

# Why Standardization and Streamlining Are the Future

**Increasing diversity of investors and funds, access to non-financial data, and standardized reporting are key trends driving private markets**

## **What is driving the increasing complexity?**

The complexity found in today's private markets is predominantly driven by the growing variety of fund domiciles, which is itself a product of the increase in global fund managers, and by the expanding range of investor types, many of which are investing globally. It's also motivated by the high level of regulation for funds and investors and the growing demand for more detailed information. Finally, the rise of ESG means access to both financial and non-financial data will become increasingly valuable for both GPs and LPs.

## **Can you provide an example of how the market has become more complex?**

Fifteen years ago, most GPs would say: "I'm doing venture" or "I'm doing buyout." Now, there are more and more different types of funds and strategies, resulting in a more intricate market. In the future, particularly with ESG, we will see more standardization and streamlining surrounding reporting and regulations. Investors want to see the same type of reporting and analysis when we're capturing GPs in different parts of the globe.

## **Is outsourcing information management about efficiency or value enhancement?**

It's a mixture of both. Outsourcing information management enables managers to produce comprehensive reports at a faster rate while allowing them to reallocate the resources needed to generate the reports. Unless companies want to embrace the high costs and operational burdens of becoming data businesses or investing heavily in IT, especially considering what is required in terms of systems and analytics, outsourcing is an ideal way of capturing both efficiency and value enhancement.



## **Bruno Bagnouls**

Head of Sales &  
Relationship Management,  
Europe

## **Alter Domus**

## **Where is there room for improvement in the information shared between GPs and LPs?**

Capturing non-financial data can be improved, and reporting platforms like our CorPro web portal can help with this. GPs and investors want to be able to funnel large volumes of data to create their own dashboards and have their own analysis, graphs, and reports. The next trend will be capturing all this information and integrating it into their own systems. GPs and investors want to own this data, have a higher frequency of data, and acquire the flexibility to build their own tailored reports.

## **What is the next stage of investor reporting?**

Standardization and real-time data. For example, if I'm a GP and I'm based in the US, and I have a Cayman, Delaware, or Luxembourg fund, I want to see the same type of reporting and the same type of analysis regardless of the domicile. Standardized reporting will significantly reduce challenges related to raising capital around the globe, allowing managers and investors to better seize international opportunities. LPs and GPs also want to have the data as soon as it has been captured and checked, rather than waiting until the end of a quarter before sharing the information, allowing them to make critical investment decisions with greater speed and confidence.

**Bruno Bagnouls** oversees the management and growth of **Alter Domus**'s business development efforts in Europe. With more than 35 offices and over \$1tn in global AuA, Alter Domus is a leading provider of integrated solutions for the alternative investment industry, dedicated to serving private equity, real assets, and debt capital markets sectors.