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## 10 business leaders who spearheaded industry-transforming change in 2024



PARAMETRIC

**Lara O'Reilly, Lucia Moses, Nora Naughton, Alex Nicoll, Tim Paradis, Hayley Cuccinello, Emma Cosgrove, and Helen Li**

**I**nnovation and business go hand in hand — and that's constantly on enterprise leaders' minds, regardless of their industry.

Executives must understand how technological advancements, systemic barriers, and generational shifts are affecting their growth, then strategize accordingly.

Business Insider's annual list of people transforming business highlights these leaders who work in media, finance, technology, transportation, and labor.

**Ranjit Kapila, chief operating officer and copresident of Parametric**

Kapila likes to stay ahead of the game.

During the first 10 years of his career, the computer-science graduate completed four certifications each year while working as a tech consultant for firms like Nasdaq

and Sallie Mae. While working at the hedge fund Citadel in the mid-2000s, he took MBA classes at night at Northwestern University.

“Everything in this field changes so quickly,” he said. “Things change in finance and things change in tech at an ever increasing pace.”

Now Kapila is a copresident and chief operating officer of Parametric, a pioneer of direct indexing with \$570 billion in assets under management. He joined Parametric in 2019 after rising up the ranks at BlackRock, overseeing portfolio construction management for its widely used Aladdin platform. Kapila moved to a much smaller firm to have a bigger impact.

“It was an opportunity to kind of look at what Parametric has done well, think about how to build on the success, but then also take advantage of what’s happening in the technology space and rethink how Parametric could operate, let’s say, five years from that point,” he said.

His move was well timed. There has been a boom in direct indexing, a tax-savvy investing strategy of buying individual securities modeled off an index like the S&P 500. Two years after Kapila joined Parametric, Morgan Stanley acquired Parametric’s parent company, Eaton Vance. Thanks to a wave of similar acquisitions, Parametric faces well-capitalized competitors such as BlackRock’s Aperio and Franklin Templeton’s Canvas. Industry stalwarts like Fidelity and upstarts like Envestnet also want a piece of the action.

Kapila said Parametric, founded in 1987, has experience and scale on its side.

“I will say that given the technology trends, sometimes it’s easy to come in and have a solution. It’s much, much harder to have a scalable solution that will serve clients when the demand spikes,” he said. “We’re managing over 200,000 accounts for our clients. The level of scale, I think, often is a breaking point for some of the newer entrants.”

To stay ahead of the competition, Kapila is pushing Parametric to develop more automated products, such as Radius, which launched this year. Radius constructs fixed-income and equity portfolios and runs simulations to identify the best selections for portfolio managers. Kapila described it as a “turning point” for Parametric.

“This is the first time we’ve had a product that’s really end-to-end running in that automated platform manner with a person reviewing and approving and intervening as necessary,” he said.

He plans to launch more cloud-native tools, which are easier to scale and manage, for other asset classes in 2025 and 2026.

Parametric is also bringing its tax-savvy strategies to active management, launching Custom Active this summer. Rather than modeling portfolios off indexes, clients can pick equities off strategies from its asset-management partner Lazard or sports-league sponsors.

“Those are examples where we can provide a tax overlay and help people get the advantages of direct indexing while managing to an active model,” Kapila said.

“There’s a demand for that, and it’s early days,” he added, “but I think that’s really what’s playing out.”