

# Pine River Spinoff Showcases Dilemma for Hedge Managers

By Lydia Tomkiw | 7/5/17

As the hedge fund industry continues to struggle with performance, tensions in organizations can sometimes be better resolved with amicable departures and endorsing the ambitions of people who want to start their own businesses, says [Chris Cutler, president of Manager Analysis Services](#). Investors need to have resources for monitoring such cases to make sure they are adequately informed, he says.

“Instability within the management structure is a natural ‘flag’ for due diligence analysts to take a closer look at the stability of the hedge fund organization. But cautionary ‘flags’ are constantly flying in the hedge fund industry, and without a close look by dedicated analysts, it can be difficult to discern whether the flag is a false alarm or a real concern,” he says in an email to FundFire. “That’s why investors should resource their due diligence and monitoring functions generously.”