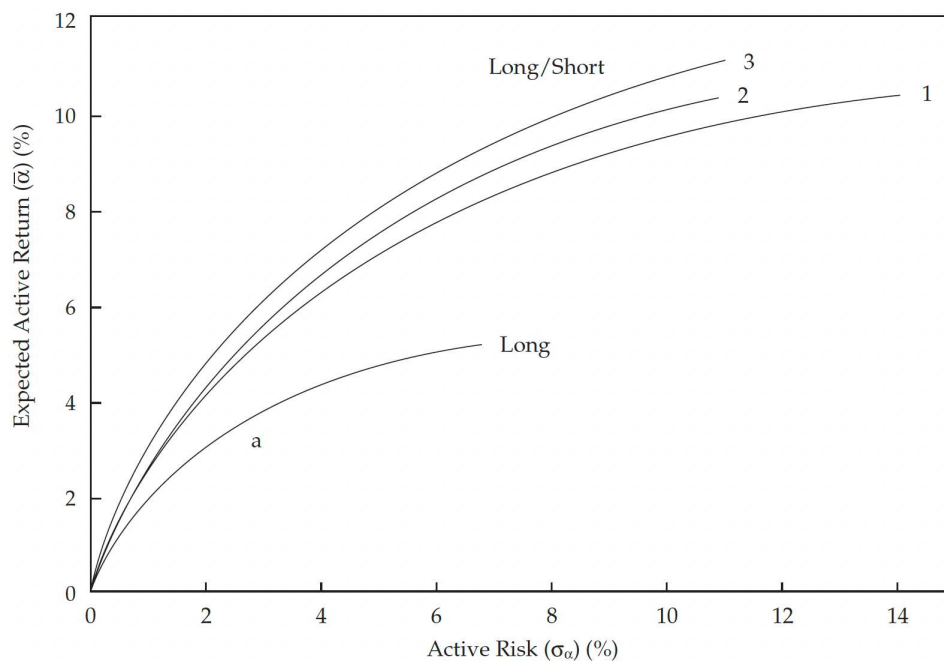


Figure 4: Long and Long/Short Efficient Frontiers, Excess Return by Brush (1997)

Figure 4 shows that long/short strategies can achieve higher returns for the same level of risk compared to long-only strategies. Several long/short efficient frontiers represent different strategy efficiencies and illustrate the potential for improved risk-adjusted returns. This strategy is important for the analysis of Tiger Management as the fund was instrumental in bringing it into the mainstream (Hershey, 2022).

2.3.2 Global Macro Strategy

Global Macro refers to strategies designed to capitalize on shifts in global economic conditions. These directional macroeconomic strategies often analyze how changes in government policies could influence interest rates and financial markets, aiming to profit from the resulting movements in various securities (Gliner, 2014). Global macro strategies are especially helpful during market turbulence and perform well under conditions of economic uncertainty (Grigoriou et al., 2020).

2.3.3 Event Driven Strategy

Event-driven strategies capitalize on opportunities arising from corporate events such as mergers, acquisitions, restructurings, or bankruptcies (Jorion, 2008). Hedge funds position themselves based on the expected impact of these events (Xie, 2023). While Tiger Management was predominantly known for its long/short equity and global macro strategies, the firm demonstrated a flexible, opportunistic approach, occasionally benefiting from corporate or market events when they aligned with the firm's broader market views (Strachman, 2004).

2.3.4 Arbitrage Strategy

Arbitrage applies to several forms of risk taking. *Convertible arbitrage* is a relative value strategy that profits from pricing discrepancies between a convertible security, such as a bond, and its underlying stock, i.e. the portfolio manager goes long the bond and at the same time shorts the stock (Loncarski et al., 2009). Returns accrue from bond interest payments, capital gains due to bond mispricing, volatility changes, and credit spread compression. Another arbitrage strategy is *merger arbitrage* where hedge funds short an acquiring company and go long the acquiree (Cao et al., 2016).

2.4. Unpacking Firm Excellence

Julian Robertson arguably had the most profound influence on the entire hedge fund industry by creating and managing one of the most successful hedge funds of the modern era. He acted as a nucleus by fostering and nurturing talent that subsequently spread out and carried on his legacy.

2.4.1 Julian Robertson and the Founding of Tiger Management

Born Julian Hart Robertson Jr. in 1932 in Salisbury, North Carolina, he grew up in a middle-class family from which he learned traditional values, including discipline and hard work. His father was instrumental in Robertson's early interest in stocks and was known for his strict attire and hard-working spirit. He instilled a deep competitiveness in his son, that became influential for his leadership style. After graduating from high school, Robertson went to the University of North Carolina at Chapel Hill. When Robertson was 23, he joined the Navy through the Reserve Officers Training Corps for two years. This chapter of his life also equipped him with major lessons, such as accepting accountability for one's actions. After his time in the Navy, Robertson took the advice of his father and decided to move to New York City and find a job within the asset management industry. In 1957 he began working as a sales trainee at Peabody & Co., where he spent the next 22 years in various sales positions, ultimately running the firm's asset management division. During his time at Peabody, he quickly gained the trust and respect of his colleagues, showcasing not only his tremendous people skills but also his ability to generate returns for clients and even his peers.

Robertson's path took a creative turn in 1978, when he and his family moved to New Zealand to take a sabbatical. Alongside New York, New Zealand quickly developed into his favorite place on earth. Returning from New Zealand with a new perspective, Robertson decided to start his own business. Robertson founded Tiger Management in 1980 with \$8 million of AUM. The name Tiger came from Robertson's son as Robertson often used the nickname "Tiger" when he couldn't remember someone's name (Strachman, 2014).

From its inception, Tiger Management took a disciplined approach, with Robertson identifying undervalued (long) and overvalued (short) opportunities, maintaining a strong emphasis of

communication with investors. This strategy worked, and Tiger's AUM quickly grew to billions of dollars.

Tiger managed consistently to achieve superior returns, especially through short positions (Strachman, 2004). At his peak in the late 1990s, Tiger managed \$22 billion in assets, making it one of the largest hedge funds in the world. Robertson's ability to generate alpha, regardless of market conditions, was a testament to his disciplined approach. Some notable key trades include shorting copper in 1996, where Robertson accurately predicted that the copper market was inflated and heading towards a downturn. Another huge profit for Tiger was his short position in the Thai Baht, which experienced a significant decline (Strachman, 2004). From 1980 to 1998, Julian Robertson produced annual returns of 31.7 percent after fees, one of the most remarkable achievements in the hedge fund business. The S&P 500 returned just 12.7% during that same period (Wolinsky, 2024).

Tiger's ability to generate returns outperforming the market contradicts Fama's Efficient Market Hypothesis and Malkiel's Random Walk Hypothesis. According to Fama (1970), an efficient market is one in which all available information is fully reflected in asset prices, making it impossible for any investor to consistently generate excess returns. Malkiel (1973) asserts that stock prices move in a random walk, which means that future price changes are unpredictable because they are not influenced by past price changes. Yet, by consistently generating alpha, regardless of market conditions, Robertson was an exception to finance theory.

2.4.2 Building a Superior Firm with a Competitive Edge: Corporate Culture and Leadership at Tiger Management

Tiger Management's success is deeply rooted in Julian Robertson's leadership style. Robertson's leadership approach was hierarchical, relying on a top-down structure where he remained the primary decision-maker. Robertson personally oversaw most of the firm's investment decisions, although he employed numerous portfolio managers, instilling a disciplined investment philosophy throughout the organization (Mallaby, 2010).

Robertson was also a strong believer in taking calculated risks with an emphasis on risk mitigation. This enabled him to seize opportunities and quickly manage losses to protect against downside risk, a key characteristic of long/short equity strategies that became the cornerstone

of Tiger's fund. Robertson's ability to make high-conviction bets and limit exposure on the downside reflected his strategic adaptability, allowing Tiger to thrive in both bullish and bearish markets (Hershey, 2022; Strachman, 2004).

A key trait instilled into Robertson from an early age was his competitive spirit, which became a defining feature of Tiger's culture. This hyper-competitive environment enabled a constant refinement and sharpening of ideas, ensuring that only the best strategies were pursued (Kimyagarov, 2019; Agnew & Fletcher, 2021). Beyond competitiveness, Robertson also insisted on a strong sense of accountability within Tiger's culture, an influence he carried from his time in the Navy. Analysts and managers were held directly responsible for their performance, and underperformers were quickly identified. This high-performance culture closely mirrors that of other elite hedge funds, such as Bridgewater Associates, where principles like radical transparency and idea meritocracy are highly valued (Dalio, 2018).

A unique aspect of Tiger's culture was Robertson's decision to hire psychiatrist Aaron Stern to incorporate psychological testing into the hiring process (Mallaby, 2018). The test focused on evaluating how candidates thought, took risks, and worked in teams rather than solely measuring intelligence (Agnew & Fletcher, 2021). He highly valued emotional intelligence and mental resilience in potential hires, recognizing that these traits were just as important as analytical skills. This approach reflects the growing recognition of behavioral finance and the importance of psychological traits in decision-making.

Adaptability was another of Robertson's core strengths. The firm's long/short equity strategy formed the backbone of its operations, Robertson remained invested in seeking new opportunities, especially in global markets. His ability to pivot when necessary, demonstrated his keen understanding of dynamic market conditions, with his response to macroeconomic shifts like the short against the Thai Baht being a prime example. This adaptability reflects the concept of dynamic capabilities, which refers to a firm's ability to build, integrate, and reconfigure internal and external resources to sustain competitive advantage in rapidly changing environments (Teece et al., 1997).

Ultimately, all of Tiger's capabilities reinforced the VRINE framework: valuable, rare, inimitable, non-substitutable, and exploitable resources (Barney, 1991). These elements

contributed to a culture that not only enabled Tiger Management to succeed but also ensured its long-term competitive edge.

2.4.2.1 Literature on Leadership and Firm Success

Leadership is extensively discussed in the academic literature with tens of thousands of articles in disciplines ranging from management to psychology that address the topic. In an influential Harvard Business Review article titled “What Leaders Really Do,” Kotter (1990a) argues that leadership and management are distinct but complementary modes of action. Distinguishing leadership from management, Kotter states that management entails coping with complexity whereas leadership demands coping with change. Both are crucial organizational skills, but they serve different purposes. Management is orientated towards bringing order and consistency to key processes, while leadership drives change and inspires innovation. Thus, leaders create a vision for the future, aligning people by communicating that vision in motivational ways, and they appeal to the needs, values, and emotions of those they lead (Kotter, 1990a).

Another interesting line of discussion in the literature concerns the impact of hierarchical structures on firm performance. Some studies, such as a meta-analysis by Greer et al. (2018), propose that hierarchical structures promote conflict and hinder team performance, particularly when these structures are unstable. Tiger Management presents a different case. Tiger’s culture while hierarchical insofar as Robertson had the last word, also emphasized open communication with Robertson routinely hearing out his team’s ideas (Mallaby, 2010). This practice, when combined with his decisive, top-down leadership style, has been linked to improved performance outcomes (Saiti & Stefou, 2018; Halevy et al., 2011) and can also be seen in other examples of highly successful top-down organizations, such as Jensen Huang’s NVIDIA where Huang boasts of having around 60 direct reports, contrary to the accepted magic number which is taken to be about seven (Mann, 2024).

Robertson’s leadership philosophy also closely aligns with Enterprise Risk Management (ERM) principles, as outlined by Gordon et al. (2009). ERM advocates integrating risk management systems across all levels of an organization. This approach helps companies mitigate risk by adapting management practices to contextual factors like market competition and environmental uncertainty. Similarly, Robertson’s method of taking calculated risks,

backed by in-depth macroeconomic analysis enabled Tiger Management to excel in volatile markets. Obviously, risk management as it pertains to speculation in capital markets is a different species of risk than enterprise risk at the first order level, but should the firm's exposure to capital losses be handled without prudence and care, the entire enterprise would blow up. Thus, invoking ERM is not without merit.

Robertson notably inspired his team through his rigorous work ethic. As a transformational leader, his example shaped Tiger's culture and organizational identity, which research has shown is a significant driver of firm performance (Boehm et al., 2015). Boehm et al. (2015) also noted that a CEO's charisma, when combined with a strong organizational identity and leadership climate, significantly boosts business performance, precisely what Robertson achieved at Tiger. This idea is also echoed by Paulsen et al. (2009) who deemed a charismatic leader to be a transformative driver of team processes and innovative outcomes. Robertson's leadership at Tiger is also consonant with themes in the management literature about the importance of organizational culture as a determinant of superior performance (Drucker, 1954; Deal & Kenndy, 1982; Kotter & Heskett, 1992; Hamel & Prahalad, 1994; Lencioni, 2012).

Tiger's corporate culture of rigorous analysis, conviction-based investing, and its strong focus on risk mitigation, acts as a firm strategic asset. Properly managed, this can serve as a source of competitive advantage (Flamholz & Randle, 2012). Flamholtz (2001) also held that a strong corporate culture, characterized by aligning strategic objectives, clear performance standards, employee engagement, and a focus on long-term success, significantly enhances profitability.

Pozen and Hamacher (2011) argue that asset management firms structured as partnership-like organizations, where investment professionals have significant autonomy and skin-in-the-game, tend to be more successful. The authors emphasize how non-hierarchical structures and private ownership align investment professionals with the success of the firm. As stated earlier, Tiger was hierarchical but still maintained the principle of autonomy and accountability, which contributed to its success (Pozen & Hamacher, 2011). Similarly, Maran et al. (2021) speak of giving workers a clear understanding of goals and how their work affects organizational success. Autonomy increases engagement, initiative, and motivation, which improves performance.

Under Resource Based Theory, a firm's distinctive idiosyncratic resources, which are valuable, rare, inimitable, non-substitutable, and exploitable determine its success (Barney, 1991; Nieto & Perez, 2002). These heterogeneous resources include specialized knowledge, proprietary investment processes, hiring top talent with psychological profiling of key employees, a competitive firm culture, and long-term customer relationships, all of which were key to Tiger's success. Robertson developed these strategic firm assets which were difficult for rivals to replicate (Nieto & Perez, 2002).

When we consider the fast-paced and ever-volatile external environment of speculative risk taking, the theory of Dynamic Capabilities (Teece, 1997; Barreto, 2009) is relevant insofar as Dynamic Capabilities speaks to internal and external competencies in fast changing environments, where sensing and seizing of opportunities is an imperative (Teece, 1997). Barreto sharpens the theory to resolve ambiguities with his reformulation of Dynamic Capabilities as “the firm's potential to systematically solve problems, formed by its propensity to sense opportunities and threats, to make timely and market-oriented decisions, and to change its resource base” (Barreto, 2009).

2.4.3 Talent Incubation and Development

The legacy of Tiger Management goes beyond financial performance; it also became an unrivaled incubator of hedge fund talent. Julian Robertson not only built a hedge fund empire, but also acted as an industry nucleus, nurturing a generation of investors, many of whom became industry giants referred to as “Tiger Cubs.” These protégés continued Robertson's investment philosophy and built their own successful companies.

2.4.3.1 Mentorship and the Tiger Cubs

The role of mentoring in career development is highlighted by Baugh & Sullivan (2005). Robertson focused on hiring top talent, individuals who were competitive, intelligent and highly ethical. In particular, Robertson appreciated well-rounded people who performed well in extracurricular and academic settings. He sought those who flourished in competitive settings outside of the classroom and actively recruited competitive individuals rather than just the academically gifted (Strachman, 2004).

Robertson instilled a bottom-up approach to stock selection, which served as the cornerstone of Tiger's investment process. He stressed the importance of in-depth research on investment opportunities, pushing his team to go beyond traditional methods of gathering data. (Strachman, 2004). This dedication to deep dive analysis became a defining characteristic of Tiger Cub investment strategies. The Cubs include Chase Coleman of Tiger Global, Ole Andreas Halvorsen of Viking Global, John Griffin of Blue Ridge Capital, Lee Ainslee of Maverick Capital, Philippe Laffont of Coatue, and Stephen Mandel of Lone Pine Capital, etc., all who have billions under management. In addition, to the roster of former employee Tiger Cubs, there are hedge funds that Robertson invested in at inception known as “Tiger Seeds.”

Robertson introduced a more structured approach to talent acquisition, developed in partnership with Dr. Aaron Stern, a psychoanalyst instrumental in shaping recruitment at Tiger. Stern conducted comprehensive psychological assessments. Preferred personality traits were: functional intelligence, ethical integrity, athleticism, a passion for charity, a good sense of humor, and a strong professional background, making individuals both capable and enjoyable to work with (Strachman, 2004).

