



What's Changing on Your Bid Floor

You have seen this on your bid floor

“Your allocators arrive at quarterly meetings having already run your fund through a DDQ evaluation. Your bid team still assembles answers from last year’s PDF. The mandate is being decided on process visibility before your PM gets in the room.”

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Every Head of Distribution at a mid-market European active asset manager has had the same Monday morning. A large Swedish pension allocator's DDQ landed Friday afternoon. Forty questions on investment process, risk framework, ESG overlay, and succession planning. Your bid manager has three weeks. Your lead PM is travelling. The DDQ goes to the bid team, who will assemble answers from last year's PDF. You already know the allocator will run your response through an AI evaluation. Net new money last quarter was half what it was two years ago. Your CIO is sixty-four. And your CEO wants to talk about the PE conversation at next year's board.

You have done this job for fifteen years. The pattern used to be simple. Hire strong PMs who put up numbers. Build a distribution team who carried the relationships. Answer the DDQ honestly, send the pitchbook, host the allocator at your office, close the mandate. The business was understandable. Succession was a conversation about introducing the next PM and hoping the allocator stayed.

Something changed. Your allocators arrive at every first meeting having already run your fund through a DDQ evaluation tool. The DDQ questions have moved from "tell us your edge" to "show us the process that produces it." Your bid team is assembling answers from marketing narrative when the allocator wants auditable process documentation. Your lead PMs carry fifteen years of investment judgment in their heads, and the question in every DDQ that makes you flinch is the succession one. Retention through a CIO transition runs sixty percent at mid-market firms against ninety percent at firms doing this differently.

This is an industry shift and a function shift, happening at the same time. Most Heads of Distribution are treating them as two. The ones who see them as one are going to own the next decade of active asset management.

This briefing covers what is happening in your industry, what it means on your bid floor and in your distribution team, and the three questions your leadership should answer before the next board meeting.

Active management is being audited for the first time in forty years

Every technology wave your industry absorbed since the 1980s left the PM's seat untouched. Performance reporting platforms made quarterly attribution cheaper, so allocators asked for more of it. Portfolio construction software made position-level transparency richer, so mandates got more detailed. Compliance platforms made SFDR and AIFMD documentation traceable. Every wave added production capacity. None of them touched the claim that sat at the centre of active management: the edge is systematic and repeatable.

The two forces hitting your industry in 2026 are different. Allocators now run DDQ evaluation through platforms like FundLP, DD360, and CFA Institute's Augmented LP workflows. The question has moved from "tell us your edge" to "show us the process that produces it, in a form we can verify." For forty years active managers told the story. For the first time, the allocator can audit it against the documentation, and every mid-market firm is being evaluated the same Tuesday.

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The succession side of the shift is the other half. The founding generation of Nordic and European active boutiques is reaching the retirement window at the same time. The firms that move first capture the CIO's investment record before he retires. The firms that wait lose the record when the retirement conversation lands. Two of your senior investment names are past sixty. You know which ones. The DDQ question on succession now asks the one you have always flinched at, because the honest answer is that the record lives in his head.

Your bid team, your distribution, and your PMs are feeling it every day

Your bid team. A DDQ lands. Forty questions. Three weeks. Your lead PM is travelling. The bid manager pulls last year's response and edits. The answer reads like marketing narrative because that is what it was. The allocator's AI evaluation flags inconsistency between this year's answer and the one you gave in 2023. The mandate moves to a competitor whose response reads like an audit trail.

Your distribution and marketing. Your top allocators know you. Your next twenty do not yet. Marketing is producing thought leadership that does not appear when a pension consultant researches active equity boutiques through an answer engine. Your reps walk into first meetings having read the allocator's LinkedIn. The allocator has read three years of your quarterly commentary, run your fund through a peer-benchmark tool, and already ranked you against four competitors. The conversation is starting ten minutes behind the allocator.

Your lead PMs and CIO. The investment process that produces the edge lives in their heads. Fifteen to twenty years of thesis development, risk calls, rejected ideas, and allocator political reads. It has never been transferable. It has always been fine because the PM was still there. Two of your senior names are past sixty. The retirement conversation is not five years away any more. It is on the calendar this year or next, and the firm's valuation at the next capital event depends on whether the record transfers or walks.

Your best three allocator relationships. Three institutional LPs between them carry a third of your AUM. Your Head of Institutional knows their committees, their portfolio concerns, their redemption triggers, their succession plans. When he retires next year, the record of those relationships walks out with him. The junior rep opens the CRM and finds meeting dates. The political map sits where it has always sat, in the conversation you had at dinner in 2021.

