

Case Study

“Working with the Advent Outsourcing Services team has improved our workflows and efficiency tremendously.”

Jose Medina, Managing Director, Avalon Advisors

It didn't take long for Houston-based Avalon Advisors to discover the true value of moving its core technology platform to the cloud with Advent Outsourcing Services — in a most dramatic fashion.

“Just about two weeks after we made the move, we had these horrible rains in Texas,” recounts Jose Medina, the firm's managing director. “We were flooded everywhere. We couldn't come to the office. Everything was down. We couldn't have access to computer service. But we were able to run the business because we were already on AOS. So everybody just took a laptop, went home and kept working as always. For us, that showed we had made the best decision.”

So how did the firm wind up in this fortuitous position and avert a business continuity disaster? First, a little history is in order. Avalon has been a client of SS&C Advent since the firm's founding in 2001. For many years the firm used the Axys portfolio accounting and reporting platform, originally running it in-house, with a second firm for reconciliation.

“Axys was wonderful,” Jose says, “but we became concerned from a compliance perspective that we could not restrict access and audit users.” It was also taking too long to update data such as ticker symbol changes or security names. Avalon began

taking a closer look at Advent Portfolio Exchange (APX), the integrated portfolio and client management platform that runs on a SQL database. APX not only had the security functionality the firm wanted, but also enabled users to update data across the system with a single change.

At the same time, the firm began running up against the limitations of its Axys reconciliation provider. “We had an excellent relationship with the company,” Jose recalls, “but over time we were not seeing what we needed from them.” Avalon then made the decision to upgrade from Axys to APX and simultaneously move its outsourcing business to the most logical choice, namely the company that actually provided the technology. “We pulled the trigger at the end of 2016 and we conducted the project during 2017. We migrated to APX and moved everything to Advent Outsourcing Services.”

Technology hosting, operations and support under one roof

AOS provides enhanced hosting and 24/7 support for SS&C Advent solutions that include, in Avalon's case, APX, Moxy® trade order management system, and Advent Revenue Center for billing automation. AOS also performs daily reconciliation services and offers a menu of outsourced

PROFILE

Client: Avalon Advisors, LLC

Location: Houston, TX

Description: Independent RIA

AUM: \$8 billion

BACKGROUND

- Firm has been a client of SS&C Advent since its inception.
- Ran into limitations of its Axys® system — need a more secure and flexible solution
- Wanted to outsource, but was no longer satisfied with the performance of its third-party provider

SOLUTION

- Implement Advent Portfolio Exchange®
- Engage Advent Outsourcing Services for cloud-delivery and operational services

operational services. Clients can choose which workflows they prefer to manage internally and which make sense to outsource or co-source with AOS.

By Jose's account, the move to outsourcing with AOS has been a game changer for Avalon — floodwaters or not. "Working with the AOS team has improved our workflows and efficiency tremendously," he says. "We check data received from the AOS team upon receipt and we're getting our downstream processes done earlier and more quickly."

As an example, he cites the benefit of expert reconciliation delivered every day. "We have all our information already posted and processed before 8:00 AM Central Time, before the market opens, so we can start working on trading. That is fantastic."

The AOS team has also taken over a number of operational tasks, including daily performance reporting. "We used to have one computer running performance in Axys and one employee sitting idle waiting for it to finish," Jose recalls. "We don't do that anymore. The AOS team runs performance at the time that we ask them to, and our people can do work that is more valuable for the reporting team or the trading team or the client advisors."

Not only does the arrangement free up staff time, but it also ensures on-time delivery of performance figures. "We run more than 1,200 PDF reports and it takes around four hours to produce," Jose explains. "Before, we were not able to run performance until 1:00 or 2:00 PM, and our packaging process couldn't finish on time most of days. Now, we can run performance before 11:00 and have everything done before 4:00 PM. For us, that's amazing."

Open lines of communication

Several people on the Avalon staff have direct daily contact with AOS team members, who are dedicated to the client. "We are assigned two people to conduct reconciliation early in the morning, because our fixed-income and equity workflows run in different time frames," Jose says. "We also have a team coordinator, and he's just a wonderful resource for us. We can talk to him about the daily process, the technology, or any issues we may have."

And if Avalon has to call for support, Jose takes comfort that he won't be talking to a stranger. "Whenever we have a technical issue and we set up a ticket, it's always the same person that responds, instead of 20 different people. She knows our main issues and she's a fantastic resource for us. That's the level of service that we needed."

Avalon views its long-standing relationship with SS&C Advent as an opportunity to influence and help shape the technology to suit the firm's workflows. "We have been working with Advent for a long time," Jose says. "Avalon has participated actively in proposing changes to the systems we use. We want to be in front of technology and one of the first users of new Advent systems, if not the first."

Jose also believes in the benefit of having all the solutions the firm relies on coming from the same provider. "It's not only an accounting system, it's all the tools that we need to run the business," he says. "Having different products that don't talk to each other creates a conflict. The more relationships and accounts you have, the more information you generate, and it becomes impossible to migrate data from one system to another. Eventually you have to bring everything to a single suite."

BENEFITS

- Improved system security and compliance readiness with APX
- Reconciled data delivered before start of trading day
- Faster production of performance reporting
- Opportunity to redeploy inhouse staff to more productive, valuable activity
- Reliable service and support from a dedicated team

SS&C Advent has been with Avalon Advisors throughout the firm's history, and is part of its future plans as well. "The way we see it, it's a partnership," Jose says. "We know the company. We know the products. And as we look to expand our suite, we will look to SS&C Advent, because we know we are going to get what we need."