2.4.3.2 Literature on Talent Development and Performance

Competitive hiring practices, like selective hiring and performance-based pay, have a positive impact on firm performance (Huselid, 1995). Companies that used selective hiring practices had lower turnover rates and increased productivity. These findings are especially relevant to intellectual capital dependent industries like asset management, where retaining top talent is crucial (Martín-de-Castro et al., 2011).

High-performance work systems (HPWS), with incentive-based compensation, improves employee motivation and overall firm performance (Takeuchi et al., 2009). Businesses that match pay to long-term organizational objectives are better able to inspire workers and foster a dedication to company success. Robertson established a pay plan that linked earnings to output in a meritocratic work environment focused on superior returns (Strachman, 2004).

Groysberg et al. (2004) warn against hiring top talent from outside. Their analysis of “star” performers in the financial sector reveals that although external stars may appear attractive, performance frequently declines when they join a new company. These individuals often

depend on proprietary networks and resources, which are difficult to transfer. Tiger, on the other hand, focused on developing internal talent, increasing the probability of employee success (Strachman, 2004). Cappelli (2008) points out that effective talent management is essential for companies operating in a dynamic, competitive environment. Aguinis et al. (2012) emphasize performance management for retaining top talent. Professional development, combined with challenging and meaningful work, help retain high performers.

2.4.4 Black Swan Events

The 1998 Russian debt crisis was a pivotal moment for Tiger. Robertson had invested heavily in US government bonds while simultaneously shorting the Japanese yen, but Russia defaulting caused unexpected market shifts with significant losses for Tiger. By 1999, Tiger's AUM had fallen from \$22 billion to \$6 billion as continued losses undermined investor confidence. So-called “black swan events”, as coined by Taleb (2007), are challenging to predict or mitigate due to their outlier properties (Siegel, 2010). They are best understood as “fat tails” within the probability distribution, where the probability of extreme events is greater than assumed in conventional models, such as Black-Scholes. Sensing a shift in market dynamics, Robertson decided in 2000 to return investor capital and close the fund, acknowledging that his strategy was inconsistent with the speculative bubble of the time (Strachman, 2004).

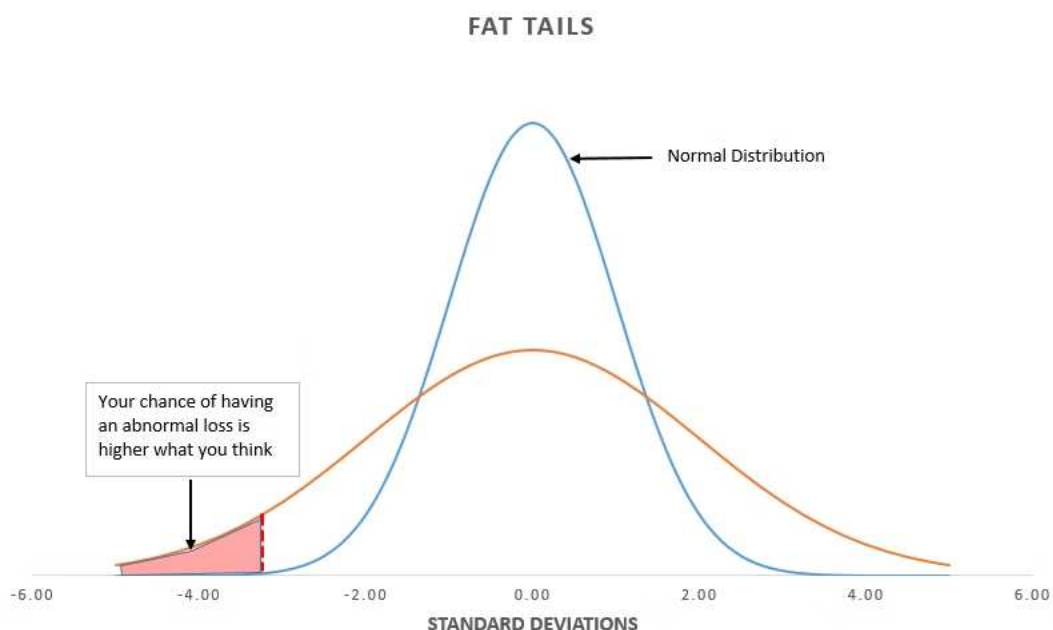


Figure 5: Illustration of the fat tails concept (by Eng Guan, 2021)

2.4.5 Innovation and Adaptability in Strategy

In the highly volatile world of asset management, innovation and adaptability are important for long-term success. Christensen (1997) famously discussed disruptive innovation as the way for firms to remain competitive. In addition to product innovation, research emphasizes the importance of business model innovation for the resilience of companies. Tuominen et al. (2004) emphasize that adaptability facilitates the ability to innovate, especially in dynamic environments.

2.4.6 Distinct Skills for Hedge Fund Managers

While skills like risk management, intelligence, and adaptability are recognized in general management theory, running a successful hedge fund is subject to specific skills. Their proficiency with event-driven strategies, like risk arbitrage, which allows them to avoid losses on bad trades, is a significant distinction from traditional asset management (Cao et al., 2016). In addition, their significant personal investment in the funds closely links incentives to investor outcomes and encourages a discretionary management style, as opposed to the team-based approach of traditional asset management (Li et al., 2011). Finally, a more aggressive pursuit of absolute returns than is typical in traditional asset management is made possible by regulatory flexibility, which allows hedge fund managers to use concentrated positions, derivatives, and other sophisticated tools to engage in selective opportunism (Li et al., 2011).

2.5 Factors Contributing to Tiger's Success

Based on the foregoing survey of the literature, we propose the following set of first order factors which are key variables associated with Tiger's differentiated success and superior performance. First and foremost is **visionary and decisive leadership** that sets the strategic direction and promotes a culture of excellence within the company. This is complemented by a **competitive culture** that emphasizes performance, accountability and continuous improvement to attract top talent and achieve outstanding results. The focus on **thorough research and analysis** ensures that investment decisions are sound and lead to excellent performance. Effective **talent incubation and development**, highlighted by the mentorship of the "Tiger Cubs", extends the company's influence and ensures the continuation of successful investment philosophies. A **disciplined approach to risk management**, which includes thorough research

and calculated risk-taking, enables hedge funds to manage market volatility and deliver consistent performance. **Pioneering investment philosophies** such as the long/short equity strategy differentiate the companies from their peers and are essential to achieving consistent alpha. In addition, **adaptability and innovation**, supported by a firm's dynamic capabilities allow hedge funds to adjust their strategies to changing market conditions and maintain a competitive advantage. Finally, **competitive hiring practices and performance-based compensation** align incentives to attract and retain high performers. Taken together, these factors form the strategic decisions and leadership that enable hedge funds like Tiger Management to achieve exceptional success and influence the evolution of the industry.

3. Methodology

The following chapter illustrates the applied research methodology including research design and systemized processes for data acquisition and evaluation.

3.1 Research Design

A structured research approach was used to investigate the influence of Julian Robertson on the management of hedge funds (see Figure 5). Primary and secondary data were collected in a two-stage process. The first step was to gain fundamental insights through an extensive literature review and expert interviews, focusing on Tiger Management's pioneering strategies and leadership methods. This phase helped to identify critical success factors and mentoring practices that differentiate Robertson's approach from others in the industry. The second step was to validate and extend these findings through an industry-wide survey of hedge fund and asset management professionals. The survey captured views on the hedge fund industry as a whole and about Robertson's continued influence and relevance to today's hedge fund management practices.

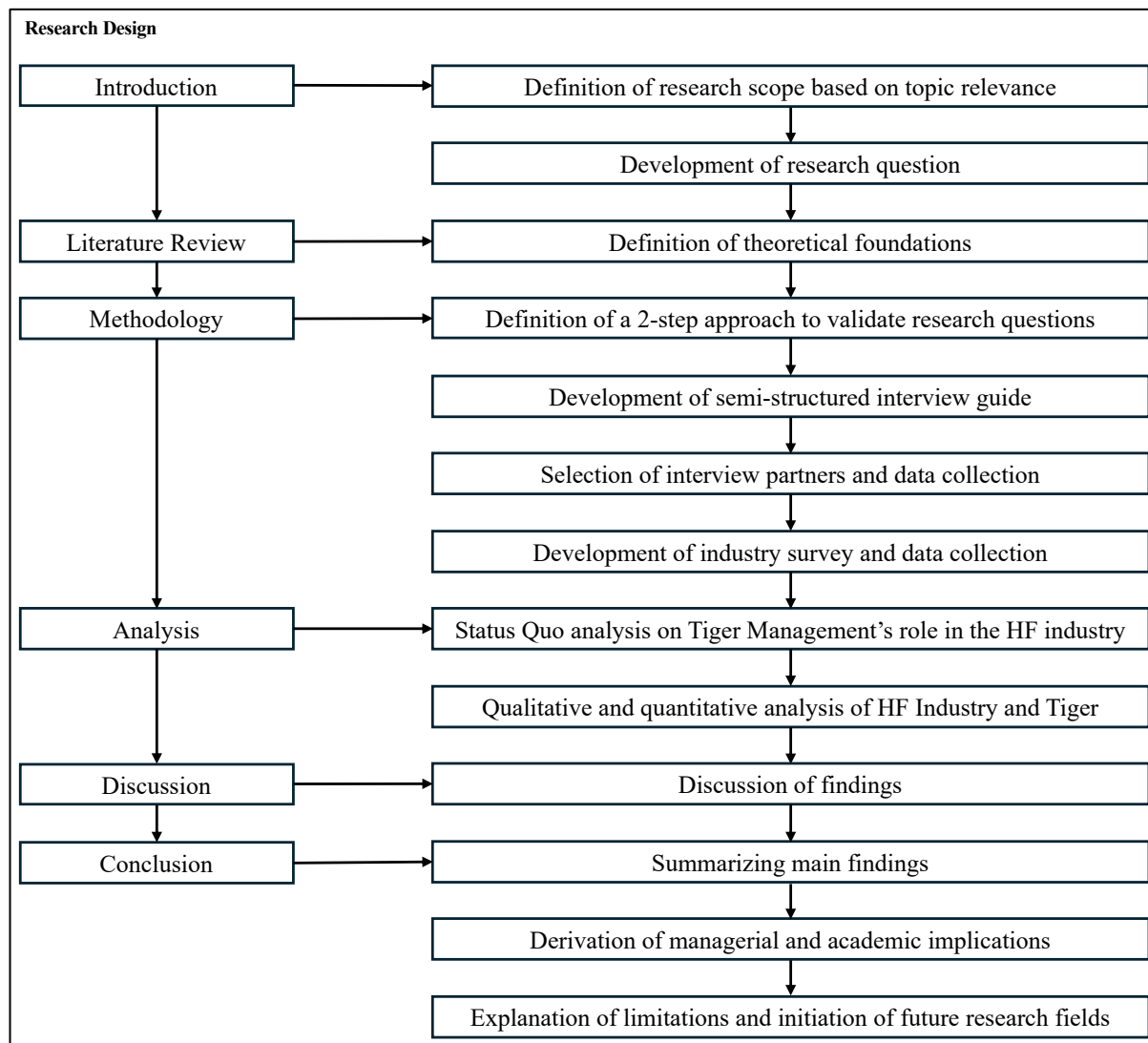


Figure 6: Illustration of Research Design

3.1.1 Case Study Approach

According to Yin (2009), the case study method is especially well-suited for investigating phenomena in their actual settings. This study employed an instrumental case study, in which the case of Tiger Management was chosen to offer insights that might be applicable to different contexts in addition to providing a thorough understanding of that case (Baxter & Jack, 2008).

3.1.2 Triangulation

To increase the validity of the results, methodological triangulation was used in this study, combining multiple data sources (interviews, and surveys) to validate the information (Denzin, 1979). This approach minimizes the limitations associated with single data sources and provides

a more robust understanding of the research problem (Cachia & Millward, 2011). In addition, triangulation helps to eliminate biases that can result from relying on a single data source, as Guest et al. (2006) recommend.

Given the diverse participant group (portfolio managers, analysts, investors, and academics) and practical limitations regarding standardized objective performance metrics, this research employs a self-reported measure for hedge fund success. Participants rated their agreement with the statement: "Overall, my firm (or firms I've observed) is successful in generating long-term performance." This perception-based measure enables quantitative testing of qualitative findings obtained from expert interviews by directly aligning survey questions with identified themes (leadership, culture, risk management, etc.).

3.2 Data Collection

3.2.1 Primary Data – Expert Interviews

Semi-structured interviews were selected as the main technique for gathering data because of the exploratory nature of the study. Because they offer flexibility and enable a thorough examination of participants' viewpoints, semi-structured interviews are especially useful in qualitative research (Seidman, 2006). Open-ended questions were used in the interviews to encourage thorough answers and give participants the opportunity to explain their experiences in their own words (Edwards & Holland, 2013). The themes found in the literature review served as the foundation for the development of an interview protocol. In accordance with Castillo-Montoya (2016), the questions were designed to be adaptable enough to examine any unexpected revelations that might surface.

Out of the 43 industry experts contacted, 14 generously agreed to share their insights through interviews. Notably, among these participants are three Tiger Cubs, hedge fund managers who previously worked directly under Julian Robertson at Tiger Management. Securing conversations with these icons, namely: Lee Ainslie of Maverick Capital, Steve Mandel of Lone Pine Capital and Sri Wijegoonaratna, who led a hedge fund and now runs an AI company in partnership with fellow Tiger Cub Robert Citrone of Discovery Capital Management, was particularly valuable. Their perspectives offered unique insights into Robertson's profound impact on their professional philosophies, strategies, and their notable success within the hedge

fund industry. The interviews also included Jack Schwager, the famed author of the bestselling *Market Wizards* series, who has interviewed numerous investment legends such as Paul Tudor Jones, Steven Cohen, Bruce Kovner, and Stanley Druckenmiller. Schwager's broad knowledge of successful investment managers provided exceptional context and depth to this study. With these 14 significant interviews we reached data adequacy and data saturation as outlined by Guest et al. (2006).

3.2.2 Primary Data – Industry Survey

To quantitatively validate the findings derived from expert interviews and literature, a structured industry survey was conducted targeting professionals in the hedge fund and asset management sector. The survey covered participants across roles including portfolio managers, analysts, investors, and researchers, and aimed to capture competencies relevant to sustained performance in the industry. The survey questions were informed by theoretically grounded themes in the strategic management and organizational behavior literature.

The survey employed a 5-point Likert scale to assess perceptions of leadership effectiveness, cultural attributes, and strategic priorities, along with firm-level outcomes. It also examined respondents' views on future industry trends, including the adoption of AI and structural shifts like consolidation. The survey was distributed online over a professional service for academic research and was filtered for industry professionals. Furthermore, the survey was posted in finance forums where professionals and academics share their knowledge and advice. The final dataset included 103 valid responses, providing a quantitative foundation to complement the qualitative insights.

4. Analysis

The analysis is conducted in two stages. Chapter 4.1 presents findings from expert interviews exploring current perceptions of the key strategies and leadership practices within the hedge fund industry and implemented by Julian Robertson at Tiger Management. Chapter 4.2 then provides a qualitative and quantitative assessment based on survey data to assess how these factors have contributed to the robustness and performance of the hedge funds.

4.1. Qualitative Interviews

The qualitative coding process followed a hybrid approach. Six top-level categories were deductively derived from the literature review: (1) Leadership & Vision, (2) Corporate Culture, (3) Talent Development & Mentorship, (4) Risk Management, (5) Investment Strategies, and (6) Innovation & Adaptability. Sub-categories within each theme were then developed inductively through a systematic review of fourteen expert interview transcripts, in line with Mayring's (2014) methodology. Number of mentions included synonyms grouped by theme.

4.1.1 Leadership and Vision

Effective leadership was highlighted extensively by respondents as foundational to hedge fund success, significantly corroborating theoretical insights from the literature emphasizing visionary leadership and emotional discipline (Kotter, 1990b; Collins, 2001).

