



Keeping it lean and mean

After the pandemic, asset managers are increasingly turning to outsourced technology solutions

There's no question that over the past 18 months, the pandemic has changed the way asset managers operate. Traditionally, fund managers would have done many things in-house with their teams. However, these days, they are increasingly seeking to outsource activities to a third party.

Ben Goderski, Sales Director at SS&C Advent, has witnessed this phenomenon firsthand. He says many funds are pushing to minimise costs by reducing their technology footprint and evaluating new and more innovative ways of doing business.

Above all, they are eager to do more with a small team, who can then concentrate on the core elements of their business – meeting client demands and managing their portfolio.

"The client's focus is to keep it lean, and focus on core client demands and finding alpha," he says.

This drive to outsource, or "co-source," more activities comes as many asset managers rethink their real estate and operational footprint.

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As we have shifted to a remote working environment, many executives have realised they can do their job just as effectively with a significantly smaller physical office.

This realisation prompts many firms to shift to new, smaller and more flexible spaces and reconsider how much non-essential staff they need to employ on-site.

"We see a growing acceptance of outsourcing as people adapted to working remotely. As a result, there is more trust in the outsourcing model," says Goderski.

Software vendors are increasingly taking on more day-to-day operational outsourcing



tasks – everything from account reconciliations to recordkeeping, administrative and reporting duties.

Managed services – a liberating step

For fund managers, the switch to managed services can be liberating, explains Goderski.

For example, they no longer have to worry about extended staff absences. In addition, under a managed service contract, ownership of the software falls on the technology vendor rather than the client.

Goderski adds that the trend towards outsourced solutions is happening across the board – from the largest asset management firms to much smaller boutiques and start-up firms.

SS&C Advent offers a range of portfolio management and account management solutions used by seven of the world's top 10 fund administrators. In addition, Geneva is the backbone of SS&C's fund administration business. SS&C also offers an investor relations portal.

The trend towards managed services has also quickened due to the growth of cloud offerings, changing the way many businesses operate – not just asset managers.

“Most companies have introduced

significant changes to their operating model in the last year or two. Previously, on-premise installations were standard, whereas now many companies are looking to exploit cloud technologies to improve performance, resilience and efficiency.

Goderski says that since 2018, managed services have grown substantially, with many companies looking to avoid “on-premise” installations wherever possible.

Cybersecurity poses a growing challenge

The shift to remote working may have led to many changes in how asset managers are working, but it has also created increased awareness in cybersecurity.

“We’re seeing a lot more cybersecurity-related requests coming through from our client base,” says Goderski. “We offer hosted server solutions for our clients, and we saw last year an increase in the auditing focus in this area, from both clients and regulators.”

Another trend he has observed is asset managers seeking to diversify the kind of funds they offer to investors. “Investment diversity is increasing in our client base. Asset classes are growing across our client base, across all types of organisations. As a result, the lines between types of firms are becoming more blurred.”

Goderski says this shift means technology vendors need to offer flexible solutions to asset managers.

“We are seeing clients’ expectations for lighter implementation and ongoing management of their technology, whilst simultaneously looking for increased functionality and agility. As a leading vendor in the market, these are exciting times. We have the unique opportunity to be involved in helping lead the outsourcing evolution to meet clients’ ever-changing needs.” ■



Ben Goderski
Sales Director, SS&C Advent

Ben Goderski currently holds the position of Sales Director at SS&C Advent. Ben has spent over 20 years in the fintech sector supporting a wide variety of clients including hedge funds, wealth managers and service providers. Throughout his career, Ben has developed an extensive knowledge of the changes and challenges the investment market faces.