

Control Your Data: Don't Let Your Data Control You



Financial services organizations have complex and rapidly-evolving data requirements. Whether it's navigating compliance with ESG standards or diversifying investment products into complex derivatives instruments and alternative investments, the challenges feel never-ending or even flat-out impossible to solve. This begs the question: Are you controlling your data or is your data controlling you?

UNDER PRESSURE

The large number of data domains required to support investment management include reference data, external party data, client transactions and holdings, ledger data, customer personal data and performance, among others. This places many firms at the mercy of their data and adds pressure to keep pace with the need for timely and high-quality data.

At the same time, consumers expect more frequent data and real-time, up-to-the-minute access. These demands, combined with constantly changing regulatory requirements such as data retention policies, reporting requirements and taxation requirements, make it a daunting task to manage this data as it flows from multiple sources. As we've seen through our client engagements, well-structured data management policies and data governance oversight continue to play a critical role for financial services firms.

If this feels all too familiar to your organization's state of data, take comfort that you are not alone. By implementing a good data management strategy with a suitable platform (built or bought), you will better serve your stakeholders and significantly reduce existing costs while providing holistic data to your clients, management and other consumers.

Here are a few tips on how you can get started:

1. No matter your firm's size, consider a unified data model within a single platform, either on-site or hosted. All stakeholders will benefit from easier access to mutually-used data in a companywide standard versus a siloed environment. Even better, a cohesive method of storing and accessing data will help reduce costs and decrease time spent on cross-departmental data requests.
2. Aggregate and cleanse multiple data copies to centralize quality workflows and differences across the firm. By reducing any redundancies, the IT team will be more effective in providing support. Consistency in data quality is particularly critical for third-party vendor data. Often, we see multiple "versions of truth" in areas such as counterparties, clients and security master records listed on multiple exchanges.
3. Different types of data need to be combined correctly and careful consideration must be given toward the end state data acquisition requirements, whether you are using a traditional relational data model or a flexible, document-like storage technology. To do so effectively, think ahead on what the critical links and relationships should be to ensure accurate extraction of data amongst all data types.

HOW MERADIA CAN HELP

Although this type of initiative feels long and complex, the return on investment can pay dividends. Meradia's team is well-versed in implementing data management platforms for financial services organizations of all sizes. Whether the decision is to build or buy, Meradia can leverage current and past projects, as well as strategic technology partner relationships, to ensure your firm makes informed decisions based on your business requirements.

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About Meradia

Founded in 1997, Meradia provides strategic advisory and implementation services to the investment management industry. Our team of experts has a global reputation for excellence leading and executing transformational and operational initiatives across the entire investment process. In pursuit of unparalleled credibility and client service, we seek to be the dominant niche provider of investment operations and technology consulting services. We align front, middle and back-office organizations and technical platforms with your business's direction and vision.