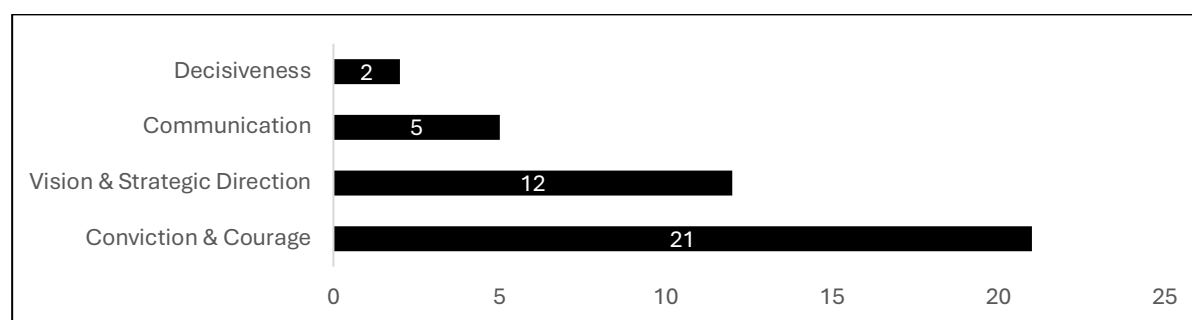


Figure 7: Identified Factors for Leadership and Vision

Conviction & Courage (21 mentions) emerged explicitly as a predominant leadership trait. Respondents frequently underscored how critical personal conviction and courage are for hedge fund managers. Expert 7 stressed that the ability to maintain strong conviction during turbulent markets is essential, cautioning that without courage, managers risk abandoning positions at the worst possible times. This emphasis on conviction reflects Julian Robertson's investment style, characterized by substantial and high-conviction bets, underpinned by thorough fundamental research, a characteristic broadly validated by the empirical findings.

Vision & Strategic Direction (12 mentions) similarly appeared as crucial, with respondents frequently mentioning the importance of a clear strategic vision to guide the firm consistently through market cycles. According to Expert 4: "I would say it's... the investment philosophy of

the firm. Someone who has a very strong view on why the opportunity exists to make money... how they're going to execute that... Without a real clear vision, I think it's very hard to do something exceptional."

Conversely, **Communication (5 mentions)** was recognized less frequently but implicitly acknowledged as a fundamental component of effective leadership. Clear communication was specifically noted as important during performance downturns to maintain investor trust and confidence. Notably, **Decisiveness** received fewer explicit mentions. However, respondents implicitly acknowledged these traits within broader discussions of conviction and courage, indicating an integrated understanding rather than distinct separation.

4.1.2 Corporate Culture

Corporate culture emerged as a cornerstone for hedge fund performance, aligning strongly with the literature's identification of competitive yet collaborative environments as optimal (Flamholtz & Randle, 2012).

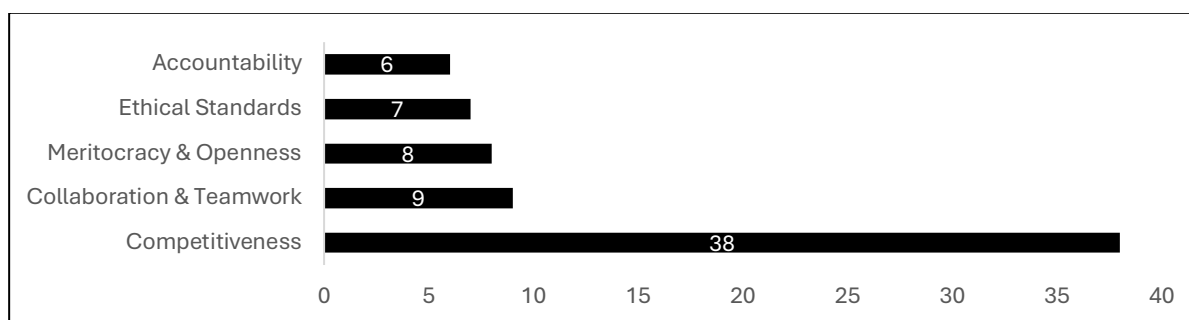


Figure 8: Identified Factors for Corporate Culture

Competitiveness (38 mentions) was by far the most emphasized cultural element. Interviewees underscored the motivating power of internal competition to drive individual performance and collective excellence. Expert 2 likened it to “a boxing ring,” where intense internal rivalry pushes individuals to perform, yet within a culture that also respects mutual resilience and professionalism. Interviewees recognized a balance: excessive internal competition risks fostering a detrimental environment that undermines collaboration and trust, potentially leading to counterproductive outcomes.

Collaboration & Teamwork (9 mentions) was identified as a crucial moderating force. According to interviewees, collaboration enhances knowledge-sharing and idea development, preventing detrimental groupthink and excessively individualistic behavior. Respondents frequently referenced Julian Robertson’s successful integration of competitive and collaborative practices as a benchmark.

Meritocratic Dialogue & Openness (8 mentions) emerged as a frequent topic. Although the word "meritocracy" was seldom used directly, the underlying concept was frequently described. Interviewees consistently emphasized that hedge funds must operate as intellectual meritocracies where investment ideas can be challenged by anyone. Expert 3 mentioned: “From the junior person to the senior person, everybody has a place at the table to say anything they want about what we’re talking about.” Others referenced a culture of humility modeled from the top, just like in the case of Tiger Management: “Julian would walk out to greet every visitor personally, whether it was a prime minister or a new hire.” This subcategory aligns with literature on psychological safety and voice behavior (Edmondson, 1999), emphasizing that organizations perform best when members feel safe to speak up and when leadership listens actively, regardless of organizational rank.

Less frequently but notably, **Ethical Standards (7 mentions)** and **Accountability (6 mentions)** emerged as vital secondary cultural components. Their lower frequency likely reflects their implicit acceptance as fundamental norms rather than points of frequent explicit discussion.

4.1.3 Talent Development & Mentorship

Interviewees confirmed explicitly the literature’s assertion that rigorous talent development significantly contributes to hedge fund sustainability and performance excellence.

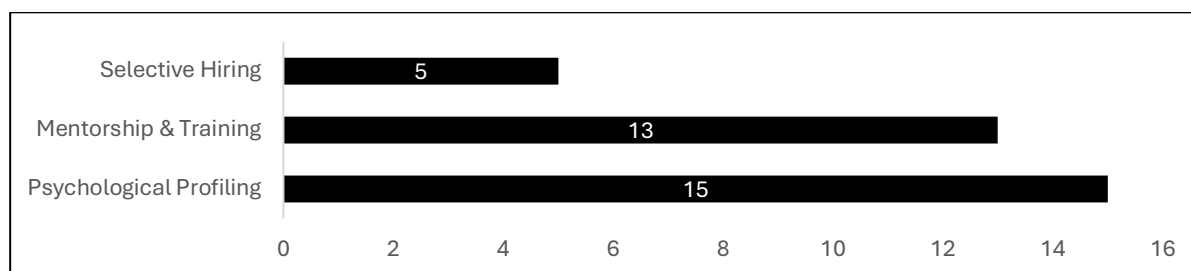


Figure 9: Identified Factors for Talent & Mentorship

Psychological Profiling (15 mentions), notably pioneered by Julian Robertson, received explicit recognition. Respondents highlighted its innovative contribution to talent selection. Several interviewees emphasized the innovative role of psychological profiling at Tiger, noting that Julian Robertson’s system, developed with a professional psychologist, significantly improved talent selection by identifying the deeper psychological attributes linked to long-term success. The structured and systematic use of psychological assessment distinguishes Robertson’s approach, aligning with theoretical insights on strategic human resource management (Collins & Clark, 2003).

Similarly, **Mentorship & Training (13 mentions)** was recognized as instrumental, with structured mentoring programs consistently identified as critical for sustained hedge fund success. Respondents noted that mentorship facilitates continuous learning and enhances knowledge transfer, sustaining long-term organizational expertise.

Less frequently mentioned explicitly but implicitly fundamental, **Selective Hiring (5 mentions)** reflects the critical role of rigorous hiring standards as foundational for ongoing talent excellence, although it is common knowledge that only the brightest talent is hired in top hedge fund firms.

4.1.4 Risk Management

Consistent with theoretical expectations (Hull, 2012), risk management emerged as one of the core success factors with some industry experts even ranking it as the most important.

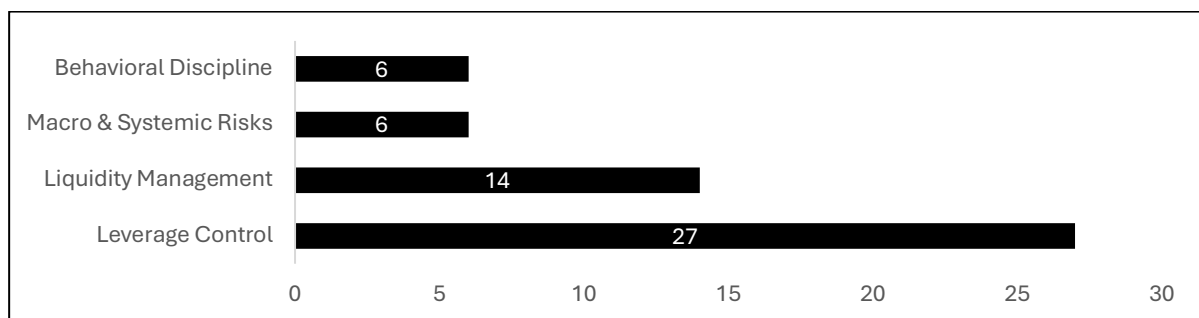


Figure 10: Identified Factors for Risk Management

Leverage Control (27 mentions) was identified by the vast majority of respondents as the most critical component of effective risk management. Respondents emphasized stringent leverage constraints as necessary for avoiding catastrophic financial outcomes that historically have precipitated hedge fund collapses, as in the case of Archegos Capital Management of Tiger Cub Bill Hwang. The explicit recognition of leverage control aligns closely with risk management theory emphasizing prudent use of leverage to balance risk exposure with return potential.

Liquidity Management (14 mentions) similarly emerged as a pivotal strategic imperative for managing hedge fund risks. Respondents frequently highlighted liquidity management as especially critical during times of market turmoil or financial crises, wherein the ability to rapidly liquidate positions without incurring severe losses becomes essential.

While **Macro & Systemic Risks (6 mentions)** received fewer mentions, their significance remained evident through respondent commentary, acknowledging the inherently unpredictable nature of macroeconomic and systemic threats. Respondents explicitly recognized these risks as challenging but critical to manage through diversified portfolios, continuous monitoring of global economic indicators, and strategic hedging practices.

Finally, **Behavioral Discipline (6 mentions)** emerged as a crucial, albeit less frequently mentioned, component of effective risk management. This subcategory aligns with behavioral finance literature that stresses the importance of maintaining emotional discipline, particularly during significant market volatility (Kahneman & Tversky, 1979), who show that emotional bias impairs decision-making under risk. One interviewee explicitly noted: "People who are highly emotional will not be good traders... A good trader has to be stoic."

4.1.5 Investment Strategies

Investment strategies constitute the critical foundation upon which hedge fund performance and market differentiation are built. Throughout the interviews, the explicit emphasis was clearly placed on traditional methods, particularly fundamental analysis.

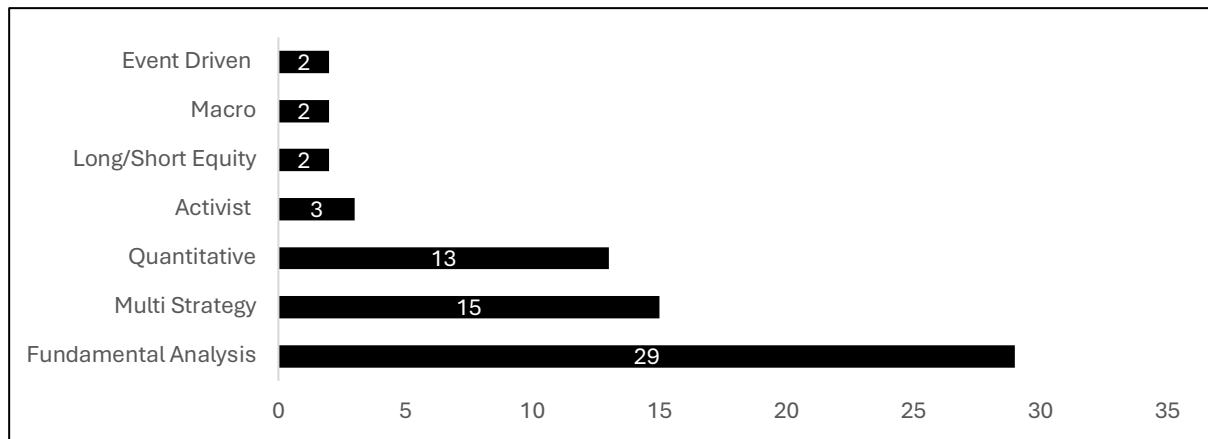


Figure 11: Identified Factors for Investment Strategies

The prominence of **fundamental analysis** among respondents (**29 mentions**) reflects an enduring commitment to the detailed, bottom-up examination of companies, markets, and economic factors. This finding aligns strongly with Tiger Management’s historically successful approach, highlighting the enduring value attributed by industry professionals to rigorous company-level research. Respondents consistently expressed confidence in fundamental analysis as a continuously relevant and critical success factor in modern hedge fund operations.

Nevertheless, explicit recognition of **Quantitative approaches (13 mentions)** suggests an evolving narrative. Although fewer in frequency compared to fundamental analysis, these methodologies increasingly represent important strategic complements rather than replacements. Interviewees expressed cautious optimism about integrating quantitative analytics and artificial intelligence techniques into their investment processes. Several experts pointed to significant performance improvements when traditional fundamental approaches are enhanced by quantitative tools.

Furthermore, additional explicit mentions of strategies such as **Multi-Strategy (15 mentions)**, **Activist Investment (3 mentions)**, and **Event-Driven strategies (2 mentions)** add valuable dimensions to understanding contemporary strategic preferences. Multi-strategy, notably prominent in recent years, was discussed as a compelling approach, combining various uncorrelated investment strategies to enhance diversification and risk-adjusted returns. Expert 4 explicitly observed: "I would say definitely, in recent memory, that’s been like the main type of strategy that’s produced that return profile... respectable returns, but keeping the volatility low." Activist investment, although less frequently mentioned, was nonetheless recognized as a potent strategy for influencing corporate governance and driving value creation. Event-driven

approaches, focusing on exploiting specific corporate events such as mergers and acquisitions, restructurings, or regulatory changes, were also acknowledged, if just briefly.

Interestingly, classical hedge fund approaches such as **Long-Short Equity (2 mentions)** and **Macro Strategy (2 mentions)** received limited recognition during discussions, possibly indicating their implicit acceptance as baseline strategies rather than explicit areas of contemporary strategic debate. One prominent interviewee stated: “And as long as humans are running the companies, understanding humans is gonna be really important, and that will probably be the hardest thing for computers to ever do.”

4.1.6 Innovation & Adaptability

In the rapidly evolving hedge fund landscape, innovation and strategic adaptability emerged as critical determinants of competitive advantage and long-term sustainability. Interviewees emphasized the importance of a hedge fund’s capacity to continuously evolve and adapt to shifting market dynamics, regulatory landscapes, and technological advancements.

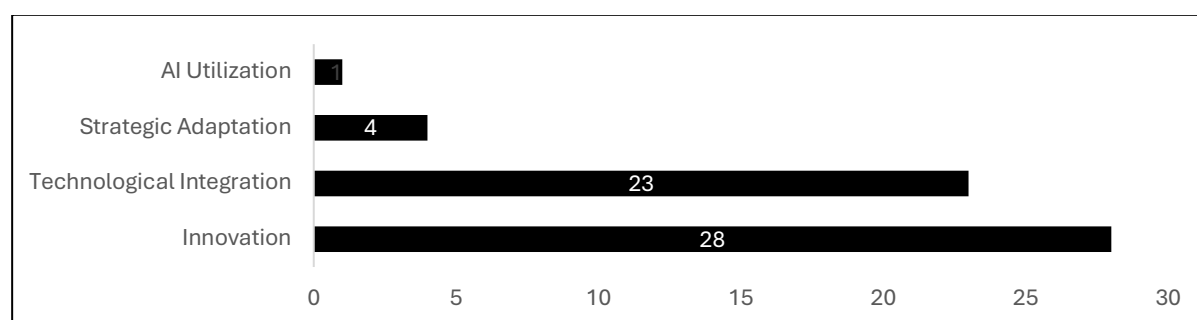


Figure 12: Identified Factors for Innovation & Adaptivity

Innovation (28 mentions), was consistently positioned as essential rather than optional. Respondents pointed clearly to ongoing pressure to continuously develop new investment strategies, organizational processes, and technological tools that keep pace with or outperform competitors. Expert 6 strongly articulated this competitive reality: “You have to stay on top of the game and look out for new developments that you can use to create an edge.”

Technological Integration (23 mentions) emerged as a central driver of innovation. Hedge fund professionals expressed recognition of technology’s role in augmenting investment decisions, reducing operational risks, and enhancing responsiveness to market opportunities.

The explicit acknowledgment of technological integration resonates strongly with theoretical frameworks emphasizing dynamic capabilities, organizations' abilities to integrate, build, and reconfigure internal and external competencies to address rapidly changing environments (Teece, Pisano & Shuen, 1997; Barreto, 2009).

