



## Self-Service Client Reporting: Challenges and Considerations

### SUMMARY

The risks and challenges presented here within are a sample of factors to consider when evaluating self-service reporting functionality. At the outset, providing electronic access to data seems simple. Layering increased data scrutiny by end-users with regulatory expectations that mimic those included on printed, scripted and static reports is complex. Identifying your firm's specific challenges and charting a course to overcome them is a worthwhile, rewarding endeavor that will improve relationships with your clients. Meradia has a long history of helping clients with reporting challenges – including self-service reporting.

Dan Stout is our client reporting lead and can help your organization implement this enhanced service offering.

Client reporting is the primary channel through which an investment manager can tell their story: here are your assets, here is what has transpired since last time, and here is a comparison of the allocation and performance of your assets against a benchmark. The client will decide if the story is worth the fees. The stakes are high.

Historically client reports have been monthly or quarterly templated snapshots on a printed page. Clients are now demanding dynamic output in a standard electronic format like CSV, JSON, or XML. Their motto is, "give me my data, not your PDF."

### The Move Towards Self-Service Client Reporting

Self-service reporting gives end-clients the ability to choose what data is included in their report, how it is grouped and sorted, and the frequency and format of delivery. This digital transformation has been more prevalent in the retail (RIA) sector, but as clients become accustomed to this option for their personal finances, they will expect it for the institutional assets they oversee as well.

Self-service reporting is an attractive option for firms that want to cut costs and improve service. While it neither precludes the requirement for static, pre-defined reports, nor reduces short-term costs; it does reduce persistent demands by clients for custom reports.

Firms that would like to provide self-service reporting should first ensure their core technology, data governance and operational framework are in order. Flexible, expansive electronic delivery of data outputs require a high level of sophistication and operational maturity; and can expose underlying data quality and consistency issues. Since self-service reporting is an enhanced service offering, it needs to function seamlessly to maximizing end-user satisfaction.

### Investment Reporting Principles Still Apply

Self-service reporting must adhere to GIPS "Principles for Investment Reporting," as outlined by the CFA Institute and its Investment Reporting Working Group (see [gipsstandards.org](http://gipsstandards.org)). These reporting principles ensure:

- Communication occurs between the preparer and the user as to the purpose of and need for investment reporting
- Control processes, policies, and procedures are documented and followed
- Client preferences are reflected in the investment report documentation
- Clear and transparent presentation of investment risks and results
- Comprehensive fee disclosure

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## Investment Reporting Principles Still Apply (continued)

As the flexibility for clients to view and interact with report packages increases in a self-service platform, it remains the firm's responsibility to adhere to core reporting principles normally employed in a static report scheme. In this operating model, the report creator (who is the client) needs to be aware of the choices they make and the resulting impact on their view of their investments. Decisions or changes to default views must be transparent and noted. Footnotes and headers can be used to ensure that whoever is viewing the data is aware of the parameters and filters.

## Successful Self-Service Implementation Considerations

1. Produce and confirm accurate data – As optional filters and configurations are applied, it is critical that every possible permutation and combination is evaluated for accuracy. Testing must also include all graphical representations. The cardinal rule is, “the number is the number, regardless of where or how often it appears.”
2. Balance customization with complexity – Most clients neither enjoy receiving voluminous, complex report packages to understand how their investments are performing or to see what transactions have occurred in their portfolios; nor want to navigate a complex screen of options and configurations to define their desired report format. Consider:
  - a. Ease of use: Screens and options should be intuitive and easy to navigate
  - b. Limit options: Start with common client queries and then expand based on client feedback
  - c. Pre-screen: Provide a foundation of suggested options pre-customized with client-specific attributes
3. Control the investment story – Maintain control of messaging about investment philosophy and strategy. Pre-determine the components reports must include to provide value. For example, the performance report always includes basic commentary or economic outlook, while guides, patterns or templates to lead clients to relevant or related data are options.
4. Adhere to regulatory requirements and best practices – Ensure self-service reporting options include required disclosures. Each self-service reporting option must be vetted for compliance. Consider:
  - a. Periodicity: Determine if there is an option to select various periods appropriate disclosures must specify
  - b. Appropriate comparative data: Ensure options align with corresponding index
  - c. Fee information: Display applicable fee disclosures as clients change filters for securities or asset classes
5. Measure and promote success – Analyze self-service reporting usage metrics to determine how clients prefer to see their data, and how to improve client service. Solicit feedback and pay attention to outliers, including which clients use features heavily and which do not. Ensure your self-service capabilities enhance and improve client relationships.



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