

TRANSFORMING THE INVESTOR EXPERIENCE THROUGH DIGITISATION

Jay Cipriano, of SEI, explains how the hedge fund sector needs to evolve and outlines how SEI's in-house innovations help their clients



Jay Cipriano serves as the vice-president and managing director of business development for US-based alternative investment managers within SEI's Investment Manager Services division. A 17-year veteran of SEI, Cipriano has also held positions including managing director of solutions with responsibility for the development of products and services in the alternative and traditional back and middle-office arena, and managing director of the Investor Services and Cash Administration Operations group.

Like the business world at large, technology is enabling an upheaval in the financial services industry. Financial firms are making up for lost time, having lagged behind companies within other sectors as they focused on operational efficiency rather than innovation. With much of the asset management ecosystem now focused on digitisation and how it can improve the client experience, we are seeing how intelligent data strategies have the potential to shorten onboarding times, increase portfolio transparency, anticipate client needs, ensure greater cyber-security, and provide a customised experience.

According to a recent survey of senior financial services executives by *Forbes Insights* and Cognizant, three out of four financial executives believe digital innovation is a key catalyst in creating differentiated client experiences, ultimately driving business performance and growth as a result.

How does digital innovation change how investors do business? Things that once took two weeks may now only take two minutes. Communications are customised, targeted, on-demand and painless. Information is freely available. Service levels once only available to the wealthiest investors are increasingly accessible to those of more modest means. Virtually every touch point a manager has with their clients is positively affected. Ultimately, digital innovations are truly transforming how the industry operates.

Data, of course, is driving this transformation, but the emergence of certain tools and trends has given it life. Managers sit in the midst of vast overlapping pools of data containing information on market movements, investor behaviour, government filings and demographic trends, to name but a few. APIs provide a way for much of this data to be tied together, and successfully aggregating it is a powerful first step towards identifying a competitive advantage. Ideally, decision-making would improve, marketing efforts would be more successful and employees would be more content.

How fast can the client experience be expected to change? According to the aforementioned *Forbes Insights/Cognizant* survey, industry executives generally expect transformative results relatively quickly. Six out of 10, for example, believe that big data initiatives would deliver transformative results within a year, while 55% believe the same regarding mobile applications and solutions. And those expectations are only going to rise, as the digital generations move up and take charge.

At SEI, we have been focused on how to manage data differently in order to deliver more value to our asset manager clients and their investors. As the industry has evolved, managers increasingly had client relationships spread across multiple product lines, asset classes and jurisdictions. This development produced a need for improved systems that enabled them to communicate with investors in a consolidated and intuitive fashion.

One of our more recent innovations to greatly improve the client and investor experience was the development of our investor fulfilment and trade order application, SEI Trade. This web-based tool provides fulfilment and tracking capabilities in addition to electronic trade order, and is flexible enough to handle all types of trade documents and all different processes or workflows.

The technology allows SEI to turn any document into a dynamic electronic form. Built to be intelligent, the system guides users through completing forms fully and accurately. It also efficiently captures all key client information and then generates official documents.

The investor or advisor can execute the document and is prompted to upload the required supporting documentation. The application is fully integrated with SEI's holistic IMS platform, meaning data about the investor/advisor automatically flows through to all related fields in our system, updating as necessary. This reduces the number of times data points are touched, providing enhanced control, error mitigation and transparency in the process.

This is just one example of how data can transform a process and how technology can transform the data. In such a complex and fast-paced industry, taking a step back and examining each touch point can be a daunting process, but to improve, a crucial and necessary one. There is no question that transforming the client experience is a formidable undertaking, but not keeping pace with digitisation is potentially devastating and financial services firms not using today's technologies to transform customer strategies, relationships and experiences are at risk of disruption or even obsolescence. ■

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