

From Administration to Strategic Technology Partner

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Over the past two years, the pandemic environment propelled a very dramatic shift towards an advanced deployment of data, digital, and FinTech technology. The table stakes for asset managers to compete and work with investors/shareholders in financial services have been raised substantially. Client perception has shifted to really looking at the technology that firms are able to provide and evaluate them by the ease of use, enhanced engagement, and quality of access and information their tech is designed to provide.

Because of this new industry dynamic, many asset managers are seeking help from service providers to be able to be perceived as a tech-savvy firm and drive more engagement with investors. Data and digital capabilities are an increasingly vital part of a firm's competitive strategy. As such, they are no longer viewed as just information but can be used as an opportunity to enhance the "client experience".

The need for increased technology applications and digital operating capabilities begs the question - Where and how do you make your technology investments? Or, do you outsource the overall technology and engagement experience required through strategic partnerships?

Ultimus Fund Solutions - one of the largest independent fund administration and middle-office providers in the country - is an excellent case study of this trend in technology and how it has evolved an administrative solutions provider into a strategic technology partner. Ultimus has spent years working with their asset management/RIA clients in creating their **uSUITE® technology and digital platforms**. In recognition, the firm has won numerous client service and administrator of the year awards from organizations like Global Custodian and Fund Intelligence. Their goal has always been to help asset managers turn their data into information they can use to strategically run their fund businesses and engage investors more effectively.

We reached out to **Jason Stevens**, *Chief Technology Officer*, and **Ian Martin**, *EVP, Chief Administration Officer* of **Ultimus Fund Solutions**. We wanted to explore how they were building a tech platform to digitally share easily consumable data and strategically partner with fund sponsor and asset manager clients. Using technology to better capture and manage data on the fly to answer challenges and capture opportunities has become a crucial capability. In a business environment of accelerating change, the ability to leverage data to pivot your firm and services becomes the greatest competitive advantage.

Hortz: What is Ultimus' tech strategy behind your proprietary uSUITE® technology platform?

Stevens: As the fund industry becomes more competitive and pressure continues to mount from a pricing and regulatory perspective, barriers to entry are at an all-time high. It has become increasingly difficult to start new funds and launch additional products - even for a tenured fund manager. Recognizing this trend, Ultimus set out to find a solution to keep those barriers down for our clients and future partners.

We developed a concerted data and technology strategy several years ago to modernize technologies and validate that all systems would be capable in the future of adapting to the changing investment management market and fintech environment. The multi-year strategy was designed to accomplish the following:

- Eliminate menial data entry, intensive and time-consuming reconciliation, and redundant validations by moving these tasks to robotics automation.
- Reducing the risk of operating errors by instituting hard parameters, guideline thresholds, and robotics automation within our workflows where error risk is most significant and anywhere parameters can be instituted.
- Reducing our susceptibility to quickly inflating industry-wide operating costs by reducing internal operating costs through scalable processes and time-saving tech-enabled functionality.
- Implementing an exception-based process, where technology manages the manual processes allowing users to focus their time researching exceptions highlighted by said technology.

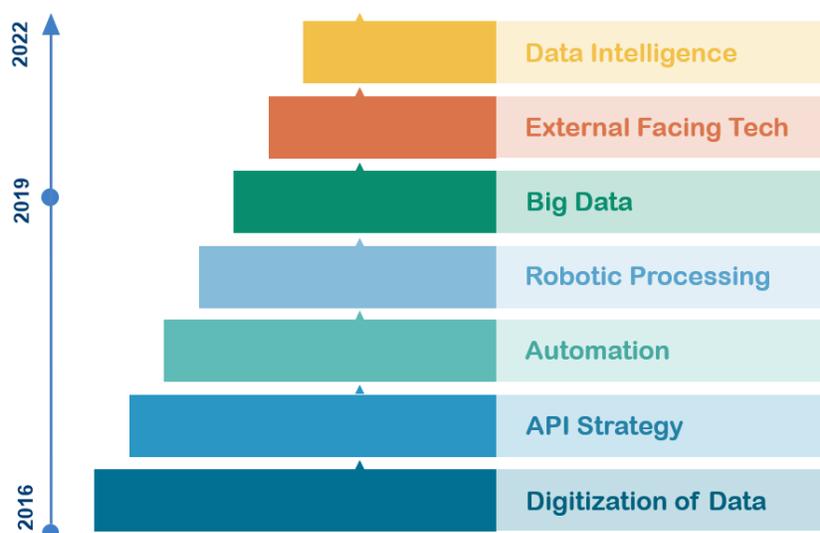
The impact of implementing our uSUITE system has aided us in helping to keep costs low for clients, connecting to our clients' diverse and changing fintech systems, and providing the latest technologies including direct access to data for asset managers, advisers, investors, and shareholders.

