

# *the journal of* **PORTFOLIO** *management*

CLIENT, GOVERNANCE,  
AND INDUSTRY TRENDS

**PORTFOLIO  
MANAGEMENT  
RESEARCH**

with. Intelligence

May

**2026**

Volume

**52**

Number

**7**

[pm-research.com](http://pm-research.com)



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# Open Collaborative Investment Partnerships (OCIP): The Evolution of Outsourced Investing

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## KEY FINDINGS

- OCIP offers a collaborative, non-delegated alternative to OCIO, improving portfolio-level decision quality while preserving governance control and manager flexibility for asset owners.
- Global regulatory and industry trends—rising complexity, private market access, and consolidation—are converging toward outcome-oriented, partnership-driven models, creating fertile ground for OCIP adoption across regions.
- Effective OCIP requires active oversight, disciplined risk frameworks, and structured transparency, ensuring that partners contribute capabilities while owners retain oversight and align decisions to long-term objectives.

## ABSTRACT

The outsourced chief investment officer (OCIO) model has expanded rapidly alongside rising market complexity, private markets mainstreaming, and growing governance constraints for asset owners. Yet the prevailing choice between narrow, single-asset mandates and fully delegated OCIO arrangements often misaligns with how many institutions prefer to operate. This article formalizes Open Collaborative Investment Partnerships (OCIP) as a distinct, owner-led engagement model that embeds external capabilities while preserving policy control, transparency, and flexibility. OCIP occupies the collaborative middle ground between consulting and delegation. Partners contribute research, implementation, and specialized expertise within clearly defined guardrails, while owners retain veto rights, oversight, and responsibility for total portfolio decisions. We position OCIP relative to OCIO, document secular drivers of OCIP-type engagements, and illustrate the model through practical examples. We also outline a blueprint for effective collaboration—emphasizing clarity, structured interaction, open architecture, and mutual transparency. OCIP reframes the asset owner–manager relationship around co-production and outcome alignment, enabling institutions to enhance capability without relinquishing governance control.

Institutional outsourcing began as a narrow exercise: Allocate a slice of the portfolio to an external manager with a benchmark, guidelines, and a review cycle. Over time, this “component provisioning” approach yielded thousands of manager relationships and a high oversight burden without necessarily improving portfolio-level outcomes.

By the 2000s, asset owners increasingly turned to outsourced chief investment officer (OCIO) providers to consolidate discretion across policy implementation, asset allocation, and manager selection. OCIO became “mainstream,” with recent estimates placing global OCIO assets between roughly \$3.1 trillion and \$4.8 trillion, depending on definitional scope; growth is projected to continue briskly through the next decade. Yet definitional ambiguity persists—what counts as OCIO ranges from sleeve-level discretion to full portfolio delegation—complicating comparisons and highlighting the need for increased clarity in defining the engagement approaches taken by asset owners.

In parallel, many asset owners—pensions, insurers, sovereign wealth funds, endowments, and master trusts—began to pursue deeper, outcome-oriented collaboration without ceding ultimate authority. The result has been an emergent distinct operating model we formalize here as open collaborative investment partnerships (OCIP). OCIP encompasses two archetypes: (1) strategic partnerships (“do it with you”), and (2) strategic advisory (“teach you how”). These arrangements incorporate asset-manager capabilities into the asset owner’s process to extend staff, transfer knowledge, and accelerate implementation—distinct from full OCIO delegation. This evolution is consistent with the view advanced by Reinganum and Blay (2024), which anticipates a shift from portfolio management as a product to portfolio management as a service, something that will require greater partnership and collaboration between asset owners and asset managers.

OCIP’s core proposition is to align an external manager’s strengths with the asset owner’s ultimate objectives and constraints at the total portfolio level, shifting the focus from product performance to outcome attainment (liability matching, cash-flow generation, drawdown control, sustainability, and/or spending-rate stability). This shift reflects secular forces (complex objectives, constrained governance bandwidth, private markets mainstreaming, and human capital scarcity) that have made binary choices—either consulting or full OCIO—insufficient for the needs of today’s asset owners.