Conversely, **Strategic Adaptation (4 mentions)** and explicit **AI Utilization (1 mention)** received considerably fewer mentions. The modest explicit reference to strategic adaptation might reflect implicit assumptions among respondents that adaptability inherently accompanies innovation and technological adoption, and thus needs less explicit reiteration. Regarding AI utilization specifically, the limited explicit mentions could indicate cautious optimism or early-stage integration rather than widespread deployment across all investment processes. Respondents implicitly acknowledged that while the strategic promise of AI is significant, practical implementation remains nuanced.

4.2. Quantitative Surveys

This section presents the results of the quantitative component of the study, based on survey responses from professionals across the hedge fund and asset management industry.

4.2.1 Descriptive Statistics

Sample Characteristics

A total of 103 valid responses were analyzed after data cleaning. The professional roles of respondents were distributed as follows: 42 Analysts, 19 Investors, 17 Portfolio Managers, 15 Academics/Researchers, and 10 categorized as "Other.", such as Financial Management Consultants or Hedge Fund Advisors. Regarding experience in the hedge fund or asset management industry, nearly half the sample ($n = 49$) reported having less than 5 years of experience, followed by 22 with 5-10 years, 18 with 10-20 years, and 14 with over 20 years of experience. These figures highlight a relatively young professional population, although all major career stages were represented.

Firm Performance Distribution

Respondents were asked to assess their firm's overall performance on a 5-point Likert scale. Most participants rated performance as high, with the largest share assigning a score of 4 ($n =$

61), followed by 5 ($n = 22$). Only 16 rated performance as 3, and just one response recorded a 2. Three responses were missing. The mean firm performance rating was 4.04 ($SD = 0.65$), indicating a general tendency toward optimism in evaluating firm performance.

Importance of Success Factors

Respondents were asked to rate the importance of several organizational and strategic factors in contributing to hedge fund success, using a five-point Likert scale ranging from 1 ("Not important at all") to 5 ("Extremely important"). The analysis reveals that risk management was rated as the most important success factor overall, with a mean of 4.37 and a relatively low standard deviation of 0.75, indicating high agreement among participants. This suggests that robust risk frameworks are universally recognized as essential in the hedge fund industry. Strategic clarity followed closely, with a mean importance score of 4.30 and a standard deviation of 0.71, reinforcing the importance of having a coherent and well-defined investment strategy. Adaptability was also considered important ($M = 4.21$, $SD = 0.76$), likely reflecting the volatile and fast-changing nature of financial markets, where the ability to pivot effectively can be a competitive advantage. Corporate culture ($M = 4.15$, $SD = 0.80$) and talent-related factors ($M = 4.10$, $SD = 0.85$) were likewise rated highly, highlighting the perceived relevance of internal organizational dynamics and human capital. Leadership was rated slightly lower ($M = 4.09$, $SD = 0.74$), which may suggest that leadership is viewed as embedded within or contributing to other factors such as culture and strategy rather than as a standalone driver. Interestingly, technology received the lowest average importance rating ($M = 3.96$, $SD = 0.90$), suggesting a more nuanced or potentially polarized view on its role. While technological innovation is increasingly influential in certain hedge fund models (e.g., quant funds), it may be seen as less central in more discretionary or fundamental strategies.

Correlation among Success Factors

To assess potential multicollinearity and conceptual overlap among the success factors, a correlation matrix was computed. As expected, several moderate to strong correlations were found between conceptually related variables. For instance, leadership importance was positively correlated with both risk management ($r = 0.47$) and talent ($r = 0.38$), suggesting that effective leadership is often associated with sound operational and human resource practices. The strongest correlation was observed between risk management and strategy importance ($r = 0.54$), indicating that respondents who valued one tended to highly value the other. This is consistent with the view that strategic clarity and risk discipline are complementary in driving

sustainable fund performance. Other notable correlations included strategy and adaptability ($r = 0.42$), and talent with both culture ($r = 0.39$) and adaptability ($r = 0.41$), pointing to a degree of interdependence between the human and cultural dimensions of hedge fund operations. Importantly, no pair of variables showed correlations high enough (i.e., above 0.70) to raise serious concerns about multicollinearity, which supports the appropriateness of including them together in subsequent regression models.

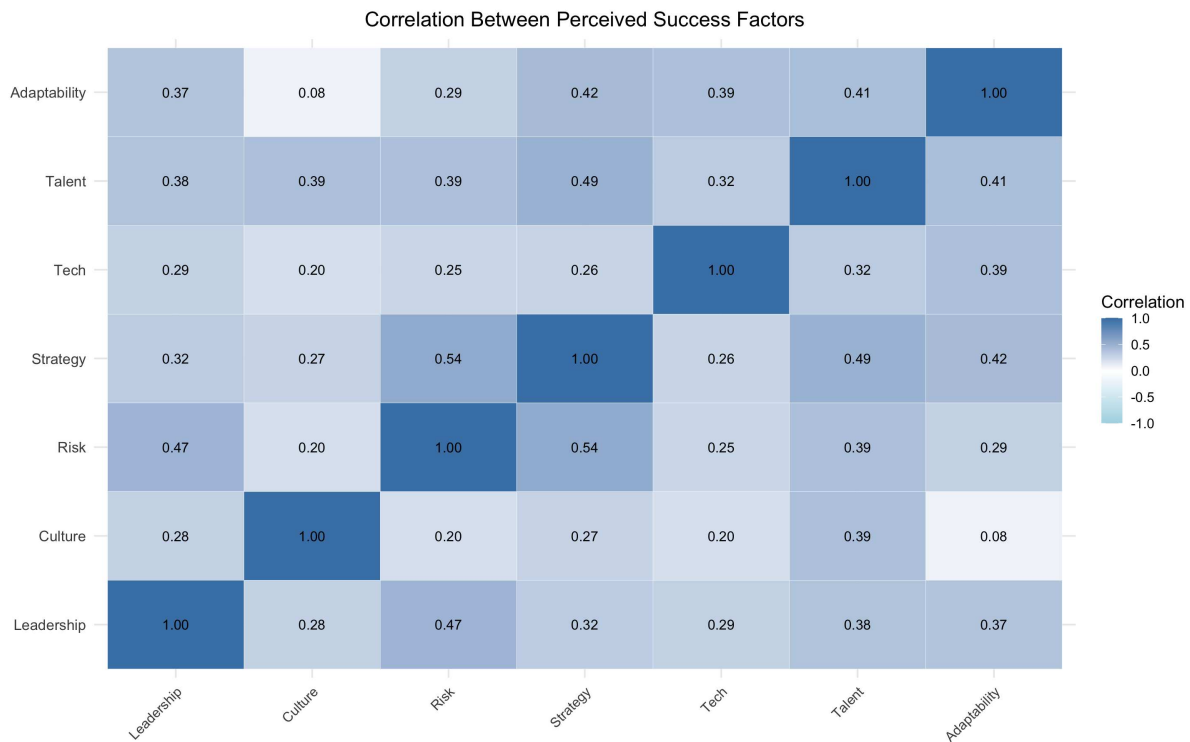


Figure 13: Correlation Matrix Heatmap

4.2.2 Data Reliability

To assess the reliability of the survey scales, Cronbach's alpha was used as a measure of internal consistency. Cronbach's alpha (α), introduced by Cronbach (1951), evaluates how closely related a set of items are as a group, providing an estimate of the scale's reliability. Values above 0.70 are generally considered acceptable in social science research, with higher values indicating stronger internal coherence among items (Nunnally & Bernstein, 1994). This method is widely applied in organizational and psychological research to validate the consistency of Likert-type multi-item constructs (Tavakol & Dennick, 2011).

Reliability of Leadership Traits Scale

To assess the internal consistency of the leadership traits block, which included items such as *Decisiveness*, *Resilience*, *Humility*, *Curiosity*, *Integrity*, *Collaboration*, and *Communication*, Cronbach's Alpha was calculated. The analysis yielded an alpha value of $\alpha = 0.84$, indicating good internal reliability. Item-level diagnostics showed that none of the variables, if removed, would meaningfully increase the reliability, suggesting that each item contributes meaningfully to the overall construct. The standard deviations ranged from 0.70 to 1.04, indicating a healthy distribution of responses. These results suggest that the leadership traits scale is internally consistent and appropriate for constructing a composite score for further regression analysis.

Reliability of Culture Environment Scale

The internal reliability of the culture-related items was evaluated next. This block included *Transparency*, *Meritocracy*, *Collaboration Environment*, *Openness*, *Performance Pressure*, *Incentives Clarity*, and *Intellectual Rigor*. The resulting Cronbach's Alpha was $\alpha = 0.79$, which is within the acceptable range for social science research. Several items, particularly *Openness* and *Collaboration Environment*, contributed slightly less to the internal coherence, as indicated by a marginal increase in alpha if these were dropped. Nevertheless, the scale was retained in its entirety due to its conceptual completeness. The mean item ratings were generally around 4, suggesting moderate to strong agreement with cultural effectiveness across respondents.

Reliability of Talent Development Practices Scale

Finally, reliability was assessed for the talent development block, including *Psychological Profiling*, *Mentorship*, *Performance Incentives*, *Training*, and *Autonomy*. The resulting Cronbach's Alpha was $\alpha = 0.65$, which falls into the questionable range. This may be due to the more heterogeneous nature of the items or a broader variation in how different firms implement talent development practices. Individual items such as *Psychological Profiling* and *Autonomy* showed lower corrected item-total correlations, indicating a weaker contribution to the overall construct. Although the reliability does not meet the conventional threshold of 0.7, the scale still provides valuable insights and will be retained for exploratory analysis in subsequent stages, with appropriate caveats in interpretation.

4.2.3 Ordinal Regression Results

To examine the relationship between organizational priorities and perceived firm performance, an ordinal logistic regression was conducted using the original individual-level predictors. The dependent variable, *Firm Performance*, was measured on a 5-point Likert scale and treated as an ordinal outcome. Predictor variables included the perceived importance of Leadership, Culture, Risk, Strategy, Technology, Talent, and Adaptability. Ordinal regression was chosen because the outcome variable is ordered but not continuous, making it inappropriate for linear regression and better suited to models that respect the ordinal nature of the scale. (Carifio & Perla, 2008)

Model Fit and Overview

The model was estimated using the `polr()` function from the MASS package in R. The residual deviance of the model was 158.99, which provides a measure of unexplained variation; lower values generally indicate a better fit. The null deviance of the intercept-only model was 194.78. A likelihood ratio test comparing the full model to the null model confirmed that adding the predictors significantly improved model fit ($\chi^2 = 35.79$, $df = 7$, $p < 0.001$). The Akaike Information Criterion (AIC) was 178.99. AIC balances model fit with complexity, and in model comparisons, lower AIC values indicate a better-fitting model. In this case, the AIC suggests a reasonably good fit given the number of predictors. Four observations were excluded due to missing data. McFadden's pseudo R-squared (0.18) indicates a moderate model fit.

Predictor	Coefficient	Std. Error	t-value	p-value	Odds Ratio	95% CI
Leadership Importance	0.70	0.37	1.92	0.0547	2.02	[0.99, 4.21]
Culture Importance	0.72	0.33	2.22	0.0263	2.06	[1.10, 3.96]
Risk Importance	-0.03	0.38	-0.07	0.9414	0.97	[0.46, 2.05]
Strategy Importance	0.61	0.43	1.42	0.1564	1.85	[0.80, 4.41]
Technology Importance	-0.38	0.27	-1.41	0.1572	0.68	[0.40, 1.15]
Talent Importance	0.44	0.33	1.33	0.1847	1.55	[0.82, 3.00]
Adaptility Importance	0.44	0.35	1.26	0.2093	1.56	[1.78, 3.15]

Table 1: Model Fit and Overview

Interpretation of Results

Among the seven predictors, Culture Importance emerged as a statistically significant variable ($p = 0.026$), indicating that higher perceived importance of organizational culture was positively associated with perceived firm performance. In ordinal logistic regression, each coefficient represents the change in the log odds of being in a higher category of the dependent variable (Firm Performance) for a one-unit increase in the predictor. For example, a coefficient of 0.72 for Culture Importance translated into an increase in the log odds of higher performance ratings, which can be exponentiated to an odds ratio ($\exp(0.72) \approx 2.06$). In other words, higher perceived importance of culture was strongly associated with higher performance outcomes.

The odds ratio of 2.06 suggested that for every one-point increase in the importance of culture, the odds of reporting a higher performance rating increased by approximately 106%. Leadership Importance approached statistical significance ($p = 0.054$), with an odds ratio of 2.02. Although just above the conventional threshold, this suggested a strong trend: respondents who rated leadership as more important were more likely to also perceive higher firm performance. Other variables, including Risk, Strategy, Technology, Talent, and Adaptability, did not show statistically significant effects in this model. This may imply that while these dimensions were valued, their perceived impact on performance was either more diffuse or mediated by other factors.

Thresholds

The model also estimated three intercepts corresponding to the cut-points between the ordered response categories (performance ratings 2–5). These thresholds help define the cumulative logits used in the model but are not typically interpreted substantively.

4.2.4 Subcomponents Priorities with Constructs

While the ordinal regression identified which broader organizational constructs were associated with perceived firm performance, further insight could be gained by examining the specific subcomponents respondents evaluated within each domain. The following descriptive analysis summarizes the average importance ratings for each item, allowing us to understand which aspects of each construct were perceived as most critical in practice.

Leadership Traits

The leadership block consisted of seven traits reflecting personal and interpersonal competencies. Respondents rated Emotional resilience ($M = 4.14$, $SD = 0.92$) and Decisiveness ($M = 4.11$, $SD = 0.70$) as the most important leadership characteristics. These were closely followed by Collaboration ($M = 4.07$) and Communication ($M = 4.00$). Interestingly, traits like Integrity and Curiosity received slightly lower mean scores (3.99 and 3.97, respectively), and Humility was rated the lowest overall ($M = 3.55$, $SD = 1.04$). These results suggested that respondents prioritized leadership traits that are action-oriented and team-driven, potentially reflecting the high-stakes decision environments common in hedge fund settings.

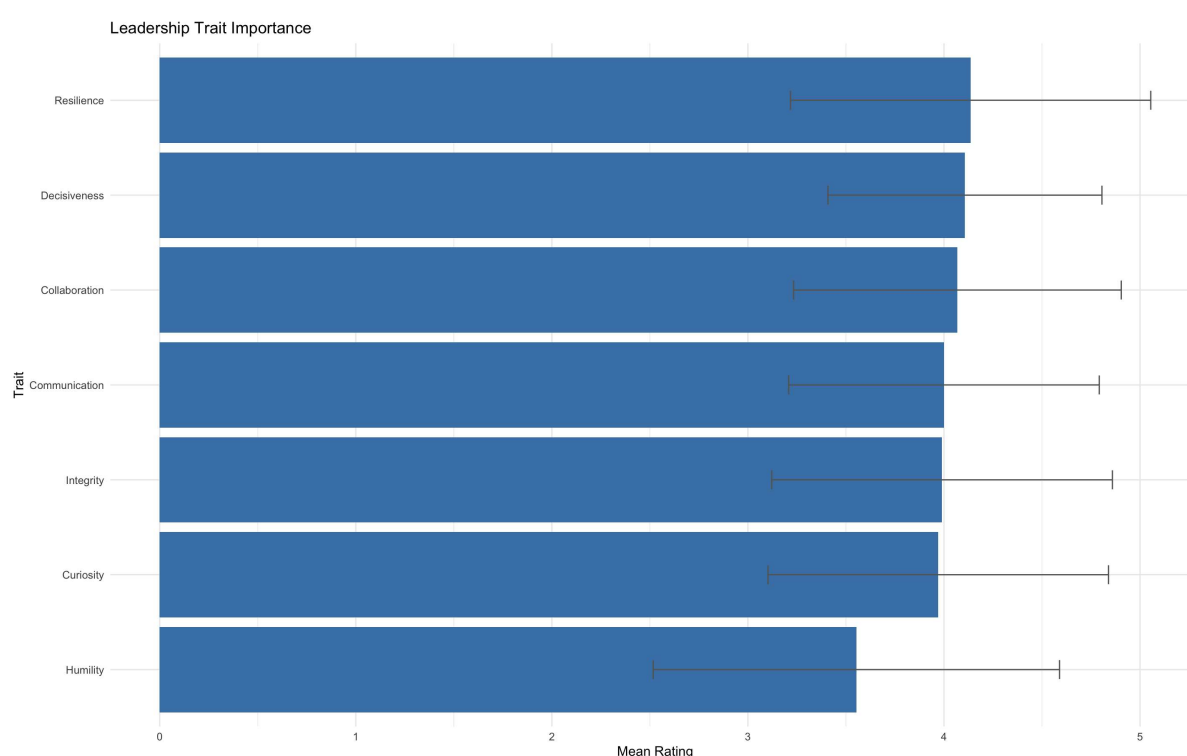


Figure 14: Leadership Trait Importance

Cultural Factors

Culture-related items focused on dimensions such as meritocracy, openness, and collaborative working environments. The highest-rated subcomponent was Collaborative Environment ($M = 4.08$, $SD = 0.74$), followed by Intellectual Rigor ($M = 4.00$) and Performance Pressure ($M = 3.97$). Dimensions such as Transparency, Clear Incentives, and Meritocracy fell in the mid-range (means between 3.87 and 3.96). Openness received the lowest rating ($M = 3.83$, $SD = 0.99$). This suggested that disciplined, intellectually engaging cultures were valued more

highly than broad openness or egalitarianism. The results reinforced the importance of structured collaboration in high-performance teams.