The winners are already running one commercial system

Your industry is compressing because allocators have AI-powered DD for the first time and the founding PM generation is retiring into a window it has never faced before. Your function is compressing because the bid team is still assembling DDQ responses from marketing narrative, distribution is walking in behind the allocator's research, and the CIO's investment judgment lives in his head. Same force, two altitudes.

Look at the firms pulling ahead. The bid team, the distribution team, the marketing team, and the investment team are running as one commercial system, not four. The bid team is answering DDQ questions from real process documentation the PMs have built into an institutional record. Distribution is walking in with three years of that allocator's meeting history already loaded. Marketing is showing up in the pension consultant's research workflow before the RFP is scoped. The investment team is capturing their thinking into a record that transfers rather than dictating it.

Most Heads of Distribution are still running four teams with four plans. A content upgrade for marketing. A bid-template refresh for the RFP team. A CRM push for distribution. A promise to start documenting the investment process next year. Twelve months later the mandate walks to a firm that built the four together, and the AP fund's retention decision runs on the question the three previous plans never answered.

On a five billion euro institutional book at seventy basis points, the difference between sixty percent retention and eighty-eight percent retention through one CIO transition is one and a half billion of AUM preserved and ten million of recurring management fees, compounding across every subsequent handover. This is the next twenty-four months if you do not move.

You have eighteen to twenty-four months. The firms that move first build the institutional record. The firms that wait watch the record walk out with their seniors.

What most firms are doing. What the winners are doing instead.

Every Head of Distribution has made the AI call by now. Most picked four similar moves. A smaller group picked different ones.

THE DEFAULT PATH

Run bid, distribution, marketing, and investment as four teams

Four plans that never meet. Content for marketing, templates for bid, CRM for distribution, process documentation next year.

Buy RFP response software and call it the AI strategy

Every competitor has the same tool in a year. Template matching, not judgment. The allocator's AI flags the copy-paste answer.

Push marketing for more thought leadership volume

More articles, more webinars, more LinkedIn. Nothing lands because allocators research through answer engines your firm is not in.

Wait for the CIO to retire, hope the next PM carries the book

Sector retention on CIO transition runs sixty-five percent. The AUM that leaves takes the fee.

THE WINNERS' PATH

Run one commercial system across all four

Bid answering from real process documentation. Distribution loaded with allocator history. Marketing in the consultant's research flow. One shared record.

Build DDQ tools tied to your real investment process

Tuned to your firm, your PMs, your voice. Yours to keep, compounding with every bid response and every IC meeting.

Build authority in the allocator's research workflow

Original research answer engines cite. Named market regimes, specific outcomes. Preferred name before the RFP is scoped.

Capture what he knows now, while he is still there

The record moves into a system every PM builds into. Retention on handover runs eighty-five to ninety.

Same technology. Same twelve months. Opposite outcomes. The difference is the operator, not the AI.

Win rate. Flows. Retention.

Three questions every Head of Distribution is tracking. None of them used to be the same question. They are now.

01 · WIN RATE

Why do we lose mandates we should be winning?

Sector average institutional RFP conversion runs twelve to eighteen percent. Firms delivering DDQ responses tied to auditable process documentation run twenty-two to twenty-eight. On eighty RFPs a year, the gap between fifteen and twenty-two percent is four hundred million in additional mandate pipeline. The allocator's AI reads both responses the same Tuesday.

02 · FLOWS

What happens when allocators arrive AI-armed?

FundLP, DD360, and the CFA Augmented LP workflows now run six allocator processes. Your bid team is still assembling responses from last year's PDF. Net new money is down because the audit layer moved, not because performance slipped. The firms that built for the audit are the ones the money is flowing to.

03 · RETENTION

What walks when the CIO retires?

Your lead PM carries fifteen years of thesis development, risk judgment, and allocator political read in his head. He is sixty-four. Sector retention through CIO transition runs sixty to sixty-five percent. Firms with a structured investment record run eighty-five to ninety. The retirement conversation is already on the calendar.

What the firms winning this play are actually doing

Four concrete moves any Head of Distribution can start this quarter. Each touches one function. Pulled together, they fuse the firm into one commercial system.

1

Bid team: answer DDQs from real process documentation

A DDQ agent trained on your firm's past responses, compliance-cleared fund documents, and investment process documentation drafts first-pass answers to each question, flagged where PM input is needed. The bid team reviews and sharpens. The lead PM spends two hours on the five questions that need judgment rather than three weeks on assembly. Cycle compresses from three weeks to four days.