In this article, we seek to formalize OCIP, an engagement model that has emerged organically from real-world engagements with asset owners seeking to match outsourcing offerings with their specific needs and their preferences for delegation. We begin with an overview of the current global OCIO landscape, highlighting forces across different regions (US, Europe, and Asia-Pacific) that are driving the adoption of OCIP-type engagements. We then discuss five secular drivers behind the shift toward investment management as a service. Next, we describe the OCIP framework in detail, explaining how it differs from OCIO arrangements, how it addresses principal-agent frictions, and illustrating the model with practical examples. We then present a practical blueprint for successfully implementing OCIP. The article concludes with a discussion of the broader implications of collaborative investment partnerships for asset owners and asset managers.

## THE GLOBAL OUTSOURCING LANDSCAPE

OCIO has grown rapidly over the past decade, spanning corporate and public pensions, endowments and foundations, insurers, and, increasingly, wealth/retirement channels. But headline numbers vary because reported assets often conflate sleeve mandates, partial portfolios, and full discretionary relationships. Recent estimates put global OCIO assets at \$3.3 trillion in 2025, with projected growth toward \$5.8 trillion by 2030 (Chestnut Advisory Group 2026). Behind this expansion is a structural shift in how institutions and advisors approach investment management amid rising market complexity, broader access to alternative strategies, and increasing

governance requirements. As OCIO arrangements become more common across pensions, endowments, foundations, and wealth-oriented intermediaries, the model has transitioned from a niche offering to one of the fastest-growing segments of the asset-management ecosystem (AdvisorHub 2026).

Within this global landscape, the United States represents approximately three-quarters of global OCIO assets, reaching \$2.5 trillion in 2025. Longer-term forecasts suggest that US OCIO assets could climb to \$4.38 trillion by 2030, underscoring sustained demand across both institutional and private-wealth channels (Chestnut Advisory Group 2026). This expansion is driven by a combination of investment performance, channel-level flows, and, most importantly, continued adoption of discretionary management models. Indeed, more than \$1.3 trillion in new client assets is expected to enter US OCIO arrangements over the next five years, with nearly half sourced from corporate retirement plans. At the same time, the industry is maturing: Consolidation is increasing, fee compression is accelerating (especially in the corporate defined benefit segment) and replacement searches now account for a meaningful share of new mandates (Cerulli Associates 2026).

Despite the strong growth and increasingly institutionalized nature of the market, measuring OCIO AUM remains challenging due to persistent definitional ambiguity. The OCIO label is applied across a heterogeneous set of providers, including investment consultants, asset managers, banks, and wealth-management firms. Business models also vary widely in the degree of discretion, scope of services, and portfolio-level authority granted. Recently, industry participants, including CFA Institute, have initiated attempts to reduce ambiguity in defining OCIO mandates (CFA Institute 2024). Formalizing OCIP builds on these efforts by providing definitional clarity to engagements that do not fall neatly under the OCIO moniker—a growing market segment being driven by various forces in different regions across the globe.

### United States

In the United States, OCIO is now common across corporate defined benefit (DB), defined contribution (DC), endowments and foundations, and, increasingly, private wealth. As OCIO flows continue to build, the wealth channel is also adopting direct indexing at scale—roughly \$865 billion at the end of 2024—largely for tax management and personalization (Cerulli Associates 2025). This combination of delegated solutions and personalized implementation creates fertile ground for OCIP in wealth enterprises, where policy remains with the platform or fiduciary advisor while managers deliver systematic customization and private market access as services.

### Europe

Across Europe, regulatory emphasis on value for money and consolidation, particularly within DC plans in the United Kingdom, has nudged providers toward outcome-oriented, collaborative designs (e.g., default strategy construction, glide-path engineering, and semi-liquid integration) that benefit from strategic engagement with managers without surrendering governance. The continued decline in the number of stand-alone schemes and the dominance of master trusts illustrate the search for scale and the partner concentration that OCIP formalizes.