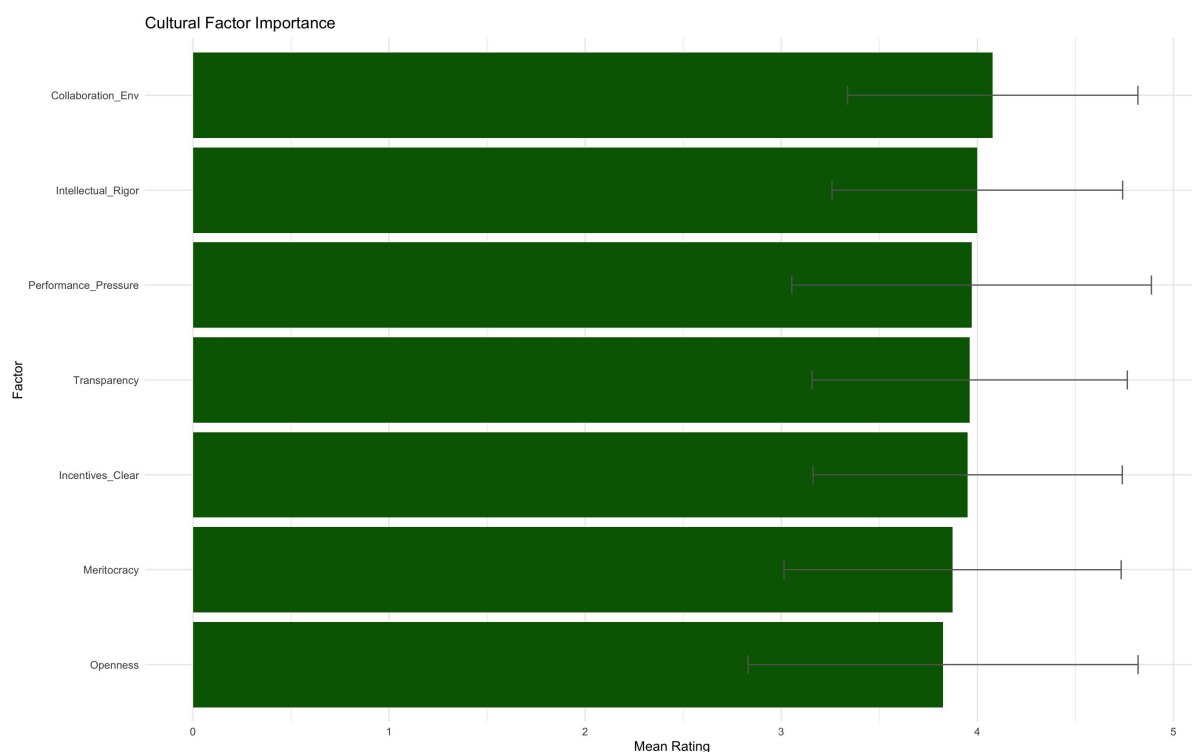


Figure 15: Cultural Factor Importance

Risk Management Practices

Within the risk management domain, Liquidity Management ($M = 4.10$, $SD = 0.68$) and Position Sizing ($M = 4.05$, $SD = 0.77$) were rated as the most important tools. By contrast, Tail Hedging and Stress Testing had the lowest mean scores (3.46 and 3.53, respectively). This indicated a clear preference for practical, portfolio-level tools over more theoretical or event-driven risk mechanisms. Notably, Systematic Limits and Early Exit strategies were ranked in the middle, suggesting that while they were part of respondents' risk frameworks, they were not universally prioritized.

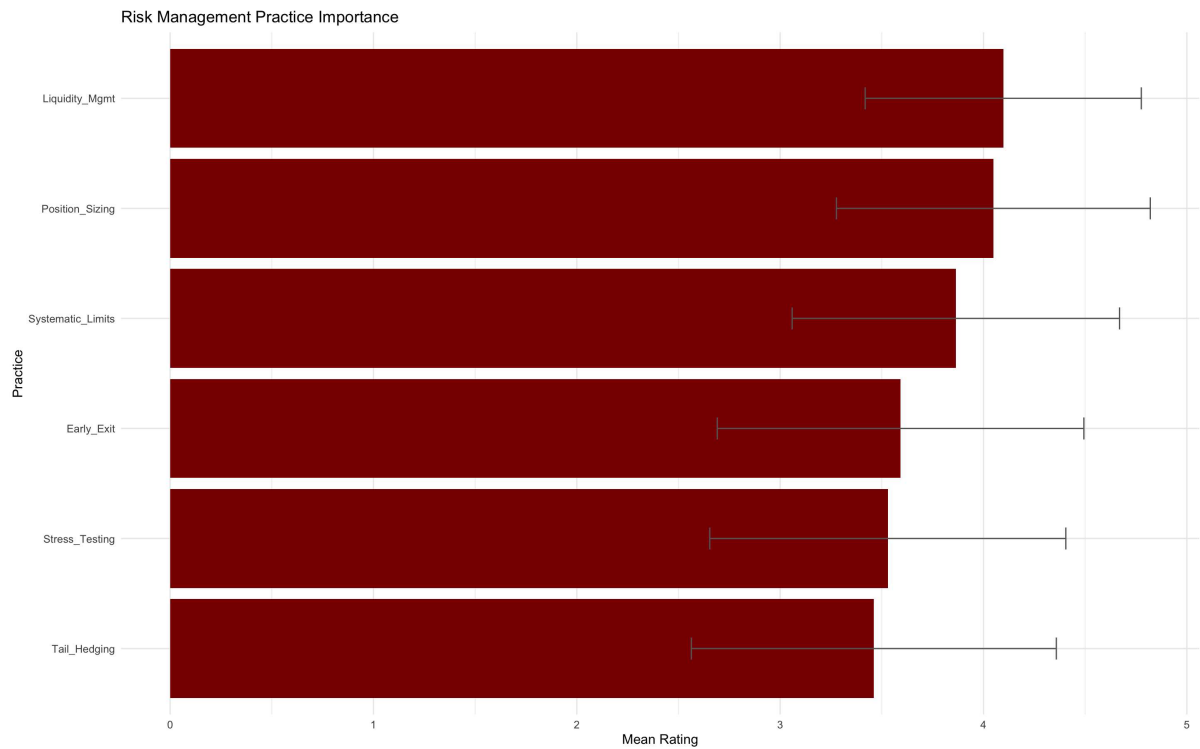


Figure 16: Risk Management Practice Importance

Talent Development

Respondents rated Performance Incentives as the most important aspect of talent development ($M = 4.14$, $SD = 0.86$), followed by Mentorship ($M = 4.01$, $SD = 0.77$) and Training ($M = 3.89$, $SD = 0.73$). Autonomy and Psychological Profiling received the lowest mean ratings (3.78 and 3.63, respectively). This suggested a strong emphasis on incentive structures and guided development, with less importance placed on personal autonomy or psychological evaluation. These results aligned with the performance-driven culture of the hedge fund industry.

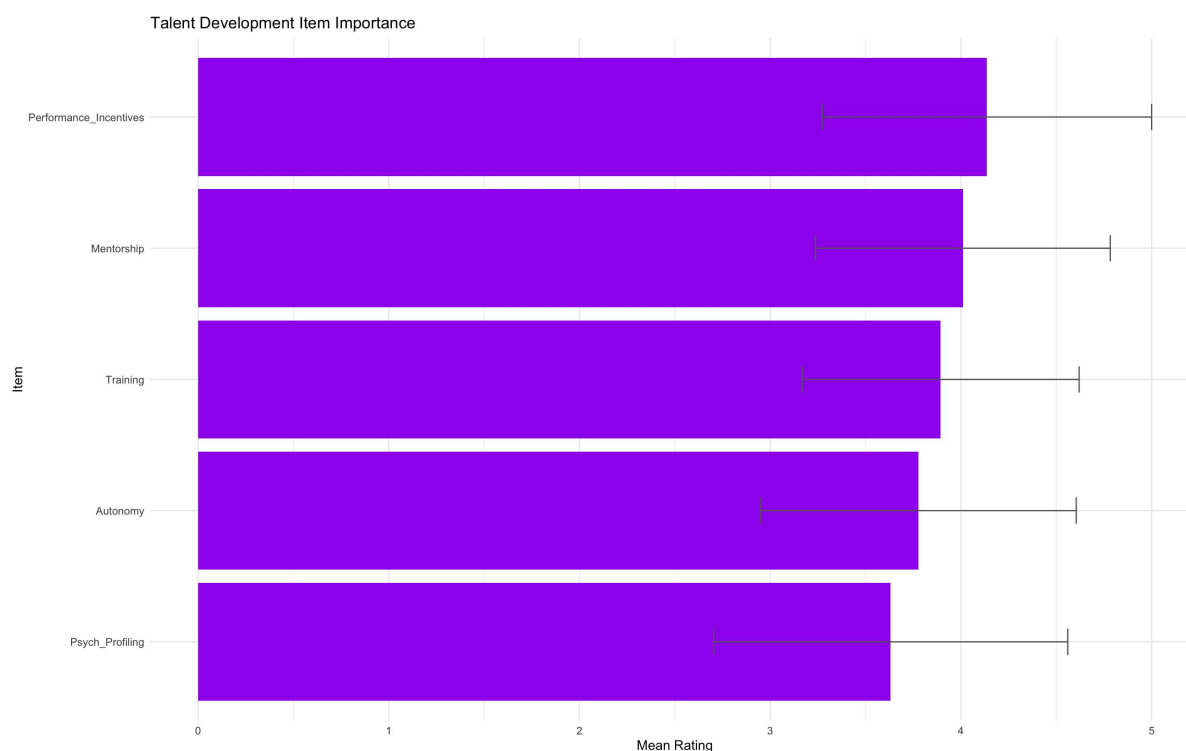


Figure 17: Talent Development Importance

4.2.5 Performance Across Hedge Fund Strategies

Assessing the consistency of hedge fund strategies is essential for both investment decision-making and career development within the industry.

Quantitative/systematic and multi-strategy funds received the highest average ratings, with means of 4.00 and 3.99, respectively. Quantitative strategies were generally viewed as highly consistent due to their reliance on algorithmic models, backtested signals, and disciplined risk management systems. These features allow for diversified, repeatable alpha generation across multiple asset classes. Similarly, multi-strategy funds benefit from structural diversification across uncorrelated investment sleeves. The ability to allocate dynamically among different strategies enables these platforms to mitigate losses in one area with gains in another, enhancing overall return stability.

Long/short equity strategies, with a mean rating of 3.89, remain a cornerstone of the hedge fund industry and were still perceived as relatively consistent. These strategies typically rely on fundamental, bottom-up analysis and benefit from decades of empirical support. While slightly

more variable than systematic approaches, they continue to be regarded as reliable, particularly when supported by effective drawdown controls and risk hedging.

Global macro strategies were rated moderately lower, with a mean of 3.69. Although capable of producing strong returns during shifting economic regimes, their dependence on accurate forecasts of macroeconomic variables such as interest rates, currencies, and commodities introduces greater return dispersion. This reduced their perceived consistency relative to other strategy types.

Event-driven and activist strategies were rated lowest in terms of consistency, with means of 3.58 and 3.53, respectively. Event-driven strategies often rely on idiosyncratic corporate events, such as mergers or restructurings, which are inherently unpredictable. Activist strategies, which involve taking influential positions in companies to drive governance or strategic change, are subject to high execution risk, regulatory challenges, and public scrutiny. These factors contributed to the widest dispersion in performance perceptions among all six strategy categories.

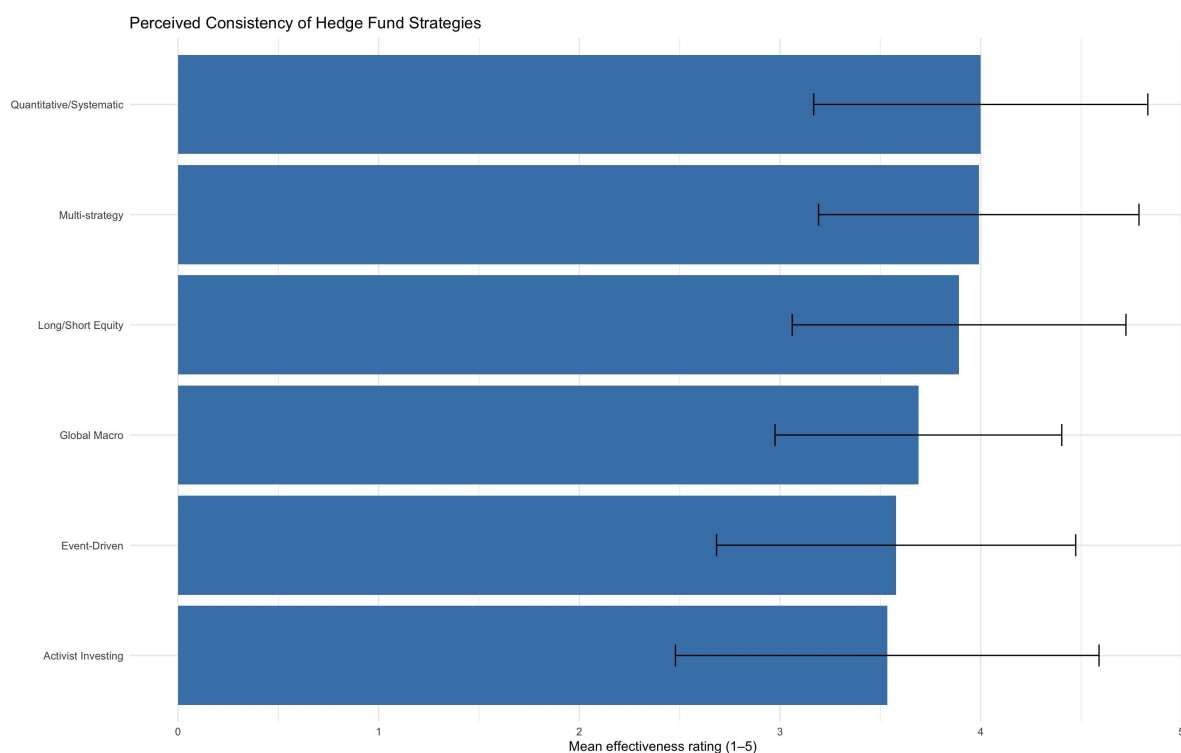


Figure 18: Performance Across Hedge Fund Strategies

4.2.6 Tiger Management Legacy

Julian Robertson's Tiger Management is widely recognized as one of the most influential hedge funds in history. To assess the current awareness and perception of Tiger Management, respondents were asked whether they were familiar with Julian Robertson and his firm. A majority, 55% ($n = 57$), confirmed awareness, indicating that Tiger remains a recognized reference point amongst the industry. Those who were familiar were further asked to characterize what they believed Tiger's legacy primarily consisted of. The overwhelming majority, 79% of these respondents ($n = 45$), selected "both equally," referencing both investment performance success and talent incubation. Only 16% cited talent development alone, and just 5% pointed solely to investment performance. This result underscored that Tiger's dual identity, as both a high-performing hedge fund and a talent incubator, remains firmly embedded in the industry's collective memory.

To assess the contemporary relevance of Tiger-era practices, respondents were asked to rate five principles historically associated with Robertson's management style: rigorous research and analysis, conviction-based investing, collaborative firm culture, integrity and humility, and psychological testing in recruitment. These items were derived from both historical documentation of Tiger Management's internal practices and prior academic literature examining hedge fund success factors. Each was rated on a 5-point Likert scale ranging from low to high relevance in today's hedge fund landscape.

