

Agility and Scalability: 5 Trends Driving Wealth Management Tech Choices

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Wealth management firms require a technology partner not just to help them operate more efficiently, but to give them a competitive edge. From that perspective, making smart technology investments is among the biggest challenges firms face. Based on conversations with clients, industry colleagues and recent surveys, we've highlighted five key trends shaping technology decisions in the year ahead.

M&A driven tech consolidation: With M&A activity at record levels, firms are facing the conundrum of integrating different businesses across disparate technology platforms. Getting key workflows on the same platform in a smart and quick manner is essential for realizing the cost synergies and economies of scale that were expected when initially defining the rationale for the deal.

Increased outsourcing: By outsourcing various aspects of the front to back office, firms gain the agility to expand into new lines of business without a major investment in infrastructure or operational overhead. The key is having an outsourcing provider that can deliver both the transparency for firms to manage their provider's processes coupled with excellent high-touch service. Firms will undoubtedly be looking to grow their outsourcing relationships beyond the commonly outsourced operations heading into 2020.

Data quality and governance: Data quality can vary greatly with the added challenge of information residing in disparate systems. Whether you are looking to get greater insights into your business or to take advantage of opportunities for artificial intelligence, having clean data and a proper governance approach is critical to successfully implementing intelligent technologies and processes.

Fee pressure: Wealth managers that have built their businesses around actively managing portfolios have difficulty rationalizing fees when they've limited their value proposition to selecting investments alone. As a result, they have been expanding the services they offer, ranging from tax management to financial planning, while putting technologies in place to improve scalability and flexibility in portfolio management.

Focus on high value, low disruption: Although firms know they need to upgrade their technology, they are hesitant to initiate big, disruptive infrastructure changes. Instead, they are looking for easily implemented, proven solutions that will deliver value quickly with a predictable total cost of owner-



ship. This is especially true in the front office and continues to drive the move to cloud-based solutions, whether for client communications or portfolio management.

At SS&C Advent, these observations are informing ongoing enhancements to our Wealth Management Suite. An example of this enhancement is Advent Genesis, a solution leveraged globally by wealth management firms. Genesis delivers innovative and intuitive portfolio construction, rebalancing and trade creation tools that enable firms to manage everything from model-driven to customized portfolios efficiently and at scale.

SS&C Advent is committed to delivering technology and services that help wealth managers stay ahead of competitive pressures, while freeing their brightest minds to focus on investment strategies and client relationships – areas that distinguish the best performing wealth management firms and position them to compete for the next generation of wealth as we head into the new decade. ■

Boris Bykhovsky is a Senior Director of our Solutions Consulting group specializing in SS&C Advent's global asset and wealth management solutions.

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