Hortz: How did you develop the individual applications you built into your tech platform and what solutions do they provide?

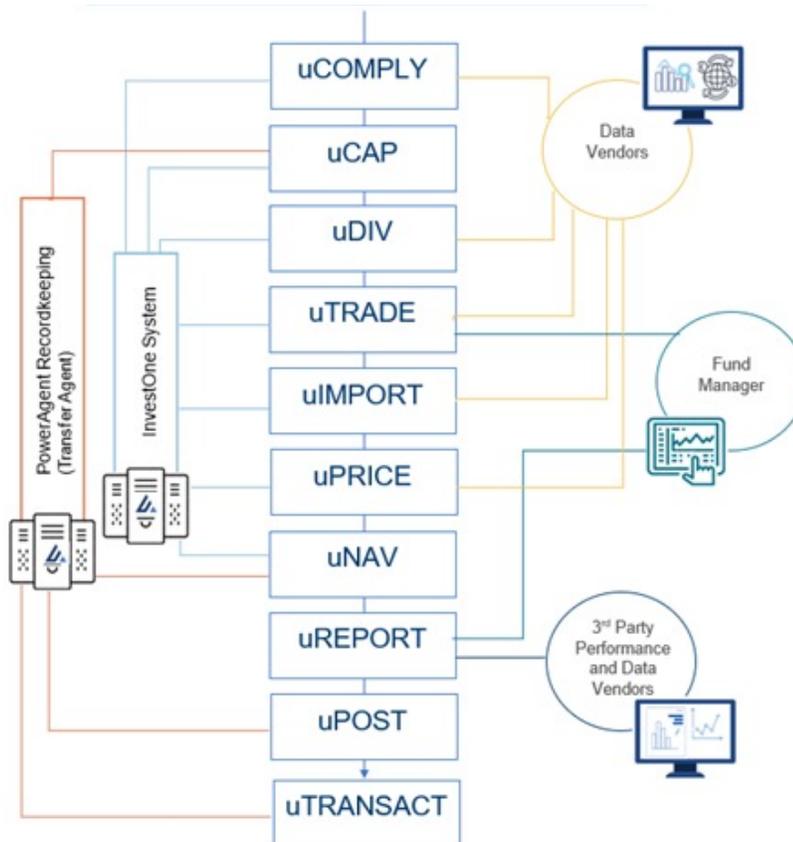
Stevens: Initially launched in 2018, uSUITE's underlying applications feature built-in robotic processing automation (RPA), machine-learning algorithms, and various application programming interfaces (APIs). We built and implemented each of the RPA-based uSUITE applications carefully with our compliance, operational, and development teams.

By incorporating a data and technology strategy, the various uSUITE applications developed and implemented in the past few years have helped streamline the fund accounting and investor services workflows. It has further transformed large areas of fund accounting operations to exception-based processing.

Technology – Data Strategy



uSUITE™ Daily Trade Processing



Hortz: *Your uSUITE platform utilizes Robotic Process Automation (RPA). What role does it play and what are some of the benefits?*

Martin: The technology platform uses Robotic Process Automation to streamline massive amounts of back-end fund data processing, eliminating the need for manual intervention.