The results revealed a strong endorsement of Tiger's analytical and philosophical foundations. Rigorous research and analysis received the highest average rating ($M = 4.40$, $SD = 0.75$), followed by conviction-based investing ($M = 4.21$, $SD = 0.77$) and collaborative firm culture ($M = 4.12$, $SD = 0.83$). These scores reflected continued alignment between Tiger's strategic ethos and modern hedge fund practice, especially regarding in-depth stock analysis and concentrated, high-conviction positions. Respondents also showed a moderate appreciation for integrity and humility ($M = 3.82$, $SD = 0.87$), a value system Robertson was known to emphasize but which may be perceived as less operationally tangible. The lowest rating was assigned to psychological testing in recruitment ($M = 3.75$, $SD = 0.95$), indicating more skepticism or inconsistency in its present-day application. The higher standard deviation for this item further suggested mixed views or limited exposure to such practices among respondents.

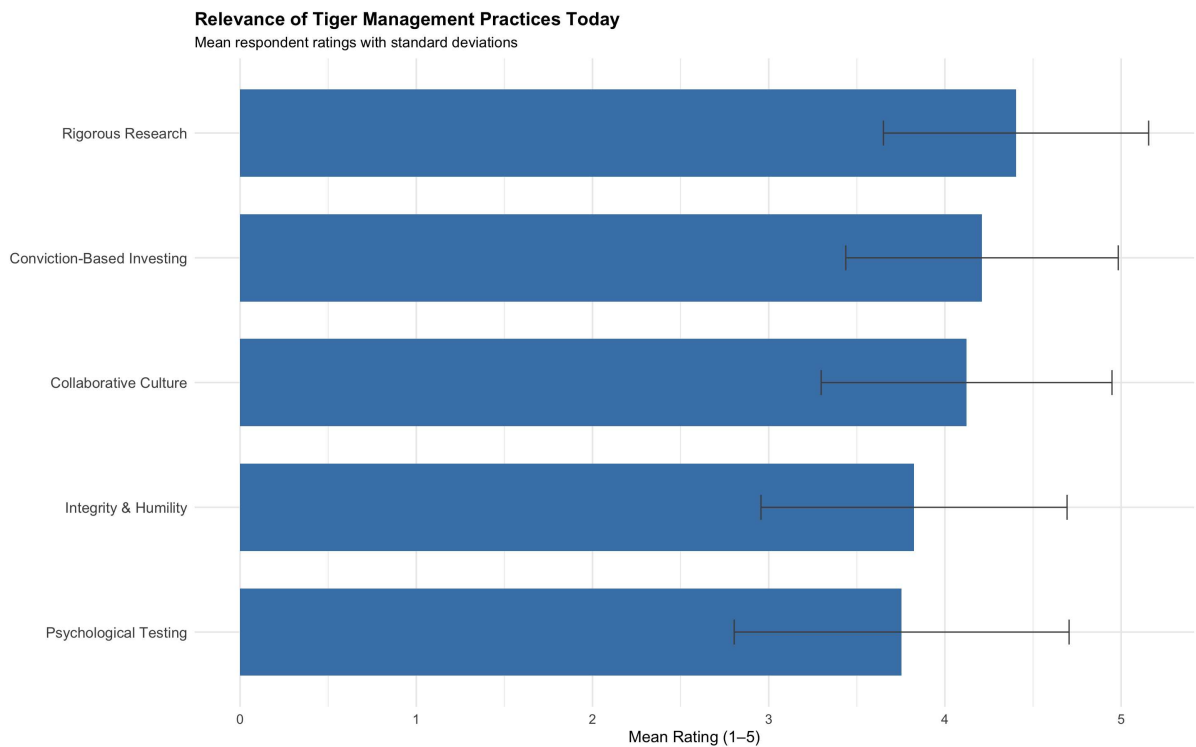


Figure 19: Talent Development Importance

4.2.7 Evolution and Future of Hedge Funds

Understanding how industry professionals perceive the forces shaping hedge funds provides valuable foresight into the strategic direction of the industry. To assess this, respondents were asked to evaluate the expected impact of five structural trends and to indicate their agreement with a future-oriented hypothesis regarding AI and quantitative strategies.

Expected Drivers of Hedge Fund Success

Participants rated five key trends on a 5-point Likert scale regarding their expected significance over the next 5-10 years. The most impactful factor identified was AI and technological advancements, with a mean rating of 4.40 (SD = 0.69), reflecting a strong consensus that innovation in artificial intelligence would be a central driver of competitive advantage. This aligned with industry trends indicating a rise in data-driven and algorithmic strategies. Market volatility followed with a mean score of 3.71 (SD = 0.89), reflecting its dual role as both a risk and an opportunity for agile hedge funds, and also in respect to the current market environment under President Trump and Treasury Secretary Scott Bessent, himself from a hedge fund background. Platform consolidation scored 3.59 (SD = 0.94), suggesting that institutionalization and economies of scale were increasingly viewed as strategic necessities.

Interestingly, regulatory pressures (mean = 3.49, SD = 0.87) and ESG & sustainability investing (mean = 3.01, SD = 1.18) were seen as less critical, albeit with greater variance. This might reflect divergent views among respondents on the pace and scope of regulation and the materiality of ESG factors in alpha generation.

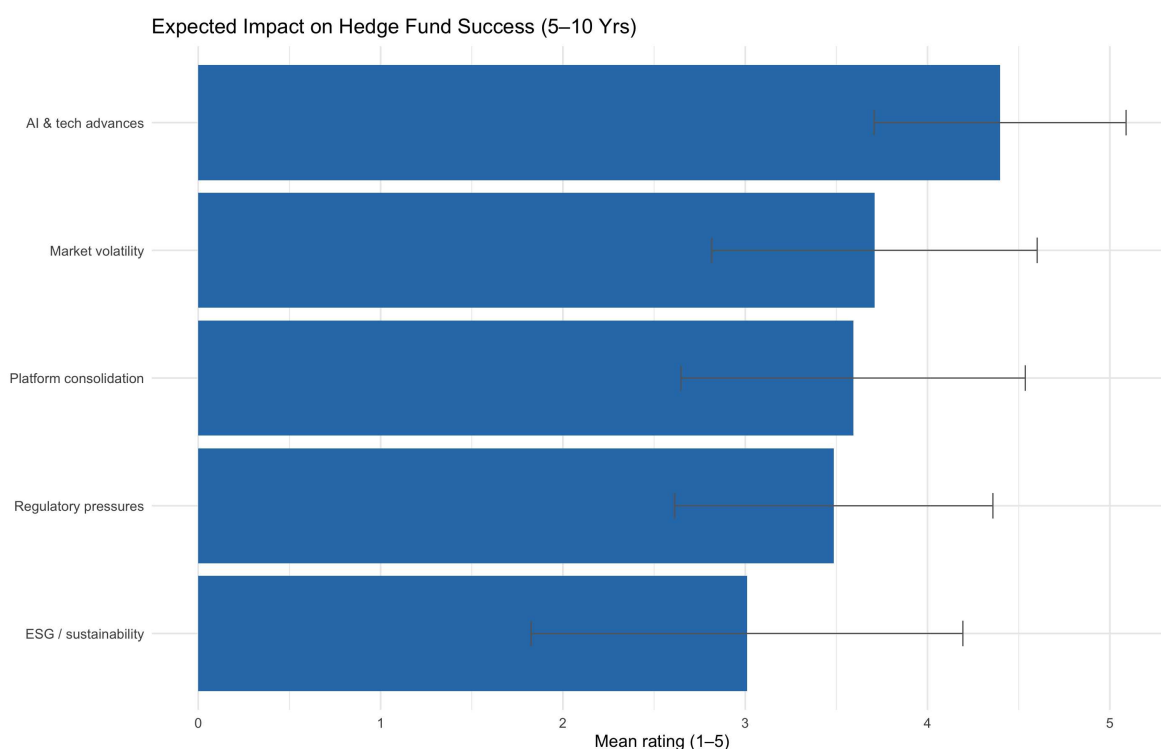


Figure 20: Expected Future Drivers on Hedge Fund Success

Anticipated Rise of Quantitative Strategies

To further explore expectations surrounding AI, respondents were asked whether they agreed with the statement: *"AI-driven and quantitative strategies will dominate the hedge fund landscape in the future."* The results were clear: a combined 80% of participants agreed or strongly agreed, with a mean rating of 4.11 and a relatively low standard deviation (0.75), suggesting broad consensus. This sentiment underscored a shift in industry philosophy: from discretionary and intuition-based investing toward scalable, systematic decision-making. The alignment between the high impact rating of AI and the agreement level confirmed that quantitative methods were not only viewed as innovative but also as increasingly inevitable.

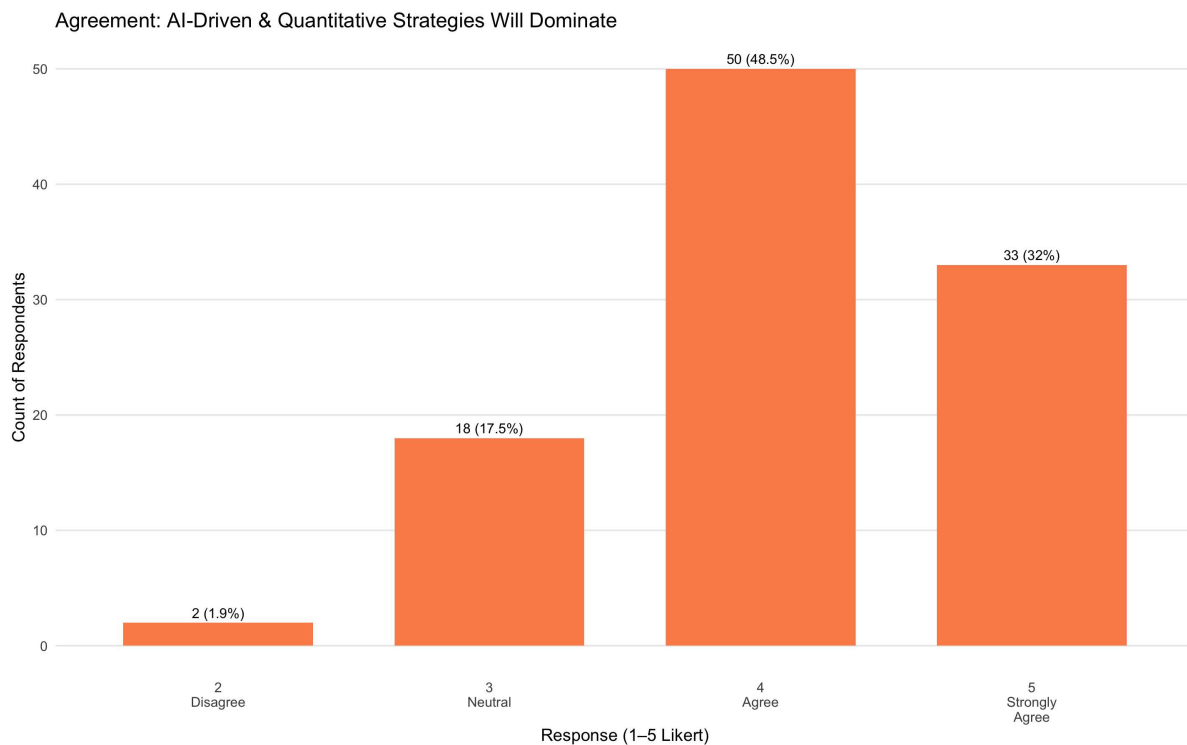


Figure 21: Agreement that AI & Quantitative Strategies will Dominate

5. Discussion

While the three methods collectively affirm several core themes, such as the enduring relevance of leadership, culture, risk management, and talent development, closer scrutiny reveals meaningful divergences that reflect generational shifts, evolving industry practices, and potential limitations of legacy models like that of Tiger Management.

The literature review established a theoretical baseline rooted in strategic management and organizational behavior, emphasizing the importance of visionary leadership, meritocratic culture, disciplined risk management, and dynamic capabilities. These constructs were reflected in the interviews with experienced professionals, particularly former Tiger Cubs, who consistently praised Julian Robertson's high-conviction leadership, psychological hiring techniques, and mentoring legacy. However, the survey data, which included a broader and younger cross-section of the industry, painted a more nuanced picture. Leadership, while still considered important, was rated below risk management and strategy in terms of perceived impact. Traits such as decisiveness and resilience were valued, but softer traits like humility received far less support. This discrepancy suggested a possible generational or experiential divide in how leadership effectiveness is perceived today versus historically. The quantitative

results also showed that leadership, while rated relatively highly ($M = 4.09$), fell just short of statistical significance in predicting perceived performance ($p = 0.054$), indicating that while conviction-led leadership remains admired, structural and cultural systems may now carry more weight in explaining firm outcomes.

Similar tensions emerged around corporate culture. While all sources affirmed the value of performance pressure, collaboration, and intellectual rigor, survey respondents ranked openness and egalitarianism lower than might be expected in today's discourse around psychological safety and inclusion. This raised questions about whether hedge fund cultures are truly evolving or whether elite firms still adhere to more hierarchical and competitive models reminiscent of Tiger's original structure. Furthermore, the emphasis placed on meritocracy in interviews may obscure structural barriers or power dynamics that are underexplored in both literature and practice. The survey also supported this view, showing that while cultural strength correlates more clearly with performance outcomes, the version of culture most valued remains structured and high-pressure, rather than flat or inclusive.

Talent development was another area where the past and present diverged. Robertson's use of psychological profiling was praised by interviewees as a novel and effective selection tool, yet it was rated among the least relevant practices by survey participants. It may indicate that most hedge funds don't use specialized psychological profiling but trust their overall interview process, which is typically very extensive. While the hedge fund industry maintains rigorous and highly competitive talent pipelines, the personalized, mentorship-driven development seen in the Tiger model is less common today. Many firms emphasize structured performance systems over long-term grooming, which may limit the replicability of Robertson's approach in its original form.

Risk management stood out as the most consistent and universally prioritized factor across all methods. The literature and interviews highlighted leverage and liquidity control as essential tools, and survey results strongly reinforced this, with practical, portfolio-level mechanisms favored over more abstract models. This convergence likely reflected the unforgiving nature of market volatility and the industry's collective memory of crises, such as the 2008 financial collapse, underscoring that no strategy or leadership model can substitute for effective risk controls. Moreover, the rise of institutional investors may have skewed the industry to be more risk averse and avoid strategies with a higher volatility. Notably, survey respondents rated

liquidity management and position sizing as the most important risk mechanisms, emphasizing operational pragmatism over complex hedging models or tail-risk theory.

Investment strategies revealed the clearest departure from the Tiger-era framework. While fundamental equity analysis and high-conviction investing were core to Robertson's success and remain well-regarded in the literature, survey data showed a marked shift toward quantitative and multi-strategy models. This reflects not only the rise of technology in finance but also institutional investors' increasing preference for consistency, diversification, and scale, factors that often run counter to the concentrated approaches of earlier hedge fund pioneers. The relative neglect of long/short equity in explicit responses, despite its historical centrality, further highlighted this trend. The implication is that while Robertson's methods are foundational, they may no longer represent the dominant strategic paradigm. The contrast was especially stark between qualitative interviewees, who framed fundamental analysis as the industry's "default language," and survey participants, who rated quantitative/systematic and multi-strategy platforms (means 4.00 and 3.99) as more reliable than long/short equity (3.89). This reveals a shift toward scalable architectures that emphasize operational repeatability over individual stock-picking talent.

Innovation and adaptability were recognized across all methods as essential, but again, the gap between theory and practice was notable. Interviews celebrated innovation as a mindset, and surveys identified AI and technology as critical future drivers. Yet adoption appears uneven, with many firms struggling to integrate these tools meaningfully. The low survey ratings for AI-specific leadership traits and strategic adaptation suggested that while the narrative of innovation is widely accepted, the operational reality is more complex and fragmented. This disconnect was further reinforced by the apparent implementation lag: while interviewees emphasized innovation and technological integration (28 and 23 mentions respectively), technology received the lowest mean importance score ($M = 3.96$) as a current success factor. Paradoxically, the same respondents overwhelmingly agreed that AI will dominate the future of the industry ($M = 4.40$; 80% agreement). This reinforces a key theme, strategic aspirations are outpacing implementation, and firms face the urgent challenge of turning theoretical enthusiasm into operational capability.

In sum, while this study found broad agreement on the strategic pillars of hedge fund success, leadership, culture, risk discipline, and talent, there was also evidence of generational tension,

methodological divergence, and evolving priorities. Hedge fund success in the current landscape appears to depend not just on replicating past blueprints, but on reinterpreting their principles considering contemporary demands, balancing strategic conviction with adaptability, and elite performance standards with increasingly diverse operational models. Understanding where qualitative experience diverges from quantitative perception, especially around technology, leadership models, and strategic orientation, will be critical in translating Tiger-era excellence into a sustainable, modern edge.