Policy and product reforms have also made it easier to embed private markets into outcome-oriented defaults, notably via the long-term asset fund (LTAF) regime and the Mansion House Accord, under which leading workplace pension providers aim to allocate ~10% of DC default assets to private markets by 2030 (Aviva Investors 2024; Osborne Clarke 2025). Across the European Union, ELTIF 2.0 (effective January 2024) expands eligibility, eases distribution, and introduces semi-liquid features,

opening access to private assets for a wider investor base under robust safeguards (Schroders Capital 2024). These changes position Europe for growth in OCIPs.

### Asia-Pacific

Across Asia, sovereigns and insurers are deepening strategic partnerships to expand into private credit, infrastructure, and selectively tilted exposures, all while maintaining centralized governance. Surveys and annual reviews highlight rotation toward infrastructure, industrials, and healthcare; smaller median deal sizes; and a risk-off tone that strengthens the case for embedded external expertise and co-investment capabilities rather than wholesale delegation (Invesco 2025).

In Australia, the Australian Prudential Regulation Authority's (APRA) annual super-annuation performance test and related regulatory scrutiny have accelerated consolidation, sharpened attention on liquidity and risk-adjusted value, and intensified fee discipline (APRA 2025). This context rewards targeted collaboration—such as outsourced sourcing and implementation in private markets—without ceding policy control, aligning neatly with OCIP's modular design. Ongoing debates about benchmark construction and potential unintended consequences further underscore the need for flexible, partner-enabled implementation within owner-set guardrails.

## SECULAR DRIVERS BEHIND THE SHIFT TO INVESTMENT MANAGEMENT AS A SERVICE

Several forces are accelerating the industry's shift from product-centric arrangements toward partnership-based operating models. First, asset-owner objectives have grown increasingly multidimensional: Institutions must simultaneously manage returns, liquidity, liabilities, risk budgets, regulatory constraints, and stakeholder expectations. Industry reports also emphasize a convergence between traditional and alternative assets (McKinsey & Company 2025). This complexity requires a whole-portfolio perspective rather than siloed alpha generation, a shift consistent with the broader literature on the convergence toward solutions.

Second, traditional governance models are increasingly strained by complexity and time limits. Boards and investment committees face aggregation challenges and behavioral pitfalls (Scherer 2024). The remedy is not necessarily blanket delegation but clearer boundaries and more structured processes—precisely the sweet spot where OCIP lives.

Third, markets often move faster than institutional decision cycles permit. Managing risks and extracting returns in dynamic markets requires compressing the time from insight to action. By embedding partners who can implement within owner-approved guardrails, OCIP enables faster execution without diluting the owner's ultimate authority.

Fourth, the mainstreaming of private markets has elevated the need for specialized sourcing, underwriting, pacing, data infrastructure, and operational capabilities (McKinsey & Company 2025). These requirements naturally favor strategic partnerships and advisory models where implementation can be outsourced while policy remains firmly with the owner.

Finally, human capital constraints—particularly in alternatives, risk management, and portfolio construction—are prompting institutions and wealth management firms to concentrate assets with a small set of strategic partners who bring differentiated expertise, advice, access, and implementation know-how. OCIP turns this pragmatic instinct into a repeatable operating model.

## DETAILING OPEN COLLABORATIVE INVESTMENT PARTNERSHIPS

OCIPs are structured, long-term engagements in which one or more asset managers operate as extensions of the asset owner's team to co-design, implement, and iterate portfolio-level solutions. Crucially, governance authority—policy, risk appetite, key constraints, and ultimate accountability—remains with the asset owner. OCIP sits between component mandates and full OCIO. It goes well beyond the traditional consultant's advisory remit by pairing advice with targeted implementation and capability building, yet it stops short of delegating broad policy and fiduciary responsibility to a single agent. In doing so, OCIP clarifies mandates and boundaries, reduces principal-agent frictions, and preserves owner control while harnessing partner capabilities (Clark and Urwin 2017).

