



4 MEGA TRENDS IN ASSET & WEALTH MANAGEMENT

How to use intelligent automation
to get ahead of them

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INTRODUCTION

ASSET AND WEALTH MANAGEMENT LEADERS, THE TIME IS NOW

The asset and wealth management industries are undergoing major changes that only have been accelerating over the past 12 months. The pandemic exposed the industry to a number of issues, including dated and old operational models, regulatory risks, a lack of data-driven decision making, consolidation and an imperative to reduce costs.

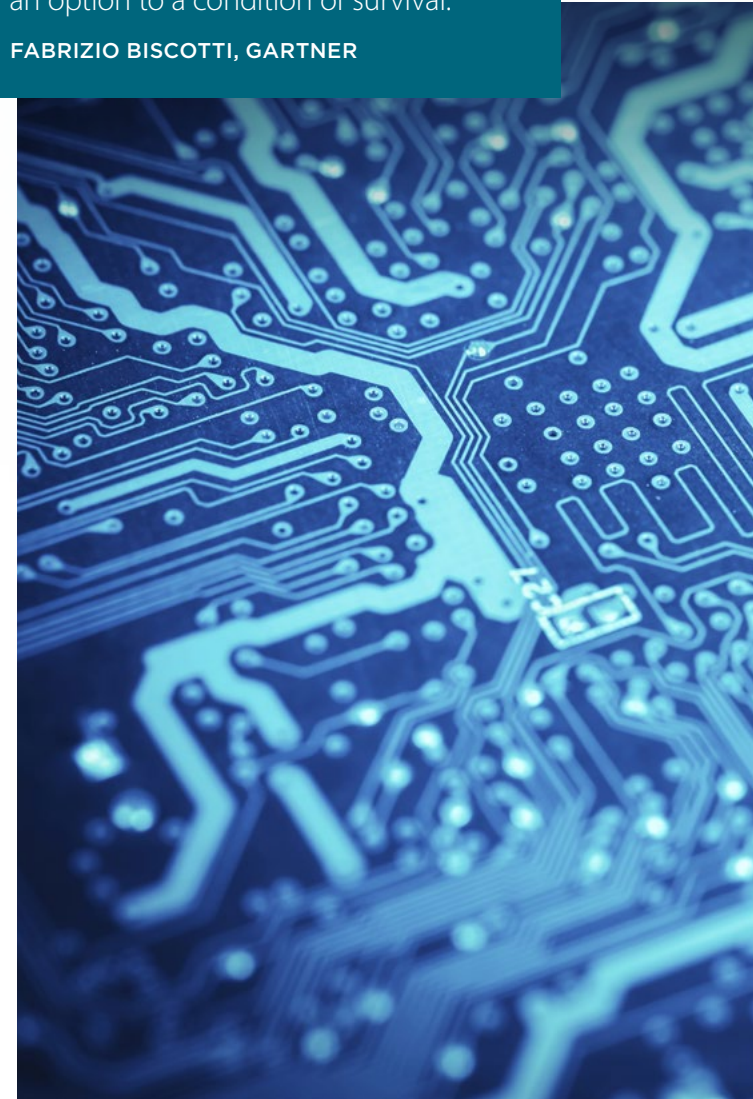
Leaders, in turn, must adapt, or risk being left behind.

Roughly 50% of middle and back-office costs are still linked to personnel. Companies looking to get ahead of the coming changes will utilize technology and process to reduce costs while creating efficiencies and increasing customer satisfaction.

“Hyperautomation has shifted from an option to a condition of survival,” said Fabrizio Biscotti, research vice president at Gartner. “Organizations will require more business process automation as they are forced to accelerate digital transformation plans in a post-COVID-19, digital-first world.”

“Hyperautomation has shifted from an option to a condition of survival.”

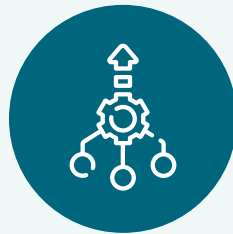
FABRIZIO BISCOTTI, GARTNER



THE MEGA TRENDS



TREND 1
Shifting
operational
models



TREND 2
Industry
consolidation



TREND 3
Increased
regulatory/
compliance
burden



TREND 4
Greater use
of data



TREND 1

SHIFTING OPERATIONAL MODELS

SHIFTING OPERATIONAL MODELS

Efficiency in the back office

Asset and wealth management is always changing, whether due to customer expectations, new competition, or updated technology. Many firms, however, struggle to keep pace and adapt. Forward-thinking organizations should transform their operating models and digitize their experiences to move to a more automated back office that's less dependent on humans.

WHAT YOU SHOULD DO

Classify, extract, transform and validate incoming data through document automation software.

Create straight-through process experiences via business process management (BPM) software that eliminate the need for human interaction.

Decrease work for QC teams and find more true errors with quality check artificial intelligence (AI) models.

Orchestrate data amongst the many legacy systems used today, keeping data in sync without human interaction.

Efficiency in the front / middle office

Managers looking to drive operational efficiencies and reduce costs will be tempted to think that remote working flexibility in itself will lower costs. However, if the right technology options to connect multiple data input methods (scan, fax, data entry, digital forms, emails, etc.) aren't there, cost savings may not emerge. Intelligent automation processes and document automation can make those cost savings a reality.

WHAT YOU SHOULD DO

Utilize portal-based process automation software allowing associates to work anywhere.

Digitize and deliver forms to your customers online.

