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Revenge of the Humans, Emojis & Mushrooms

Revenge of the Humans Part II

This is a really terrific (long) piece of writing: **Revenge of the Humans Part II: A New Blueprint For Discretionary Management:**

The meat really starts to kick in the section 'There Are No Shortcuts' and reaches peak lucidity in the section 'Organizational Structure'. Excellent work by **Leigh Drogan**, Founder and CEO at Estimize, laying out what I really do believe is the blueprint for success with 'next gen' strategies that are foundationally systematic and substantially software-encoded:

> *Portfolio Manager — Of all the roles this is where I think things really need to change in terms of who sits in this seat. It can no longer be hedge fund bros, they simply won't survive here. Nor will the pure gunslingers and tape readers, gone. And you certainly don't want the pure quants sitting in this seat. PMs of the future are going to be far more interpersonal and process driven…. This is a cross functional role, and one that needs to be based on the behavioral attributes of the person more than anything else. An MBA may be useful here, but I would even say that having experience working at the early stages of a startup as a CEO can add a lot. I'm waiting for someone to develop a firm to leverage psychometric testing for different investment strategies so that we can identify people tuned for momentum vs value. You're talking about a completely different psychology between those two people and it's imperative you choose the person correctly … PMs should have some training in statistical and quantitative methods in order for them to talk intelligently with the quants and trust the factor models. Without that trust, there's simply no point in having them and you'll only gain that by understanding how they are built. Should a PM know how to code, no. Should they understand what the code does and why, absolutely. Basic data science classes can provide this knowledge. Quantitative research methods 101 in college is a requirement … I believe that compensation structures for the PM need to change. This is no longer "his book". He is another player on the team, who has a specific role, to coordinate the dance. But in many ways, he will have less impact on the alpha generated by the book than the analysts or the quants who create the factor models. The PM is now the*

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offensive coordination calling the plays, not the quarterback on the field scrambling around and throwing touchdowns. We can now compensate analysts accurately for the efficacy of their calls, and the PM for how much alpha she adds above them. The rest of the team should be bonused out based on the performance of the book.

DeepMoji

Neat **work** by the good folks at MIT Media Lab:

Our basic idea with our DeepMoji project is that if the model is able to predict which emoji was included with a given sentence, then it has an understanding of the emotional content of that sentence. We are training our model to predict emojis on a dataset of 1.2B tweets (filtered from 55B tweets). We can then transfer this knowledge to a target task by doing just a little bit of additional training on top with the target dataset. With this approach, we beat the state of the art across benchmarks for sentiment, emotion, and sarcasm detection.

Check out the online demo **here**, more detailed write-up **here**, and full technical paper **here**.

I love mom's cooking	49.1%	8.8%	3.1%	3.0%	2.9%
I love how you never reply back..	14.0%	8.3%	6.3%	5.4%	5.1%
I love cruising with my homies	34.0%	6.6%	5.7%	4.1%	3.8%
I love messing with yo mind!!	17.2%	11.8%	8.0%	6.4%	5.3%
I love you and now you're just gone..	39.1%	11.0%	7.3%	5.3%	4.5%
This is shit	7.0%	6.4%	6.0%	6.0%	5.8%
This is the shit	10.9%	9.7%	6.5%	5.7%	4.8%

Useful skills like VR, NLP and… econometrics?

This **list** of fastest-growing freelancer skills compiled by Upwork, a job site that matches freelancers with employers, is just so odd I feel there is either some deep pattern coded in there that explains everything, or else some intern at Upwork is having a laugh.

Growth in VR and NLP makes total sense given the relative lack of experienced talent vs growth in demand, especially for VR developers. Neural network and Docker development for the same reasons. Adobe Photoshop freelancers — sure, I guess Photoshop is still operated by a priesthood although it's unclear why the journeyman priesthood is growing rapidly.

But then Econometrics, really??!!? — never, ever, in my life have I thought "what I really need to do is to hire a random econometrician over the internet", and for sure that thought has not been exponentially increasing of late.

And Asana work tracking, which had only around 20,000 paying customers a year ago?!!? — that's like having 'Tesla car polisher' on the list.

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Anyway, I leave you to ponder. It certainly is an intriguing list — perhaps what we need is an econometric hireling to make sense of it for us...
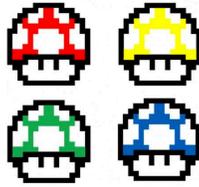
Rank	Skill
1	Virtual reality
2	Natural language processing
3	Econometrics
4	Learning Management System (LMS)
5	Neural networks
6	Penetration testing
7	SEO auditing
8	Image processing
9	Asana work tracking
10	Facebook API development
11	Swift development
12	Marketing analytics
13	Geographic Information System (GIS)
14	Docker development
15	Adobe Photoshop Lightroom
16	Machine learning
17	AngularJS development
18	Video advertising
19	Shopify development
20	Pardot marketing

Mushrooms

And finally and frivolously, we have this **article** which is pretty much a total waste of storage space as it is a 700-word, not-very-good takedown of a new not-very-good mushroom-identifying mobile app with sub-par mushroom image recognition. However, it warrants inclusion in this week's Rabbit Hole for the one immortal line:

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There's a saying in the mushroom-picking community that all mushrooms are edible but some mushrooms are only edible once.

Surely the apothegm of the week!