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**Project 1:** “Build a better fund: The best practices and impact of sustainable investment funds”

**Project 2:** “Do student managed investment funds (SMIFs) really incorporate environmental, social, and governance criteria (ESG) into their investment processes?”

**Project 3:** Designing a sustainable investment fund for UTC undergraduate students using best ESG practices.

**Plan for Development**

**Background:** Sustainable investing is a growing investment discipline that includes many niche forms of investing such as socially responsible investing, impact investing, community investing, and green investing. However, sustainable investing primarily incorporates ESG criteria to generate both a competitive financial return and a positive impact on society. In terms of scale, sustainable investments have increased dramatically over the past 10 years and currently represent one out of every three dollars under professional management globally, and one out of every two dollars under professional management in Europe. Institutional investors, retail investors, financial advisors, corporations, and academics are all quickly realizing that sustainable investing is one of the biggest investment trends in history. However, due to the substantial growth rate of sustainable investing and its more subjective parameters when compared to traditional investing, many practitioners and academics do not yet fully understand the best practices, impact, or full scope of sustainable investing.

**Objectives:** These three projects above intend to bridge the divide between the best practices of practitioners and the leading research of academics in a way that also benefits students at UTC. The first objective is to develop research that explores the current impact of sustainable investing and combines the best practices of sustainable investors with the leading academic research of academics to allow sustainable investments funds to maximize their potential impact on society. The second research objective is to develop a comprehensive database on SMIFs, which will aid in exploring how SMIFs are currently incorporating sustainable investing. This database will be created by sending a comprehensive questionnaire to faculty advisors of SMIFs in the United States. I am now a member of the recently formed Chartered Financial Advisor (CFA) SMIF Nexus, which is an organization of SMIF advisors that should prove helpful in securing the necessary data. This SMIF database should also lead to several additional publications on SMIFs. Finally, this research will explore how SMIFs could incorporate best ESG practices to provide better learning experiences for their students and better prepare them for the growing sustainable investing industry. I am currently the faculty advisor for three different SMIFs at UTC. These three SMIFs could adopt best ESG practices learned from this study. However, the end goal would be to propose a sustainable SMIF to the department chair. In other words, one of these three SMIFs could be converted to a sustainable investment fund or additional funds could be secured for a new sustainable SMIF. Considering the impact and popularity of sustainable investing among younger generations, it would be prudent to prepare our students for this growing industry.

**Training:** I will obtain a Certificate in ESG Investing offered by the CFA, which will be beneficial for all three projects. This Certificate is a self-study 130-hour course that requires passing a final computer-based exam. I have chosen the CFA training program because I am also the faculty member of the UTC CFA Research Challenge Team, which now must follow CFA standards for incorporating ESG criteria into their analysis. In other words, this certification will impact my research, teaching, and service at UTC.

**Development Outcomes: Goals, Projects’ Timelines, and Potential Impact**

<i>Goal (Outcome)</i>	<i>Projected Timeline</i>
Review literature (review of ESG and SMIF literature) (Project 1 and 2)	Current
Begin collecting academic survey data for SMIF database (Project 2)	Jan 2022
Begin data collection and analysis (Project 1)	Feb 2022
Finish all data collection (archival dataset) (Project 1 and 2)	May 2022
Analyze data (qualitative coding) (Project 1 and 2)	June 2022
Begin manuscript development (initial draft) (Project 1 and 2)	Sep 2022
Finalize manuscript ( <i>Journal of Social Responsibility</i> submission) (Project 1 and 2)	Nov 2022
Present proposal for sustainable UTC SMIF to Department Chair (Project 3)	Dec 2022

**Impact on the Discipline and Society:** Developing an understanding of how sustainable investment funds are developed and their impact on investors and society represents a substantive contribution to theory and practice. Sustainable investing is currently an all-inclusive term representing several different investment strategies. Few researchers or practitioners understand the full ecosystem of sustainable investing, including the full array of data, investment, and technology options that are available. Understanding these options are crucial for future research in this area, especially as sustainable investing is on track to become the biggest investment theme of this century. The full scope of this project will also help UTC provide future leaders in the sustainable investing industry. Finally, the findings of this research will aid in the decision-making of investors, corporations, academics, policy-makers, and other stakeholders involved in the sustainable investing industry.