### Decision Rights and Incentive Alignment

At the heart of OCIP is a formal separation of policy from strategy and implementation. Asset owners set mission, risk budgets, liquidity needs, liability and sustainability constraints, and the policy benchmark. Strategy and construction sit on shared ground—scenario analysis, holistic risk, rebalancing, pacing for privates, and overlay usage—so that decisions are informed collaboratively but still mapped to explicit policy objectives. Implementation is partner-led within guardrails: manager selection under open architecture, co-investments, direct-indexing parameters for taxable entities, deal sourcing and allocation, secondaries usage, and overlay/risk programs. Oversight remains with the owner, who evaluates performance and risk at the total portfolio level, reviews partner concentration and conflicts, and calibrates fees to reflect service requirements and outcome contribution. This explicit delineation of delegated decisions helps investment committees reduce agency costs and mitigate group-decision biases—benefits that OCIP is meant to capture.

### Why OCIP Is 'Open'

"Open" in OCIP refers to open architecture and open analytics. Open architecture ensures unconstrained manager selection (including third-party funds and co-investments) and reduces product bias, which is especially critical as private markets platforms and semi-liquid vehicles proliferate. Open analytics ensures that scenario engines, data taxonomies, and reporting are transparent, supporting multi-manager oversight and cross-partner comparability. The maturation of direct indexing and model-delivered separately managed accounts (SMAs) across investment channels illustrates how open tooling can coexist with advised implementation, an instructive analogue for institutions.

### Why OCIP Is Not OCIO

It is tempting to think of OCIP as a variant of OCIO, but the differences are substantive. In OCIP, engagements begin with the intention of establishing and maintaining a long-term collaboration. Authority remains internal: Boards and committees retain policy, approve guardrails, and exercise vetoes on material shifts. In OCIO, by contrast, engagements, whether full OCIO, partial OCIO, or whatever the variant determined, are intended to have an end state where broad strategic and implementation discretion are fully delegated to the provider. OCIP's modular architecture also keeps components and partnerships replaceable; partners can be rotated with

limited disruption, whereas fully bundled OCIO arrangements can create substantial switching costs that can entrench a single provider. Finally, OCIP reduces principal-agent risk by unbundling fiduciary roles and building transparency cadences into the engagement—regular exchanges of decision logic, trade-offs, and conviction levels—so that information asymmetries are minimized without sacrificing speed. Exhibit 1 provides a high-level comparison between OCIO and OCIP.

### Consultants, OCIO Providers, and OCIP

OCIP should not be viewed as a substitute for consultants or traditional OCIO providers. OCIP is a complement to these established models by occupying the collaborative middle ground between pure advisory and full delegation. Consultants remain essential in shaping governance frameworks, policy design, oversight structures, and vendor evaluation, while OCIO providers continue to deliver scale, operational leverage, and consolidated execution for owners that prefer broad delegation. OCIP is a third, nondiscretionary alternative that embeds partner capabilities directly into the asset owner’s process while preserving policy decisions and veto rights—reinforcing, rather than diminishing, the value of advisory and delegated models. Importantly, both consultants and OCIO providers can incorporate OCIP within their own service architectures: Consultants can extend their advisory remit through structured co-production models that broaden analytical depth, and OCIO providers can deploy OCIP-style sleeves where owners seek targeted implementation without ceding total-portfolio discretion. In this way, OCIP expands the continuum of operating models available to institutions—consultants guide, OCIOs execute, and OCIP co-produces—allowing asset owners and providers alike to align external support with governance preferences, resource constraints, and outcome-oriented mandates.

## EXHIBIT 1

### Comparing OCIO and OCIP

	Full-Discretion OCIO “Do it for you”	OCIP “Do it with you”
<b>Primary Objective</b>	Maximize implementation scale/speed under delegated authority	Achieve outcomes while building capability, retaining oversight, and sharing decision processes
<b>Scope of Work</b>	Whole portfolio or large slices (30%–100% of assets)	Modular sleeves; multi-asset programs, overlays
<b>Decision Making</b>	Provider designs/implements within approved policy; owner focuses on governance and oversight	Partner holds scoped discretion (sleeves/overlays/implementation); owner retains portfolio-level decisions and co-design
<b>Transparency &amp; Learning</b>	Reporting-heavy; learning optional	Institutionalized two-way transparency (scenarios, attribution, committee materials, teach-ins)
<b>Asset Owner Resource Requirements</b>	Lower ongoing bandwidth; lighter internal build	Moderate: time for workshops, scenario reviews, emphasis on staff upskilling
<b>When it Fits</b>	Resource-constrained owners; need for speed; preference for single-point accountability	Asset owners seeking capability uplift, transparency, and flexibility; complex objectives (liquidity, cash flow, sustainability)
<b>Key Characteristics</b>	<b>Low</b> Investment Control <b>Low</b> Knowledge Transfer <b>High</b> Alignment of Interests	<b>High</b> Investment Control <b>High</b> Knowledge Transfer <b>High</b> Alignment of Interests