Remove front-end paper clogs with document automation software to feed your processes automatically.

Eliminate brick-and-mortar storage facilities and send paper between associates or contact centers electronically.

Roughly 50% of middle and back-office costs are still linked to personnel. Successful companies will utilize technology and process to reduce costs while creating efficiencies and increasing customer satisfaction.



TREND 2

INDUSTRY CONSOLIDATION

INDUSTRY CONSOLIDATION

Consolidation trends likely to accelerate

2020 saw a record number of mergers and acquisitions in the asset and wealth management space, which is expected to continue through 2022. The benefits of consolidation include synergies in terms of expenses, access to different geographies and enhanced product capabilities. But how do organizations bring the systems, data, and disparate teams together?

WHAT YOU SHOULD DO

Establish and integrate

strong processes within the entire united organization.

Improve the integration experience with intelligent automation software and deliver synergies even faster.

Consider outsourcing commoditized activities like mail center, process administration, or call center to a business process outsourcer (BPO).

Consolidation will create company culture shift

Many firms today are hobbled by internal silos and resistance to change. Consolidation can exacerbate this. Communication and consistency are critical — and it must start at the top. There is no such thing as too much communication when managing change.

WHAT YOU SHOULD DO

Focus on results and respond to data through strong analytic tools within your technologies.

Align tools to suit the needs of larger strategies by having consistent tools across divisions.

Unify processes and allow associates to express their creativity to fix broken processes.

Guide employees through changes in tools and processes through consistent training.



TREND 3

INCREASED REGULATORY / COMPLIANCE BURDEN

INCREASED REGULATORY / COMPLIANCE BURDEN

Regulatory and compliance burden likely to increase

Although the asset and wealth management industries demonstrated significant resilience amid the pandemic-driven market volatility, it's expected global policymakers will continue their push towards higher transparency. Investors assume their data will remain secure and private. General Data Protection Regulation (GDPR), the Hong Kong Securities and Futures Act (SFA), and similar regulations are going global. These regulations create transparency. They also add costs and increase risk. Technology can help mitigate them.

WHAT YOU SHOULD DO

For regulatory compliance:

Reduce time associates spend on risk and portfolio compliance through standardized and documented processes with intelligent automation technology.

Generate better data around trading, custody, and consent with document automation or computer vision software.

For cybersecurity and risk:

Amplify budgets in cybersecurity and risk management process and technology.

Utilize private cloud infrastructure that has a reputation for security.

Encrypt your data in transit and at rest.



TREND 4

GREATER USE OF DATA



GREATER USE OF DATA

Comprehensive data will be the focus

With massive sets of data and information, asset and wealth managers are increasingly leveraging alternative data to drive their investment research. There has also been an increased focus on sustainability, investor engagement and activism. Data is the heart of all decision-making; it must be comprehensive, visible, enterprise-wide, clean, and uniformly governed.

WHAT YOU SHOULD DO

Increase usage of artificial intelligence, machine learning and natural language processing (NLP) to gather more data.

Build information advantages through standardized processes and intelligent automation technologies.

Automate repetitive work providing more accurate data for decision making.

Track social activism metrics in your process data dashboard or by merging data into a data lake/data warehouse.

Dismantle data silos

Most attention has been paid to sourcing external data, particularly unstructured data that artificial intelligence (AI) and machine learning (ML) can assist with processes. But for many firms, the real data opportunity already exists. Your associates have a plethora of data sitting on their hard drives, in their e-mail and in their processes.

WHAT YOU SHOULD DO

Abolish data silos that have proliferated across teams by establishing a centralized data lake/data warehouse and make sure all process data is included in it.

Ensure valuable information flows freely (subject to appropriate data sharing restrictions) across the enterprise.

Establish a centralized Center of Excellence to monitor all processes, old and new.

CONCLUSION

GET AHEAD OF THE CURVE WITH AUTOMATION

New and emerging technology can have both good and bad consequences. It provides unprecedented opportunities to reduce the need for “human-in-the-loop” work by 60 percent. However, if it is deployed haphazardly or in silos, it can be a drain on IT resources, particularly if it’s incompletely adopted or poorly deployed.

To avoid technology pitfalls and meet the business needs to reduce costs, improve operations, and increase customer satisfaction, asset and wealth management companies must expedite adoption of intelligent automation technology.

Business process management, machine learning, and analytics leveraged with an API-enabled infrastructure can all be deployed more effectively to increase flexibility, decrease costs, maximize transparency, and support strategic growth. These technologies can be well-integrated with the broader IT ecosystem, allowing you to retain any required legacy recordkeeping systems *and* reduce the number of overall systems dramatically.

The next few years will see a more eagle-eyed focus on technologies properly configured to reduce the need to maintain large operations departments, decrease their regulatory and compliance burdens, and make better decisions from process data. Plus, as companies consolidate, they can onboard new clients faster and more consistently across acquired businesses.

New and emerging technology provides unprecedented opportunities to reduce the need for “human-in-the-loop” work by 60%.



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Built on SS&C's reputation as an end-to-end solutions provider, SS&C Chorus delivers a unified suite of intelligent automation technologies, including Chorus Document Automation, the AI-driven document automation technology, Chorus BPM, an award-winning digital workflow solution, and consulting, implementation and managed services to accelerate straight-through processing in complex, highly regulated environments such as insurance, banking, financial services, and health. SS&C Chorus is available via SS&C's secure private cloud, on premise and public cloud offerings.

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