

How Technology is Changing Fund Administration

Advances in technology are better enabling fund administrators to put the crucial data in front of the decision-makers

What is driving the need for technological solutions in fund administration?

Technology solutions drive efficiency, accuracy, and competitive advantage in fund administration so, naturally, we are very focused on the technology we acquire, develop, and utilize. Good tech enables strong data strategies, and that's driving much of the value we deliver for clients. The fact that we're at the intersection of so much portfolio data gives us a unique need and opportunity to shine from a technology and data standpoint.

Is fund administration a people business or a technology business?

Are we a tech-enabled services company, or a service-enabled tech company? It's clearly the former. Our ambition is for technology to help run everything we do, but when it comes down to it, this will always be a human business. So, while it's essential to think and act as a tech company since technology underpins all we do, there will always be a human touch. The technology question is an important one. You don't need to boil the ocean. The best-of-breed platforms do an excellent job with the core data processing. We focus our development investment on the bits in between that differentiate our services, drive our data strategy, and enable us to connect disparate platforms and provide customized reporting.

How does your technology help fund managers and investors?

The journey is to put the data at the fingertips of the investment decision-makers in a format that's relevant and useful. Data doesn't just fall out of a process beautiful, it takes a lot of effort. A lot of our time is spent scrubbing, completing, and connecting data.



Tim Houghton

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We use robotics and artificial intelligence (AI) to help bring information automatically into the system, or to review and validate it. We've made significant investments in portal technology, developing LP and GP portals so each gets an experience designed specifically for their needs, which are all tied to their need for greater transparency.

How do you see data needs changing and evolving?

There's a lot of demand for assessments along environmental, social, and governance (ESG) lines. There's appetite for ESG to be baked into processes, with good reason, and it's still a journey to see how far this goes.

Regulatory changes are happening on a regular basis, such as the EU's recent money laundering initiative, the Sustainable Finance Disclosure Regulation (SFDR), etc. We help investors and fund managers play by the rules and help them demonstrate they are being clear and transparent. We see transparency as the big driving force behind evolving data needs. Now, investors and managers don't just want access to data – they want to be able to build connections within the data, even between disparate datasets, to help paint a complete picture.

Tim Houghton is Chief Operating Officer and member of the Group Executive Board at **Alter Domus**. With more than 3,300 employees across 36 offices and over \$1.3 tn in global AuA, Alter Domus is a leading provider of integrated solutions for the alternative investment industry and is dedicated to serving private equity, real assets, and debt capital markets sectors.