

Webinar: The Evolution of Digital Transformation in Asset Management



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Meet the team

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Centralis

Overview and Digitalisation

- ... Specialist provider of outsourced back- and middle-office functions to the investment management industry
- ... Global reach, market specialists
- ... Digitised services include, but not limited to:
 - ... Front-end interfaces
 - ... Prudential consultancy
 - ... Financial and regulatory reporting
 - ... CoSec and incorporation

Macro Environment

- ... Digitisation, digitalisation and digital transformation
- ... Make your data work for you
- ... Apply appropriate culture of accessibility, security and auditability

Regulatory Landscape

Challenges and complexities

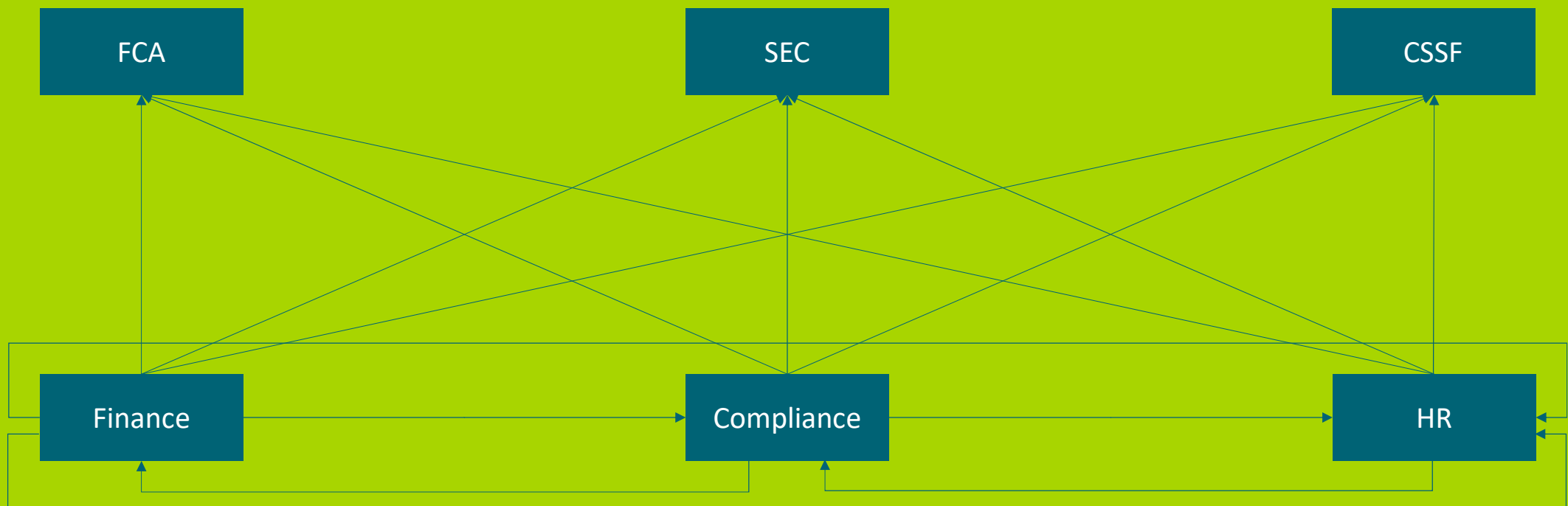
- FinTechs and Sandbox
- Increased desire to see data
- Contemporary reporting taxonomy already set-up to ingest data
- Firms have more data – “no excuses”

Data and Regulatory Objectives

- ... Lock-step external vs internal data requirements
- ... Adjacent decisions (e.g.: capital and liquidity)
- ... Timely, accurate, consistent
- ... Documentation and audit