## Key Capability Requirements for OCIP

Effective OCIP partners offer distinct capabilities. They bring systematic customization and direct indexing tool kits (useful for tax management and personalization in taxable contexts, and increasingly relevant across institutional and private wealth channels), and they can deploy these at scale as investor-customized strategies rather than retail-oriented products. They add private markets sourcing and implementation discipline, from underwriting and pacing models to secondaries management and fit-for-purpose vehicles. And they operate with whole-portfolio analytics, shared frameworks, and cross-asset overlays that translate research into portfolio actions under agreed guardrails. In the US wealth management context, in particular, the rapid rise of direct indexing underscores the practicality of this pillar in an OCIP setting where policy remains centralized.

## OCIP in Practice: Three Illustrative Examples

### Public Pension—Strategic Partnership

*Situation:* A large UK master trust undergoing an investment-model evolution aimed to increase transparency, strengthen stewardship alignment, and reinforce portfolio-level control after transitioning a substantial portion of assets into segregated mandates (People's Partnership 2025).

*Approach:* Following an extensive due diligence process, the scheme appointed two strategic partners. The first was tasked with managing passive developed market equities, selected for excellence across six key characteristics covering portfolio construction, risk systems, responsible investment, and partnership capabilities. The second was tasked with overseeing multisector fixed income, with defined maturity buckets, sustainability integration, active engagement, and a mandate structured for long-term strategic partnership and broad market access.

*Outcome:* The appointments advanced the master trust's evolution toward a world-class asset-owner model, improving control, risk management, sustainability integration, and long-term value creation for nearly 7 million members. This illustrated how OCIP allows for implementation design and partnership selection that can elevate portfolio-level capability.

### Insurance General Account—Strategic Advisory

*Situation:* A major insurer with a predominantly fixed-income balance sheet sought to increase exposure to risk assets and private market strategies—including real estate, private equity, and private credit—while simultaneously developing internal portfolio management and analytical capabilities.

*Approach:* The insurer established a strategic advisory arrangement built around a structured "teaching portfolio." External partners were granted scoped discretion within predefined guardrails, while the asset owner retained veto rights over material decisions. The engagement incorporated a disciplined cadence of knowledge-transfer sessions, scenario reviews, and transparency protocols, ensuring that the insurer gained visibility into decision logic, risk trade-offs, and portfolio-construction rationale. This collaborative structure paired targeted external implementation with intentional internal capability building.

*Outcome:* The insurer improved total-portfolio outcomes through expanded access to higher-returning private market opportunities while strengthening its internal investment competencies. The advisory model demonstrates how OCIP can deliver both performance enhancement and skill development. Partners executed within delineated constraints, and the insurer retained governance authority and deepened organizational expertise.

### **Wealth Manager—Strategic Partnership**

*Situation:* A leading private banking and wealth-management business sought to modernize its investment platform in response to rising cost pressures, expanding client expectations, and the need for deeper research and risk management capabilities. The organization aimed to reduce client fees, strengthen portfolio construction tools, and streamline operational infrastructure across a large retail and affluent client base (Tew 2020).

*Approach:* The wealth manager outsourced key investment management functions to a global investment partner with substantial scale, research depth, and operational capabilities. The shift enabled access to an institutional-grade risk analytics and portfolio management platform, improving scenario analysis, oversight precision, and implementation efficiency.

The collaboration also enabled the launch of diversified multi-asset solutions combining both active and index-based approaches, delivered more efficiently and at a lower cost. This outsourcing model aligned with the wealth manager's strategy to simplify investment propositions and reduce fees. The shift freed teams to concentrate on strategic asset-allocation decisions rather than day-to-day implementation.