2

Marketing: become the preferred name before the RFP is scoped

Pension consultants and institutional allocators research active managers through answer engines and peer-benchmark tools your marketing team is not measuring. More articles will not fix that. Move the spend into authority placement where the consultant is actually looking. Original research answer engines cite. Named market regimes, specific outcomes. Senior PM voices on the record where allocators read. Win-rate recovery starts here, not in the content calendar.

3

Distribution: arm the rep with the allocator's history at the meeting

An allocator-intelligence agent captures every call transcript, quarterly meeting note, email thread, and portfolio discussion per institutional LP. The rep opens the record before a meeting and sees five years of that allocator's questions, committee political map, portfolio concerns, redemption triggers. Three hours of prep compresses to fifteen minutes of directed review. The allocator experiences a boutique that remembers every conversation.

4

Firm: capture what your CIO knows, before he retires

Every IC meeting recorded and structured. Every portfolio move tagged with the PM's reasoning. Every rejected idea captured with why. Every regime call and what followed. Becomes the firm's institutional record of the investment process. When the CIO retires, the next PM opens the record and sees fifteen years of thinking. The DDQ on succession gets answered with infrastructure. The firm's valuation at the next capital event depends on this.

The only firm that joins the commercial conversation to working tools

The Head of Distribution in 2026 has four places to go. None of them do what we do.

Fund data and peer-benchmark platforms sell you a reporting and peer-comparison system. Their business needs the platform as system of record. They commoditise the dashboard. They do not capture what your CIO knows about a regime call.

The big consulting firms will write you a five-hundred-thousand-euro strategy deck. They cannot put a working DDQ-response tool in your bid team's hands in three weeks because their cost structure requires billing analyst hours.

In-house AI teams at mega-managers are the move BlackRock and Amundi can afford. Sixty engineers, two years of build. Not available to a mid-market boutique. The gap is structural.

RFP response software sells template matching against a content library. Point tools born in the pre-AI procurement motion. Your bid team tries them, the allocator's AI flags the copy-paste, you go back to the old pattern.

The market offers four things you have already said no to. GRAIL is the fifth option.

WHAT YOU GET

Senior commercial thinking, not strategy-deck consulting

Working tools your bid team uses the same week

Custom agents built on your PMs, your process, your allocators

The start of an institutional record your firm builds into

No platform lock-in at any phase of the engagement

WHY IT MATTERS

Founded by operators who have built and led commercial teams

Business first, technology second

Three weeks from first meeting to working tools

Your firm keeps the tools, you own the IP

Every next step earned by what just shipped

Three sessions with your commercial leadership. Working tools from week one.

We start with your commercial leadership because the change cannot outrun the team's personal understanding of what is possible. Three workshops. Each delivers standalone value. Each earns the right to the next.

WORKSHOP 01

How to think

Walk through what is happening in your industry and on your bid floor. Build the first working tool in the room: a DDQ-response agent for one of your open institutional bids, trained on your firm's real process documentation, for an allocator you are actually pitching. Your leadership team leaves with a shared view of what to do next and a tool already in their hands.

WORKSHOP 02

Your team's tools

A half-day activation. Each leadership-team member leaves with five to ten working tools tuned to their function. DDQ response agent for the bid team. Allocator-intelligence agent for distribution. LP-communication drafting agent for client relations. Research-synthesis agent for the PMs. Tools their allocators never see, that the team uses every week.

WORKSHOP 03

Ready to roll

Refined tools based on real use. The rollout plan to the broader distribution and bid team. The investment-record capture plan for your retiring CIO and PMs. The authority-placement plan for marketing in the allocator research workflow. And the CEO and board conversation with numbers they can check, not a deck they cannot argue with.

Three weeks. No platform implementation. No board approval to start. The tools your bid team is already using when we finish.

For your next board meeting

The questions where your CEO, CIO, and board cannot agree on an answer are the ones worth an hour on the agenda. Ask these honestly.

If your CIO retired in the next five years, what percentage of your institutional AUM would stay at the firm? If you do not know the number, how would you find it out?

When your next DDQ runs through an allocator's AI evaluation tool, does your response read as auditable process documentation or as marketing narrative? Which three answers would you reread first?

When a pension consultant types a question about active equity boutiques into an answer engine today, does your firm appear? If not, what is your marketing actually producing?

Where is your Head of Institutional spending her Mondays today, and where would she need to be by 2027 to carry the book if your top rep retires?

What is the firm worth at the next capital event if the investment record exists, versus if the founding PMs still carry it in their heads? Which side of that is the current trajectory?

If any of these produces disagreement at your board, that is the conversation worth having before the allocator's next DDQ lands.

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Three numbers your board reads. AI is rewriting all three in your industry.

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CHRO

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