6. Conclusion

This concluding chapter synthesizes the comprehensive analysis undertaken throughout the thesis, highlighting critical insights and positioning them within the broader scholarly and practical context. It revisits the core research question: *What strategic choices created success for Tiger Management as an industry pioneer, and how did these influence the evolution of the hedge fund industry?*

6.1 Main Findings

Drawing the qualitative evidence from fourteen expert interviews (Chapter 4.1) together with the quantitative survey of 103 industry professionals (Chapter 4.2), three convergent pillars of Tiger Management's enduring influence emerge.

1) Strategic Leadership and Vision

Interviewees overwhelmingly emphasized conviction-based decision-making and a clearly articulated investment vision as cornerstones of hedge-fund success, traits epitomized by Julian Robertson's large, high-conviction positions and disciplined exits. Survey respondents corroborated this view: leadership attributes such as resilience and decisiveness scored a group mean above 4 on a 5-point scale and showed a positive association with perceived firm performance.

2) Culture, Talent, and Mentorship

Both data sets stressed that performance-driven yet collaborative cultures create sustainable competitive advantage. Experts highlighted a calibrated mix of internal competition, intellectual meritocracy, and psychological safety, while the survey ranked

collaborative environments ($M = 4.08$) and performance-aligned incentives ($M = 4.14$) as the most valuable cultural and talent levers. The Tiger Cubs' subsequent success affirms that structured mentorship functions as a dynamic capability that replicates intangible resources across generations.

3) *Risk Management, Analytical Rigor, and Adaptive Innovation*

Quantitatively, robust risk frameworks topped the list of present-day success factors ($M = 4.37$), mirroring interview narratives that portrayed risk discipline as the “shock absorber” enabling high-conviction investing. Both datasets also converged on the importance of rigorous fundamental research. Where they slightly diverged was in views on technological innovation: while interviewees spoke enthusiastically about technology and AI, survey respondents rated the current importance of technology marginally lower ($M = 3.96$). However, when asked to consider the future, respondents overwhelmingly agreed that AI and technology would be the most decisive force shaping the hedge fund landscape over the next decade ($M = 4.40$), with over 80% affirming its expected dominance. This suggests a present–future gap that managers must proactively close by institutionalizing technological capabilities ahead of the curve.

6.1.1 *Theoretical Implications*

The combined findings extend the Resource-Based View by demonstrating that intangible assets, culture, mentorship networks, and leadership routines, satisfy VRINE criteria and are harder to replicate than capital or strategy alone (Barney, 1991). They also empirically validate Dynamic Capabilities: Tiger's ability to reconfigure knowledge, talent, and risk processes in volatile markets exemplifies how sensing, seizing, and transforming capabilities translate to persistent abnormal returns (Teece, Pisano & Shuen, 1997; Barreto, 2009).

6.1.2 *Practical Implications*

For hedge-fund managers: Embed dual accountability: pair uncompromising analytical depth with equally rigorous risk controls to preserve capital during drawdowns. Formalize mentorship structures (e.g., rotating analyst-PM pairings, deal post-mortems) to institutionalize tacit knowledge transfer that otherwise walks out the door with star talent.

For investors and allocators: Incorporate “soft due-diligence” screens. Funds exhibiting transparent cultures, documented talent pipelines, and data-driven risk oversight should command a premium allocation weight, as these dimensions correlate with sustained risk-adjusted performance in both interviews and survey regressions.

For policy-makers: Encourage disclosure frameworks that reward process quality, especially in risk governance and AI model validation, rather than crude size or leverage thresholds. Such policies would nudge the industry toward the Tiger template of disciplined innovation.

6.2 Limitations & Further Research

Despite triangulation, three limitations potentially limit generalizability.

- 1) *Geographic concentration:* Expert insights skew to US- and UK-centric funds, potentially overlooking culturally distinct governance models in Asia or the Middle East. Future studies should widen the interview pool or deploy cross-cultural comparative case studies.
- 2) *Self-reported performance bias:* Survey measures rely on managers’ subjective assessments, inviting social-desirability distortion. Integrating objective return data or regulatory filings, perhaps via matched-sample designs, would strengthen causal inference.
- 3) *Cross-sectional snapshot:* Both data sets capture perceptions at a single point in time. Longitudinal or event-study designs could track how dynamic capabilities (e.g., AI adoption) mature and whether they ultimately improve alpha persistence.

Promising research avenues include (i) ethnographic observation inside contemporary “Tiger-inspired” funds to unpack micro-processes of conviction-driven investing, (ii) econometric tests linking specific cultural markers (e.g., analyst turnover, idea-challenge frequency) to risk-adjusted returns, and (iii) examinations of emergent governance structures for AI model oversight, a domain that both interviewees and survey respondents flagged as strategically vital yet institutionally under-developed.

Collectively, the mixed-method evidence underscores that Tiger Management's legacy lies not in any single strategy but in a system, visionary leadership, meritocratic yet cohesive culture, disciplined risk management, and innovation, that continues to define excellence in modern hedge-fund management, and beyond.

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Appendices

A1: Description of Hedge Fund Strategies

Strategy	Description
Equity market neutral (arbitrage)	The managers aim to obtain returns with low or no correlation with equity and bond markets. They exploit pricing inefficiencies between related equity securities.
Distressed securities (event-driven)	The managers buy equity and debt at deep discounts issued by firms facing bankruptcy.
Diversified event driven (event-driven)	The managers follow a multistrategy event-driven approach.
Long-Short (directional)	This is the strategy characterized hedge funds at the inception of the industry. Managers hold long positions in some securities and short positions in others.
Growth (directional)	The managers invest in companies experiencing strong growth in earnings per share.
Opportunistic (directional)	The managers' investment approach changes over time to better take advantage of current market conditions and investment opportunities.
Short sellers (directional)	Managers take advantage of over-valued stocks.
Value index (arbitrage)	Managers invest in securities which are perceived as undervalued with respect to their 'fundamentals'.
Futures (arbitrage and directional)	The manager utilizes futures contracts to implement directional positions in global equity, interest rates, currency and commodity markets.
Macro (directional)	These funds have a particular interest in macroeconomic variables. They take positions according to forecasts of these variables.
Multi-Strategy index (directional)	The manager utilizes investment strategies from more than one of the four broad strategy group indices.
Directional Trading Group (directional)	This is composed of strategies displaying the highest market betas.
Event-Driven Group (event-driven)	The managers invest in event-driven situations—i.e., mergers, takeovers, reorganizations, leveraged buyouts, spin-offs and share buybacks.
Market neutral Group (arbitrage)	This is composed of strategies having a relatively low market beta.
Speciality Strategies Group (directional)	This is composed of long-short credit strategy and multi-strategy.

Source: Reproduced from Racicot, F., & Théoret, R. (2015). Macroeconomic shocks, forward-looking dynamics, and the behavior of hedge funds. *Journal of Banking & Finance*, 62, 41–61.

A2: Expert Interviewees

#	Expert	Current Position	Expertise	Years of Experience
1	HF Expert 1	Founder & Chairman at an Alternative Investment Firm, Founder at a Fintech Startup	Expert in alternative investments, distressed debt, private credit, and AI-driven financial analytics	>25 years
2	HF Expert 2	Executive at an Investment Firm, Partner at a Hydrogen Capital Firm	Expert in private equity, infrastructure investments, and renewable energy	>25 years
3	HF Expert 3	Investor at a Private Investment Firm	Expert in asset management, capital allocation, special situations, and global business development	>20 years
4	HF Expert 4	Vice President at a Global Investment Bank, Former VP at an Asset Management Firm	Expert in hedge fund manager selection, credit (long/short, distressed debt), and event-driven strategies	>15 years
5	HF Expert 5	Portfolio Manager at a Global Hedge Fund (>\$20bn AUM), Former PM at Multiple Top Macro Funds	Expert in global macro, rates, FX, and credit markets	>15 years
6	HF Expert 6	Consultant at a Financial Advisory Firm, CEO at an Investment Company	Expert in FX, macro trading, risk management, and geopolitical analysis	>25 years
7	HF Expert 7	Founder & CEO of an Alternative Investments Publication, Senior Advisor at Due Diligence Firm	Expert in alternative investments, operational due diligence, and asset raising strategies	>25 years
8	HF Expert 8	CIO at Family Office, Former Hedge Fund Manager	Expert in hedge fund leadership, talent development, institutionalization trends, and strategic adaptation	>25 years
9	HF Expert 9	Partner at a Private Equity Firm, Former Senior Partner at a Multi-Billion Dollar Investment Firm	Expert in credit investing, distressed and special situations, restructuring, and hedge fund culture	>20 years
10	HF Expert 10	Independent Director and Advisor in Alternative Investments; Former CIO of Sovereign Wealth Fund	Expert in activist strategies; extensive experience with macro hedge fund structures	>25 years
11	Jack Schwager	Author, Financial Industry Expert, and Co-Founder of FundSeeder	Expert in hedge fund performance, author of the Market Wizards series profiling top hedge fund managers	>25 years
12	Sri Wijegoonaratna	Former Hedge Fund Manager; Former Tiger Cub; Investment Advisor and Entrepreneur	Specialist in fundamental equity investing; expert in integrating AI with traditional investment strategies	>25 years
13	Lee Ainslie	Founder of Maverick Capital; Former Tiger Cub	Authority on long/short equity investing, hedge fund talent development, corporate culture, psychological profiling in hiring	>25 years
14	Steve Mandel	Founder of Lone Pine Capital; Former Tiger Cub	Expert in long-short equity investing; influential voice in hedge fund evolution and leadership practices	>25 years

Source: Own analysis

A3: Interview Guide

Section 1: General Understanding of Hedge Fund Success

Vision and Leadership:

1. What factors would you say most contribute to hedge fund success?
2. Which of these would you rank as most important? (If earlier response not specific enough) Could you please provide examples from your experience or industry observations?
3. Are there specific leadership qualities or actions of hedge fund PM's that drive generating alpha?

Corporate Culture:

3. How would you say that the culture of a hedge fund impacts performance?
4. What are key elements of a successful hedge fund culture in your view?

Risk Management:

5. What factors contribute to a HF's ability to manage risk effectively?
 6. Are there particular examples of stellar risk management that stand out? What should a manager do when macro conditions appear to be against the strategy, risk mitigation has failed, and the fund is in a deep draw down?
-

Section 2: Strategies and Practices

Investment Strategies:

7. In your experience, which investment strategies have consistently performed well, and why?
8. How important is innovation for outperformance?
For long-short equity strategies, are bottom-up deep dive analyses of companies the best way to outperform?

Talent and Team Dynamics:

9. Apart from a successful PM leading the firm, how do talent acquisition and development contribute to hedge fund success?
10. What methods or approaches have you seen in the industry for nurturing the next generation of fund managers?

Research and Analysis:

11. What are key elements of a successful research-driven investment process?
-

Section 3: Lessons from Tiger Management

Julian Robertson and Tiger Management:

12. As a hedge fund pioneer, what would you say were Julian Robertson's major contributions to the industry?

13. What aspects of the way Julian Robertson ran Tiger do you think remain relevant? Are the elements that are no longer applicable?
 14. (If psych not mentioned) Would you say JR's use of psychology was a major innovation for HF management? Are there any other novel measures Julian Robertson implemented that come to mind?
 15. Would you say JR has influenced you? Are there any aspects of JR's approach to HF management that you use on an ongoing basis? Or an occasional basis?
 16. Do you see factors JR could have improved upon at Tiger?
 17. Do you see Tiger as more successful as a fund, an incubator of talent (via Tiger cubs) or both?
-

Section 4: Industry Trends and Insights

Changing Landscape:

18. What general trends do you see shaping the future of the hedge fund industry?
19. How are hedge funds adapting to increasing competition, regulatory and other pressures?

Sustainability and ESG:

20. Do you view ESG as having a role for hedge funds?

A4: Survey Guide

Start of Block: Survey Intro Text

Dear participant, this research study is conducted as part of my master's thesis at Católica Lisbon School of Business and Economics. The survey aims to quantitatively validate insights gathered from expert interviews regarding hedge fund success factors and leadership practices. Your insights and personal perspectives are highly valued. Please answer each question honestly and thoughtfully. Completing the survey will take approximately 5 - 10 minutes. Your participation is entirely voluntary. The survey is anonymous, and all collected data will remain strictly confidential. Only aggregated results will be presented in the final thesis. If you agree to participate, please click the "Next" button below to start the survey. Thank you for your valuable contribution!

End of Block: Survey Intro Text

Start of Block: Section 1: Participant Information

1. What is your current role?

- ☐ Portfolio Manager (1)
 - ☐ Analyst (2)
 - ☐ Investor (3)
 - ☐ Academic / Researcher (4)
 - ☐ Other (Please specify) (5)
-

2. How many years of professional experience do you have in the hedge fund/asset management industry?

- ☐ Less than 5 years (1)
- ☐ 5 - 10 years (2)
- ☐ 10 - 20 years (3)
- ☐ Over 20 years (4)

End of Block: Section 1: Participant Information

Start of Block: Section 2: Key Success Factors

3. Rate the following statement: "Overall, my firm (or firms I've observed) is successful in generating long-term performance. (1 = Strongly Disagree, 5 = Strongly Agree)

	1	2	3	4	5
Please select (1)	☐	☐	☐	☐	☐

4. Please rate the importance of each factor for hedge fund success at your firm or firms you've closely observed. (1 = Not important, 5 = Very important):

	1	2	3	4	5
Strong leadership and vision (1)	☐	☐	☐	☐	☐
Effective corporate culture (2)	☐	☐	☐	☐	☐
Disciplined risk management (3)	☐	☐	☐	☐	☐
Robust investment strategies (4)	☐	☐	☐	☐	☐
Technological innovation (5)	☐	☐	☐	☐	☐
Talent acquisition and mentorship (6)	☐	☐	☐	☐	☐
Adaptability to market changes (7)	☐	☐	☐	☐	☐

End of Block: Section 2: Key Success Factors

Start of Block: Section 3: Leadership and Culture

5. Rate how well the following leadership qualities describe the senior leadership at your firm or observed firms. (1 = Not at all, 5 = Extremely well):

	1	2	3	4	5
Decisiveness (1)	☐	☐	☐	☐	☐
Emotional resilience (2)	☐	☐	☐	☐	☐
Humility (3)	☐	☐	☐	☐	☐
Intellectual curiosity (4)	☐	☐	☐	☐	☐
Integrity and ethical standards (5)	☐	☐	☐	☐	☐
Collaborative mindset (6)	☐	☐	☐	☐	☐
Effective communication (7)	☐	☐	☐	☐	☐

6. How significantly does corporate culture impact hedge fund performance, based on your experience? (1 = No impact, 5 = Very significant impact)

	1	2	3	4	5
Please select (1)	☐	☐	☐	☐	☐

7. Indicate how strongly you agree with the presence of these cultural traits at your firm or observed firms. (1 = Strongly disagree, 5 = Strongly agree):

	1	2	3	4	5
Transparency (1)	☐	☐	☐	☐	☐
Meritocracy (2)	☐	☐	☐	☐	☐
Collaborative environment (3)	☐	☐	☐	☐	☐
Openness to debate and criticism (4)	☐	☐	☐	☐	☐
High-performance pressure (5)	☐	☐	☐	☐	☐
Clear incentive structures (6)	☐	☐	☐	☐	☐
Intellectual rigor (7)	☐	☐	☐	☐	☐

8. Thinking specifically about the leadership qualities you previously rated as important or very important, please indicate your level of agreement with the following statements (1 = Strongly disagree, 5 = Strongly agree):

	1	2	3	4	5
These leadership qualities remain equally important as hedge funds achieve significant scale (large Assets Under Management - AUM). (1)	☐	☐	☐	☐	☐
These leadership qualities become more critical during periods of significant drawdowns or poor performance. (2)	☐	☐	☐	☐	☐
These leadership qualities become more critical during periods of consistently strong performance. (3)	☐	☐	☐	☐	☐

End of Block: Section 3: Leadership and Culture

Start of Block: Section 4: Risk Management

9. Indicate your agreement with the following statement: "Disciplined risk management significantly contributes to the sustained success of my firm or observed firms." (1 = Strongly disagree, 5 = Strongly agree)

	1	2	3	4	5
Please select (1)	☐	☐	☐	☐	☐

10. Rate the effectiveness of these risk management practices at your firm or observed firms. (1 = Not effective, 5 = Very effective):

	1	2	3	4	5
Position sizing (1)	☐	☐	☐	☐	☐
Liquidity management (2)	☐	☐	☐	☐	☐
Tail-risk hedging (3)	☐	☐	☐	☐	☐
Systematic risk limits (4)	☐	☐	☐	☐	☐
Early exit strategies (5)	☐	☐	☐	☐	☐
Frequent stress-testing (6)	☐	☐	☐	☐	☐

11. To ensure data quality, please select 'Not effective' for this question. (1 = Not effective, 5 = Very effective)

	1	2	3	4	5
Please select (1)	☐	☐	☐	☐	☐

End of Block: Section 4: Risk Management

Start of Block: Section 5: Investment Strategies and Innovation

12. Rate how effectively the following investment strategies deliver consistent performance at your firm or observed firms. (1 = Not effective, 5 = Very effective):

	1	2	3	4	5
Multi-strategy (1)	☐	☐	☐	☐	☐
Quantitative/Systematic (2)	☐	☐	☐	☐	☐
Long/Short Equity (3)	☐	☐	☐	☐	☐
Activist Investing (4)	☐	☐	☐	☐	☐
Global Macro (5)	☐	☐	☐	☐	☐
Event-Driven (6)	☐	☐	☐	☐	☐

13. Indicate your agreement: "Continuous innovation (AI, automation, alternative data) is essential for hedge fund outperformance." (1 = Strongly disagree, 5 = Strongly agree)

	1	2	3	4	5
Please select (1)	☐	☐	☐	☐	☐

End of Block: Section 5: Investment Strategies and Innovation

Start of Block: Section 6: Talent and Mentorship

14. Indicate your agreement: "Talent acquisition and development are critical for the success of my firm or observed firms." (1 = Strongly disagree, 5 = Strongly agree)

	1	2	3	4	5
Please select (1)	☐	☐	☐	☐	☐

15. Rate the effectiveness of the following talent-development approaches at your firm or observed firms. (1 = Not effective, 5 = Very effective):

	1	2	3	4	5
Structured psychological profiling (1)	☐	☐	☐	☐	☐
Mentorship and apprenticeship (2)	☐	☐	☐	☐	☐
Performance-based incentives (3)	☐	☐	☐	☐	☐
Formal training programs (4)	☐	☐	☐	☐	☐
Autonomy and responsibility delegation (5)	☐	☐	☐	☐	☐

End of Block: Section 6: Talent and Mentorship

Start of Block: Section 7: Julian Robertson and Tiger Management Legacy – If applicable

Julian Robertson was a legendary hedge fund manager who founded Tiger Management in 1980. Under his leadership, Tiger Management became one of the most successful hedge funds of its time. He is known for developing numerous successful hedge fund managers ("Tiger Cubs").

