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## **Utility Solutions Offer Answer to the Buy-Side's Client Data Management Challenges, Finds TABB Group Study**

**NEW YORK & LONDON, September 14, 2016** – The documentation required to be disclosed by institutional clients to investment managers continues to increase in terms of both volume and intricacy. These requirements have given rise to the need for a process that upholds compliance and risk management principles, but doesn't drive clients away. According to TABB Group research, "[Client Entity Data Management: Identifying the Value to the Buy-Side](#)," investment managers recognize that data drives much of their operations, yet 64% reported that they had difficulty in acquiring, storing and communicating client entity data.

TABB reached out to investment industry participants to better understand how they are dealing with client data management issues and to estimate the cost implications for firms with sub-optimal approaches. Some of the key findings reported by TABB analyst and report author [Dayle Scher](#) include:

- The lack of automation in workflow tools and the lack of a single view of data are tied as the greatest challenges to asset managers in terms of managing their client data. In fact, more than half of investment managers experience trading delays due to the lack of automated tools and workflows.
- The second biggest pain point is the poor overall quality of the actual data itself, followed by legacy technologies no longer up to the task of managing client data to the extent needed in today's regulatory environment.
- Poor client data infrastructure for a typical mid- to large-sized investment manager costs nearly \$2 million per year in inefficiency and lost staff productivity.

TABB explains the lack of integrated client [data management technology](#) and process tools has significant impact in terms of inefficiency, risk, and delays in an investment manager's ability to onboard and, most importantly, begin managing money for and trading with a client. The need for a better approach is driving the industry to promote a new process based on a centralized model for client data management. As outlined in the research, the shared model generally has the capability to reduce costs, increase speed of deployment and the potential to leverage and reuse data.

"With many investment managers admitting that their biggest challenges are their current lack of automation and single view of the client, the timing for a shared solution is perhaps the strongest it has ever been," Scher says. "The financial services industry is increasingly adopting utility services and asset managers, their clients and counterparts have an opportunity to achieve economic scale and efficiencies as well as a chance to collaborate on a shared solution to a shared problem."

The 20-page, 11-exhibit report can be downloaded by TABB's Research Alliance financial technology clients and pre-qualified media at <https://research.tabbgroup.com/search/grid>. For more information or to purchase the report, contact [info@tabbgroup.com](mailto:info@tabbgroup.com).

***About TABB Group***

TABB Group is the international research and consulting firm focused exclusively on capital markets, founded on the interview-based research methodology developed by Larry Tabb. Since 2003, TABB Group has been helping business leaders gain a truer understanding of financial markets issues to develop actionable roadmaps and approaches to future growth. By accurately assessing their customer base, competition, and key market opportunities, TABB Group works with senior industry leaders to make critical decisions about their business. For more information, visit [www.tabbgroup.com](http://www.tabbgroup.com).

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