

Advent Genesis® Case Study

“Advent Genesis makes your portfolio managers more effective.”

Michael Scott, Senior Portfolio Analyst, CPS Investment Advisors

PROFILE

Client: CPS Investment Advisors

Location: Lakeland, FL

Description: RIA/Private Wealth Manager and TAMP Operator

AUM: \$1.75 billion

BACKGROUND

A long time user of SS&C Advent's Axys® and Moxy® platforms, and with business growing rapidly, CPS needed a technology solution to help manage a large number of portfolios efficiently—without acquiring additional headcount.

SOLUTION

- Advent Genesis

BENEFITS

- Enables firm to manage growing volume of portfolios efficiently without adding headcount
- Streamlines process of trade creation from hours to minutes
- Helps keep portfolios in line with strategies and reduce standard deviations (drift)
- Allows firm to be more nimble when market conditions drive higher trading volume
- Keeps users current with frequent functionality enhancements and updates

A few years ago, CPS Investment Advisors faced a “good news/bad news” problem. The Lakeland, Florida-based wealth management firm was growing rapidly—that was the good news—but at a pace that exceeded the capacity of its technology platform to keep up.

“Being an advisor for retail and high net worth clients rather than institutions, we were running into a high number of accounts per client,” recalls Senior Portfolio Analyst Michael Scott. “With around 2,300 households, that meant more than 4,000 accounts.” Moreover, a relatively small percentage of clients accounted for a majority of the firm’s assets and fees. “Larger accounts may pay more than smaller ones, but it takes the same amount of time to manage a small account as a large one,” Michael points out. “We needed to figure out how to manage every portfolio in a manner that was both cost- and time-efficient. We were facing the prospect of having to hire more people, or find a technology solution that would help us.”

In 2016 Michael and his colleague Matthew Treskovitch, CPS’ Chief Investment Officer, attended the SS&C Deliver conference, where they were introduced to a new product concept, Advent Genesis®—one of the first technology initiatives to bring greater productivity and efficiency to front-office portfolio management teams. Listening to the presentation, Michael and Matt realized this was exactly the type of solution they were looking for.

“Drift is greatly diminished compared to five years ago. We see that clearly in our standard deviation of return analysis.”

Genesis supports rapid growth

Advent Genesis is a cloud-based platform that gives front-office users a flexible and intuitive means of managing models, constructing portfolios, and creating orders at scale. It automatically identifies portfolios drifting out of line, as well as the sources of drift, enabling exception-based management and eliminating the need to review each portfolio manually. Capable of rebalancing well over 1,000 accounts and households per minute, Genesis dramatically accelerates the process from trading decisions through trade creation to execution.

CPS became one of the first Beta-test clients for Advent Genesis and provided valuable advice and feedback on features and functionality to help shape the product. Fast-forward from 2016 to today, CPS has seen its AUM grow from around \$1 billion to \$1.75 billion (as of the end of 2020) and its account base grew from around 4,000 to 5,600. "Genesis "absolutely" helped us manage that level of growth more easily than we could have otherwise," Michael says. Although the firm's growth eventually warranted expanding the portfolio team, Genesis enabled CPS to defer those hires for four years, at an estimated savings of over \$100,000 per year.

Streamlining the process from trading decision to execution

Where CPS has seen a real measurable difference is in time savings and productivity. As Michael explains, "If I had to create, say, three block trades, it used to take several hours to build each trade individually, including checking the restrictions and making sure it was accurate. With Genesis, once you've built a model and created your trade settings, it will pull in the restrictions. And when you propose a certain trade across multiple portfolios, it makes all the calculations and adjustments and delivers the output immediately. So it condenses that entire process down from hours to a matter of minutes."

Genesis has also helped the firm better align its portfolios with its strategies. "Looking at our portfolios, I can see the drift is greatly diminished compared to five years ago," Michael says. "We see that clearly in our standard deviation of return analysis. By using Genesis, we've been able to bring portfolios more in line with where we want them to be, and keep them in line over a certain period of time."

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With Genesis, Michael adds, CPS can be more agile in response to rapid changes in the market, as happened in March and April of 2020. "We needed to make several trades at the same time, and Genesis allowed us to do that. In past years, I know we would not have been able to have that many trades occur on the same day."

No waiting for updates

As a "born-in-the-cloud" solution, Genesis is agile, with ability to deliver enhancements and updates rapidly. "The nice thing about the updates is that you don't have to wait a year to find out what's going to be in the next release and then decide if you want it," Michael says. "You don't have to go through an update process on your own to receive those updates."

Michael recommends SS&C Advent's Genesis to any firm facing the dilemma of efficient portfolio management that comes with steady growth. "We definitely had never experienced a product like this," he says. "It's a powerful tool to make your existing team more efficient. It will allow you to sift through your data and bubble up the information you need more quickly. It allows you to be more nimble. And overall, it just makes your traders and portfolio managers more effective—at a lot less cost than hiring more traders."

Advent Genesis®: It Starts Here

[Advent Genesis](#) is a portfolio management solution that gives front-office users a flexible and intuitive means of managing models, constructing portfolios, and creating orders at scale. Designed to support complex, highly customized portfolios requiring active management across multiple asset classes and geographic markets, Investment Managers can leverage [Advent Genesis](#) and the [SS&C Advent Investment Suite](#) to develop robust strategies and power workflows.

About SS&C Advent

SS&C Advent helps over 4,300 investment firms in more than 50 countries—from established global institutions to small start-up practices—to grow their businesses, minimize risk, and thrive. We have been delivering unparalleled precision and ahead-of-the-curve solutions for more than 30 years, working together with our clients to help shape the future of investment management.

Find out how you can take advantage of our industry-leading solutions to support your business goals. To learn more about the right solutions and services for you, contact advent@sscinc.com.

For more information contact your SS&C Advent representative or email sales@advent.com.