Page Break

Do you know about Julian Robertson and Tiger Management

☐ Yes (1)

☐ No (2)

Skip To: End of Block If Do you know about Julian Robertson and Tiger Management = No

16. Julian Robertson and Tiger Management were pioneers in the hedge fund sector. Please indicate the relevance of any of Julian Robertson's practices today at your firm or observed firms. (1 = Not relevant, 5 = Very relevant):

	1	2	3	4	5
Psychological testing in recruitment (1)	☐	☐	☐	☐	☐
Collaborative firm culture (2)	☐	☐	☐	☐	☐
Rigorous research and analysis (3)	☐	☐	☐	☐	☐
Conviction-based investing (4)	☐	☐	☐	☐	☐
Integrity and humility (5)	☐	☐	☐	☐	☐
Other (6)	☐	☐	☐	☐	☐

17. The legacy of Tiger Management primarily contributes to:

☐ Investment performance success (1)

☐ Talent incubation ("Tiger Cubs") (2)

☐ Both equally (3)

End of Block: Section 7: Julian Robertson and Tiger Management Legacy – If applicable

Start of Block: Section 8: Future Industry Trends

18. Rate how significantly you expect these factors to impact hedge fund industry success over the next 5-10 years. (1 = Minimal impact, 5 = Very significant impact):

	1	2	3	4	5
Regulatory pressures (1)	☐	☐	☐	☐	☐
AI and technological advancements (2)	☐	☐	☐	☐	☐
Consolidation into large platforms (3)	☐	☐	☐	☐	☐
ESG and sustainability investing (4)	☐	☐	☐	☐	☐
Increased market volatility (5)	☐	☐	☐	☐	☐

19. Indicate your agreement: "AI-driven and quantitative strategies will dominate the hedge fund landscape in the future." (1 = Strongly disagree, 5 = Strongly agree)

	1	2	3	4	5
Please select (1)	☐	☐	☐	☐	☐

20. Any additional insights or comments about the culture of hedge funds?

A5: Performance of Tiger Management against Benchmarks

The Tiger Record

Year	Tiger	S&P 500	MSCI
1980	54.9	28.9	21.8
1981	19.4	-4.9	-4.8
1982	42.4	21.5	9.7
1983	46.7	22.6	21.9
1984	20.2	6.3	4.7
1985	51.4	31.7	40.6
1986	16.2	18.7	41.9
1987	-1.4	5.3	16.2
1988	21.6	16.6	23.3
1989	49.9	31.7	16.6
1990	20.5	-3.1	-17.0
1991	45.6	30.5	18.3
1992	26.9	7.6	-5.2
1993	64.4	10.1	22.5
1994	-9.3	1.3	5.1
1995	16.0	37.6	20.7
1996	37.7	23.0	13.5
1997	56.1	33.4	15.8
1998	-3.9	28.6	24.3
1999	19.0	21.04	24.93

Source: "Tiger: The Record . . . The Reasons," *The Wall Street Journal*,
www.standardandpoors.com and www.MSCI.com

Source: Reprinted from *A Tiger in the Land of Bulls and Bears* by D. Strachman, 2004, New York, NY: John Wiley & Sons.

A6: Performance Analysis of Tiger Funds and Tiger Cub Hedge Funds (2000–2008)



Hennessee Tiger Index

Selected Statistics, 2000–2008

	Annualized Compound Return	Annualized Standard Deviation
Hennessee Tiger Index	11.89%	7.42%
Hennessee Hedge Fund Index	4.78%	6.66%
Hennessee Long/Short Equity Index	4.44%	7.76%
Hennessee International Index	7.63%	7.83%
S&P 500 Index	-5.26%	15.20%

	Number of Months		% of Months Positive
	Positive	Negative	
Hennessee Tiger Index	79	29	73%
Hennessee Hedge Fund Index	70	38	65%
Hennessee Long/Short Equity Index	67	41	62%
Hennessee International Index	75	33	69%
S&P 500 Index	59	49	55%

Historical Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul
2008	-4.81%	2.81%	-2.70%	1.89%	2.17%	-2.15%	-1.62%
2007	1.21%	0.74%	2.31%	1.84%	3.48%	0.81%	2.61%
2006	4.17%	0.33%	2.56%	1.01%	-3.45%	-0.49%	-0.77%
2005	1.91%	2.01%	-0.47%	-0.63%	1.69%	2.16%	1.54%
2004	2.15%	1.10%	1.15%	-0.33%	-1.30%	-1.11%	-1.47%
2003	-0.08%	0.54%	0.24%	1.42%	1.08%	1.78%	1.00%
2002	1.59%	0.90%	-0.31%	1.28%	1.43%	-1.19%	-1.21%
2001	-0.50%	4.32%	2.44%	-0.18%	2.36%	3.18%	0.39%
2000	0.92%	0.61%	2.58%	1.54%	2.20%	1.97%	1.73%

Sharpe Ratio	Annualized Tiger Alpha (versus Benchmark)	Correlation (versus Benchmark)
1.42	N/A	N/A
0.59	8.95%	0.54
0.47	9.95%	0.46
0.85	6.55%	0.72
-0.34	12.79%	0.26

Largest Consecutive Loss				Value of \$1000 (Invested at Inception)
%	Months	Peak	Valley	
-19.85%	12	Dec-07	Dec-08	\$2,749
-20.87%	13	Oct-07	Nov-08	\$1,523
-19.74%	13	Oct-07	Nov-08	\$1,478
-24.48%	13	Oct-07	Nov-08	\$1,938
-46.28%	25	Aug-00	Sep-02	\$615

Aug	Sep	Oct	Nov	Dec	Year
-1.40%	-11.51%	-2.55%	-0.79%	-0.42%	-19.85%
-0.35%	3.75%	6.86%	0.36%	1.91%	28.47%
0.85%	0.06%	2.50%	3.10%	0.77%	10.92%
-0.58%	2.23%	-0.41%	2.77%	3.54%	16.84%
-0.02%	2.13%	1.84%	1.34%	1.59%	7.20%
1.67%	0.40%	2.64%	0.49%	0.65%	12.46%
1.24%	0.73%	0.40%	-0.79%	1.81%	5.96%
2.73%	2.04%	0.38%	0.13%	2.26%	21.26%
2.49%	3.38%	3.79%	4.51%	3.21%	33.00%

Source: Reprinted from More Money Than God: Hedge Funds and the Making of a New Elite by S. Mallaby, 2010, New York, NY: Penguin Press.

A7: Qualitative Coding Table

Theme	Sub Category	Key Words
Leadership & Vision	Conviction & Courage	conviction, high-conviction, courage, strong views, belief
	Decisiveness	decisiveness, nimble, quick / fast, act ASAP, timing
	Vision & Strategy	vision, strategic direction, clear vision, roadmap
	Communication & Humility	open door, walk guests out, humility, transparent
Corporate Culture	Competitiveness	competitiveness, competitive, boxing-ring, drive, war-for-talent
	Collaboration & Teamwork	collaboration, collaborative, teamwork, open debate
	Meritocracy & Openness	meritocracy, open culture, transparent incentives
	Ethical Standards	ethics, ethical standards, integrity, honesty, humility
	Accountability	accountability, ownership, responsibility, performance pressure
Talent Development & Mentorship	Psychological Profiling	psychological profiling, aptitude test, X-ray interview
	Mentorship & Training	mentorship, apprenticeship, coaching, training
	Selective Hiring	selective hiring, pedigree, top schools, athlete mindset
Risk Management	Leverage Control	leverage control, leverage limits, gross/net, draw-down
	Liquidity Management	liquidity management, cash management, redemption risk
	Macro & Systemic Risks	macro risk, systemic risk, market volatility, crises
	Behavioural Discipline	behavioural discipline, emotional discipline, stoicism, bias
Investment Strategies	Fundamental Analysis	fundamental analysis, bottom-up, valuation, cash-flows
	Multi-Strategy	multi-strategy, diversified platform, POD shops
	Quantitative	quantitative, data-driven, systematic, model-driven, algo
	Activist Investing	activist, shareholder activism, value creation
	Event-Driven	event-driven, merger arbitrage, restructuring
	Long/Short Equity	long/short equity, stock-picking, hedged equity
Innovation & Adaptability	Macro	macro strategy, directional macro trades, rates/FX calls
	Innovation	innovation, innovative ideas, creative edge, disruption
	Technological Integration	technology, tech integration, digital tools, analytics
	AI Utilization	AI utilization, AI-driven, machine learning, AI will dominate
	Strategic Adaptation	strategic adaptation, adaptability, pivot, flexibility

Source: Own analysis

A8: R-Code Snippet: Ordinal Regression

```
# Load necessary libraries
library(tidyverse)
## — Attaching core tidyverse packages — tidyverse
2.0.0 —
## ✓ dplyr      1.1.2      ✓ readr      2.1.4
## ✓ forcats    1.0.0      ✓ stringr    1.5.0
## ✓ ggplot2     3.4.4      ✓ tibble     3.2.1
## ✓ lubridate  1.9.2      ✓ tidyr      1.3.0
## ✓ purrr      1.0.2
## — Conflicts — tidyverse_confli
icts() —
## ✗ dplyr::filter() masks stats::filter()
## ✗ dplyr::lag()     masks stats::lag()
## ⓘ Use the conflicted package (<http://conflicted.r-lib.org/>) to force
all conflicts to become errors
library(MASS)
##
## Attaching package: 'MASS'
##
## The following object is masked from 'package:dplyr':
##
##      select
# Load the CSV file
data <- read_csv("Thesis_Analysis.csv", show_col_types = FALSE)
## New names:
## • `Talent_Importance` -> `Talent_Importance...9`
## • `Talent_Importance` -> `Talent_Importance...44`
# Rename duplicated/relevant columns
data <- data %>%
  rename(
    Talent_Importance = `Talent_Importance...9`,
    Talent_Development = `Talent_Importance...44`
  )

# Remove metadata rows
data <- data[-c(1, 2), ]

# Convert key variables to numeric (Likert scales)
data <- data %>%
  mutate(across(
    c(Firm_Performance, Leadership_Importance, Culture_Importance, Risk_Im
portance,
      Strategy_Importance, Tech_Importance, Talent_Importance, Adaptabilit
y_Importance),
    ~ as.numeric(.))
  ))

# Convert outcome variable to factor
data$Firm_Performance <- as.factor(data$Firm_Performance)
```

```

# Fit the ordinal regression model
modell1 <- polr(Firm_Performance ~ Leadership_Importance +
               Culture_Importance +
               Risk_Importance +
               Strategy_Importance +
               Tech_Importance +
               Talent_Importance +
               Adaptability_Importance,
               data = data, Hess = TRUE)

# Print the summary
summary(modell1)
## Call:
## polr(formula = Firm_Performance ~ Leadership_Importance + Culture_Importance +
##       Risk_Importance + Strategy_Importance + Tech_Importance +
##       Talent_Importance + Adaptability_Importance, data = data,
##       Hess = TRUE)
##
## Coefficients:
##               Value Std. Error t value
## Leadership_Importance  0.70452    0.3667  1.92108
## Culture_Importance    0.72267    0.3253  2.22170
## Risk_Importance      -0.02793    0.3803 -0.07346
## Strategy_Importance   0.61424    0.4334  1.41712
## Tech_Importance      -0.38155    0.2698 -1.41439
## Talent_Importance     0.43890    0.3309  1.32656
## Adaptability_Importance 0.44224    0.3523  1.25537
##
## Intercepts:
##      Value  Std. Error t value
## 2|3  5.0327  2.1628    2.3270
## 3|4  8.4275  2.0357    4.1399
## 4|5 12.2424  2.3060    5.3089
##
## Residual Deviance: 158.9921
## AIC: 178.9921
## (4 observations deleted due to missingness)
# Calculate p-values and confidence intervals
ctable <- coef(summary(modell1))

# Calculate p-values
p <- pnorm(abs(ctable[, "t value"]), lower.tail = FALSE) * 2

print(p)
## Leadership_Importance Culture_Importance Risk_Importance
## 5.472105e-02 2.630362e-02 9.414424e-01
## Strategy_Importance Tech_Importance Talent_Importance
## 1.564479e-01 1.572488e-01 1.846546e-01
## Adaptability_Importance 2|3 3|4
## 2.093458e-01 1.996695e-02 3.474335e-05
## 4|5
## 1.102830e-07

```

```

# Calculate odds ratios
ORs <- exp(coef(model1))

print(ORs)
##      Leadership_Importance      Culture_Importance      Risk_Importance
##      2.0228772              2.0599203              0.9724533
##      Strategy_Importance      Tech_Importance      Talent_Importance
##      1.8482551              0.6828047              1.5509959
##      Adaptability_Importance
##      1.5561906
# Calculate confidence intervals
CI <- exp(confint(model1))
## Waiting for profiling to be done...
# Calculate AIC
model_aic <- AIC(model1)
cat("AIC:", model_aic, "\\n")
## AIC: 178.9921 \n
# Calculate residual deviance
model_deviance <- deviance(model1)
cat("Residual Deviance:", model_deviance, "\\n")
## Residual Deviance: 158.9921 \n
# Calculate McFadden's pseudo R-squared
null_model <- polr(Firm_Performance ~ 1, data = data, Hess = TRUE)
pseudo_r2_mcfadden <- 1 - (as.numeric(logLik(model1)) / as.numeric(logLik(
null_model)))
cat("McFadden's pseudo R-squared:", round(pseudo_r2_mcfadden, 3), "\\n")
## McFadden's pseudo R-squared: 0.184 \n
# Fit the null model
null_model <- polr(Firm_Performance ~ 1, data = data, Hess = TRUE)

# Compare deviances
residual_dev <- deviance(model1)
null_dev <- deviance(null_model)

cat("Null Deviance:", null_dev, "\\n")
## Null Deviance: 194.7787 \n
cat("Residual Deviance:", residual_dev, "\\n")
## Residual Deviance: 158.9921 \n
# Likelihood ratio test
LR_statistic <- null_dev - residual_dev
df <- length(coef(model1))
p_value <- pchisq(LR_statistic, df = df, lower.tail = FALSE)
cat("Likelihood Ratio Test: Chi-squared =", LR_statistic, ", df =", df, ",
p =", p_value, "\\n")
## Likelihood Ratio Test: Chi-squared = 35.78661 , df = 7 , p = 7.95325e-0
6 \n

```

Source: Own analysis