**Impact on the Faculty Member and Institution:** The semester-long research sabbatical would provide me with an extended opportunity to make significant progress on these projects, which would not be possible if I were teaching, providing service, and directing the SMILE Fund. Moreover, the data collected from these projects stands to produce multiple applications in both the growing areas of both sustainable investing and SMIF research. As a leading expert in both of these fields, these projects will also further solidify my research reputation in these disciplines. These publications will also be key for meeting my requirements for promotion to full professor. In addition, these projects can further cement UTC's position as a university that is not only on the forefront of sustainable investing research, but also incorporates that research into premier undergraduate experiential learning opportunities. Quality publications by faculty members are also essential for AACSB accreditation.

#### **Faculty Member Qualifications**

My research record provides evidence of my ability to conceptualize, execute, and publish quality research, especially in the sustainable investing space. Since 2013, I have published 16 peer-reviewed articles and authored seven book chapters, including a chapter on socially responsible investing. Moreover, I also have a book on sustainable investing that is under contract to be published with Oxford Publishing, Inc. Over this time period, I have also delivered over a dozen research presentations at both top research conferences and UTC RCOB Brown Bags. I've also received the *Best Paper in Track* award at the Southern Management Association (SMA) conference for a paper later published in the *Social Responsibility Journal*.

My service to the field also reflects my research reputation. I have been a very active member of the SFA since 2009 including frequently serving as a discussant, session organizer, session chair, online session coordinator, and currently as a member of the SFA Board of Directors. I have also served as a reviewer for several peer-reviewed articles, chapters, and books. My research has led to several invitations to speak on several academic panels at research conferences. I have also expanded upon my research in risk tolerance to create a risk tolerance questionnaire that generates specific risk profiles for industry use and is currently being used by a finance subsidiary of Sales Force. I have also used my knowledge of sustainable investing to serve on the investment committee for local nonprofits such as the Community Foundation of Greater Chattanooga and helped them focus on socially responsible investing and impact investing, which will prove useful for these three specific projects.

I also strongly believe that my research reputation is also reflected in my unique and substantial commitment to undergraduate and graduate research. I have devoted a significant portion of my time to teaching students to do research. First and foremost, I am the creator and Director of the Student Managed Investment Learning Experience (SMILE) Fund, which manages over \$950,000 for our client, the UC Foundation. As the Director, I train over 50 students each semester to manage these funds by writing professional equity research reports and presenting those reports to local professionals. I also serve as the faculty advisor for two undergraduate research teams comprised of select SMILE Fund students. My CFA Research Challenge team has won the Greater Tennessee Research Challenge five years in a row. My Equity Research Report College Challenge Team has won the global Equity Research Report College Challenge the past two years. I am also the Faculty Advisor for the Graduate Research Investment (GRIN) Fund, which tasks graduate students with managing a simulated student managed fund. I also teach upper-level finance students to conduct research needed to manage two other student managed funds, the UTC TVA Investment Challenge Fund and the Clarence E. Harris Investment Trust Fund. Finally, I have also served as the supervisor for the Bloomberg Lab and also worked with several students on their honor theses, graduate theses, and other supervised independent research studies. Due to my commitment to helping students do research, I have been selected to give several presentations and to receive several awards at both the UTC RCOB and University levels including: an endowed professorship (2019), the official UTC Nominee for the UT President's Award Category (2019), the UTC and RCOB Outstanding Faculty Service Awards (2019), the UTC and RCOB Outstanding Teaching Awards (2018), and the UTC SGA Outstanding Professor Award (2016).