*Outcome:* The partnership reduced investment costs for clients, enhanced risk oversight, and broadened the competitiveness of the firm's investment offerings. By combining internal governance with external execution capabilities, the wealth manager strengthened its overall platform, improved operational efficiency, and demonstrated the benefits of OCIP's "do it with you" extension-of-team model and how it can elevate capabilities at lower costs while preserving owner-level control.

## **REQUIREMENTS FOR SUCCESSFUL COLLABORATION: A PRACTICAL BLUEPRINT**

Successful OCIP engagements share a handful of operating characteristics that allow both asset owners and asset managers to extract the greatest value from collaborative engagements:

### **Clarity**

Clarity of intent is foundational. Owners and partners must articulate which decisions are delegated, which remain internal, and where collaboration is expected. Accountability is explicitly distinguished from advisory input. Ambiguity is the enemy; clarity lowers friction and speeds response.

### **Perspective**

A portfolio-level perspective shifts the conversation from product returns to specific outcomes: risk, drawdown, liquidity, liability matching, and spending needs. Partners are measured on marginal improvements to the owner's objectives, not on whether any single sleeve beats its narrow benchmark. Many owners sustain this discipline by maintaining a reference portfolio or policy benchmark and running scenario-based attribution that decomposes partner actions and their total portfolio impact; in DC contexts, the framing aligns with value-for-money expectations and decumulation outcomes.

### Structure

Structured interaction replaces ad-hoc reporting with a cadence of deep-dive sessions, forward-looking risk discussions, and shared analytical frameworks. Quarterly whole-portfolio meetings, monthly risk calls, and annual objectives updates are common. Standardized data exchange—especially for private markets positions, exposures, and scenarios—reduces oversight friction and improves explainability (State Street 2024).

### Selectivity

Selective manager partnerships are another hallmark. Institutions achieve more with a smaller set of complementary partners who bring truly differentiated skills (Coalition Greenwich 2025). Concentration reduces duplication, simplifies oversight, and increases each partner’s “skin in the game”—advantages that many surveys show accrue to institutions that intentionally prioritize strategic partners for new mandates.

### Transparency

Finally, mutual transparency cements trust and accelerates learning. Owners share constraints, sensitivities, and relevant internal deliberations. Managers reciprocate with decision logic, trade-offs, and conviction levels rather than post hoc performance narratives. Many partnerships now codify explainability, for example, by requiring pre- and post-trade rationales for significant tilts or allocations and adopting open-architecture implementation with explicit competition and replacement protocols. That combination preserves alignment without destabilizing the relationship.

This blueprint works because it addresses classic principal–agent frictions. The collaborative and nondiscretionary nature of OCIP means that trust underpins everything, from information sharing and governance to long-term alignment and effective knowledge transfer. Mutual transparency reduces information asymmetry; clarity of intent and selective concentration align incentives; and structured interaction plus a portfolio-level perspective improves decision aggregation. Together, these elements foster trust and enable institutions to act closer to market speed without sacrificing governance.

## CONCLUSION

The evolution from stand-alone products to OCIO and now to OCIP is ultimately a response to the problems institutions actually need to solve: portfolio-level, multiperiod, multidimensional objectives. OCIP formalizes a collaborative but owner-led middle way that aligns external capabilities with internal objectives while mitigating agency risk. OCIP is more than a compromise between OCIO and single-asset mandates; it is a governance model that reframes the asset owner–investment manager relationship for a more complex era. Where OCIO is delegation, OCIP is co-production, with targeted discretion, open information flows, and codified learning. It is particularly well-suited to institutions that are large or complex enough to need specialization but wish to retain portfolio-level control, build internal capability, and limit disruption from provider changes. At its core, collaborative asset management represents a reframing: from mandates to objectives, from products to outcomes, and

from delegation to partnership. As asset-owner objectives grow more nuanced and institutional constraints become more binding, aligning external capabilities with internal decision making through models like OCIP will increasingly define long-term investment success.

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