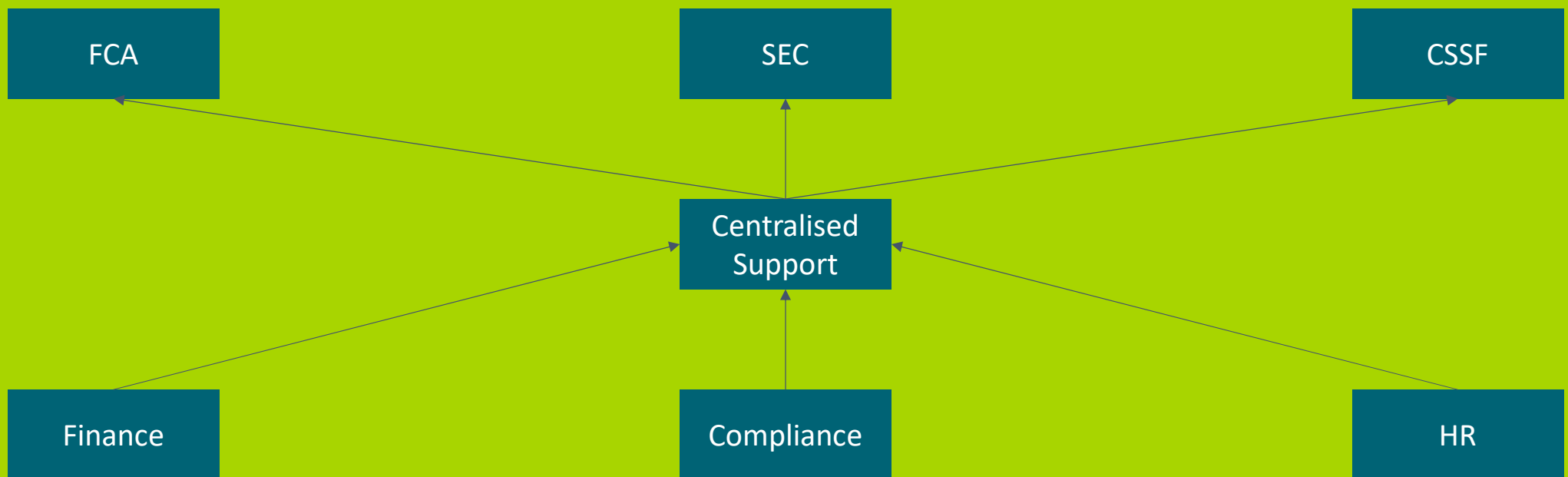
Effective Strategies

Traditional approach



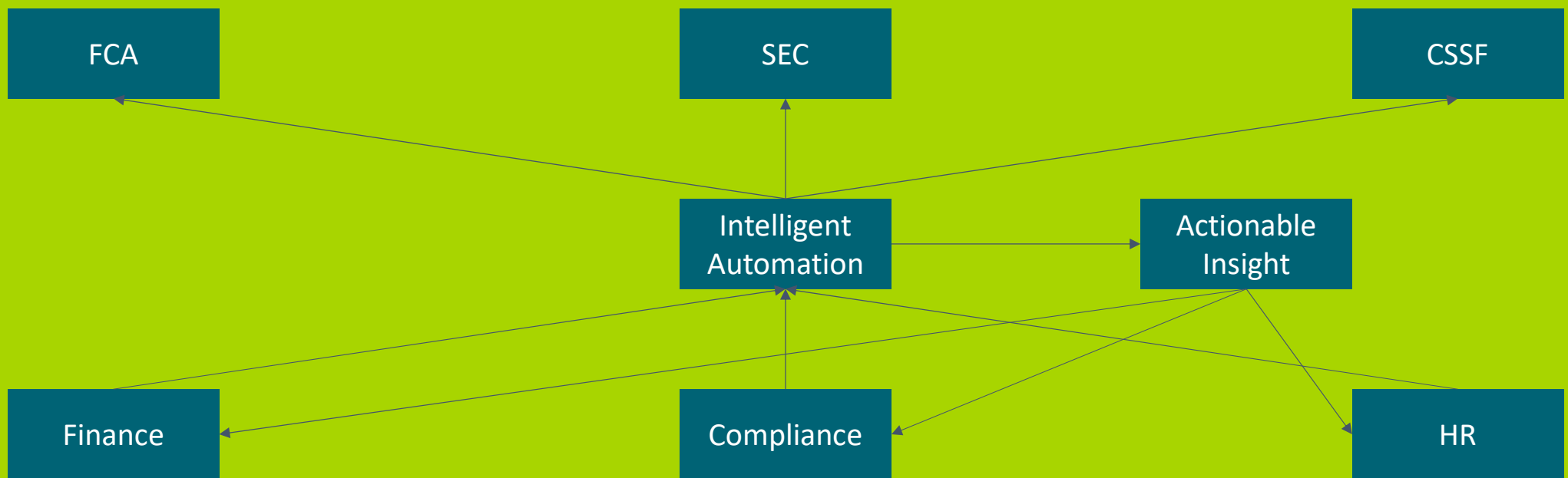
Effective Strategies

Digitised Process

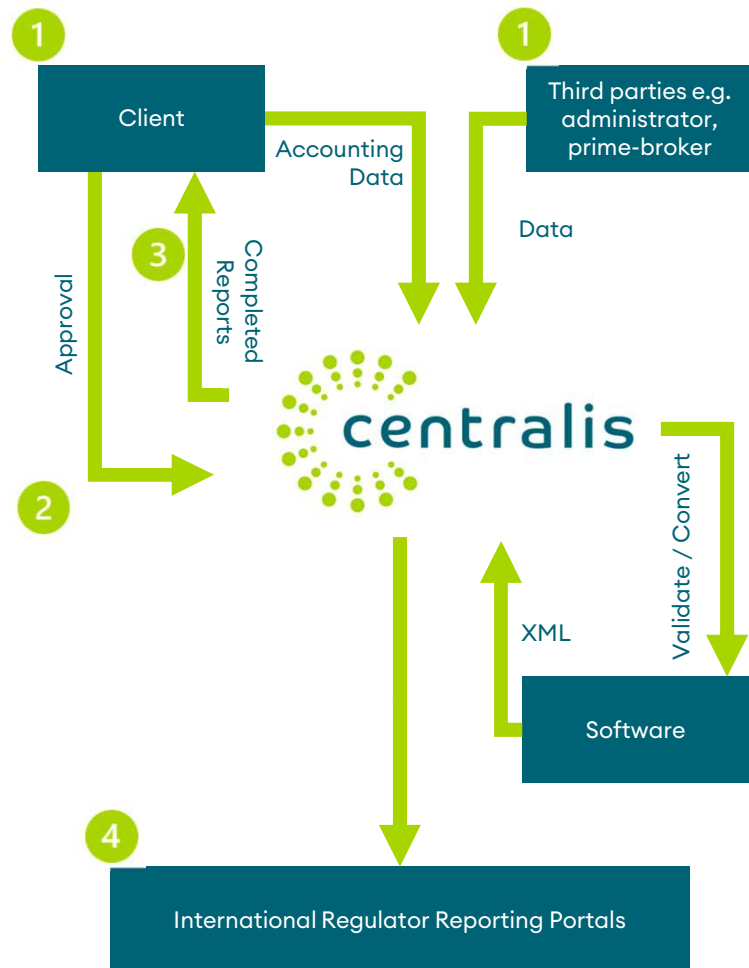


Effective Strategies

Efficient Digital Process



Example Reporting Process Map



Stage 1 Data Collection

- Collect data from external third parties
- Collect accounting and other internal data from Client

Stage 2 Analysis & Processing

- Processing and full analysis of data received in accordance with ESMA rules and guidance
- Collating data into return templates

Stage 3 Review & Approval

- Submission to client for review and discussion
- Approval by client

Stage 4 Validation, conversion & Submission

- Validation of returns according to specific standards of various regulators
- Conversion to XML and submission via individual regulators' reporting portals

Approaches to Digital Transformation

In-house



Existing service providers

Software Providers



Specialist
Outsourcer

Digital Transformation

Our own experience

- ... Front-end vs back- and middle-office
- ... Data management and automation
- ... Digitalisation vs transformation

Automation

Overview

- Processes were labour intensive
- Reliant on human accuracy
- High-skilled individuals' time poorly utilised

Challenge

- Automate the onboarding process using archetypal client profiles
- Improve client turn-around times
- Release resource to focus on high priority delivery items to maintain best-in-class quality of service

Solution

- Proof of concept demonstrated significant time efficiency gains, reducing time between data ingestion and completed report submission
- Developing further refined process which allows streamlined client onboarding, except for atypical client onboardings
- Confidently higher quality and lower cost than traditional competitors such as fund administrators

In conclusion

Your data - your value

- Regulatory obligations must be met, but not at the expense of digital innovation or progress
- Regulatory burden likely to become more complex and onerous.
- Appropriate aspirations



Questions