One of the most exciting impacts of the implementation of uSUITE is the advancement in our staff with respect to honing their expertise in complicated fund accounting matters. Correlated to the amount of time given back to each of our professionals, they have been able to work closely with our clients to resolve and redesign solutions for complex issues our clients are facing in their funds.

As a result, Ultimus team members have additional time to interact with our clients and understand their specific fund nuances and conditions, to drive productivity, quality, timeliness, and client satisfaction; elevating our service levels while keeping fees low. As anticipated, we see the uSUITE tools pay-off as market pressures, including fees, changing regulatory obligations, and technology, bear down both on Ultimus and our clients.

Hortz: What other technologies are playing key parts in the development of your uSUITE tech platform and how are you employing them?

Stevens: In addition to RPA and machine learning algorithms, our technology strategy has focused on the use of systems that operate with open APIs. As an important part of our strategy, APIs allow us to move with agility together on rapidly evolving fintech. The use of API systems has impacted us in several ways:

- Empowers us to choose “best in class” vendors, knowing our API strategy can seamlessly integrate cross platform data.
- Allows us to connect with our clients’ technologies quickly and cost-effectively,
- Enables our clients to use technologies of their choice as opposed to forcing them to adapt to required systems for use,
- Reduces our dependence on the internal development of customized systems to support unique products, and
- Keeps our teams from being beholden to maintenance and support of outdated technologies interconnected with our systems.

Hortz: How did your tech platform perform during the pandemic?

Martin: With the COVID pandemic at the forefront of the industry, our technology strategy already had the capabilities in place to manage the impacts of the pandemic and provide a highly stable and secure operating environment for our clients’ funds. Our processes and procedures have only required slight adaptations as opposed to large-scale changes to meet the increasing regulatory pressures, COVID market volatility, and the global work from home environment.

The pandemic often caused major shifts in the market, causing large market swings from day to day. This volatility resulted in higher volume of data verification such as price verifications. Our uSUITE technology was designed to handle large volumes of data and easily scaled with the increased data needed to be verified.

As a result, while the rest of the industry was working on getting up and running in accordance with extreme volatility and work from home orders, we were already working to provide a higher level of servicing to our clients and continuing to reduce the cost-of-ownership for their funds.

Hortz: What kind of client facing technologies have you recently developed for your asset management and RIA clients?

Martin: Capital allocations have been set aside to augment our core systems workflow processes. We are making these allocations to further enhance the quality and integrity of our systems. Client Facing Initiatives include:

- Interactive data visualization – Click-through dashboards (graphs, charts, cards) embedded within our external-facing technology. This enhancement will provide advanced insights and analysis into datasets.
- uCONNECT – A proprietary investment manager-facing application, uCONNECT links firms with their data, reports, dashboards, and provides insights into their funds. Using numerous APIs, it aggregates data from several underlying systems and applications to deliver consolidated, actionable data information in a single, easy-to-use solution, allowing fund managers to access their data when and how they want.
- External Facing Technology – within the uCONNECT application an external-facing web application will utilize state-of-the-art technology and advanced UX (User Experience) design. It will provide an interactive experience with access to things like fund accounting workflows, data visualization, analytics, reporting, and data feeds.
- Introduced a digital asset allocation tool with the ability for fund manager clients to build internal model portfolios for investors. It also allows investors the ability to customize their own asset allocation by answering specific questions to help select a customized investment portfolio – a self-serve investment platform.

Hortz: Any other thoughts or recommendations you would like to share?

Stevens: It is vital for investment managers to align their business with strategic partners committed to positioning their business for long-term success. We are committed to be a strategic technology partner with our asset management and RIA clients and we are committed to continuing to invest in technology. I'm proud that Ultimus was recently presented with the Innovation in Data Analytics award from Global Custodian during its Leaders in Custody event.

As a testament to our commitment, we have been independently ranked in the Global Custodian Survey for Market Outperformance and earned Category Outperformer accreditations for seven years in a row. We were ranked as the #1 Fund Administrator from 2015 through 2021. In fact, in the 2021 Global Custodian Survey, we received the highest customer service score of 6.92 out of a possible 7.00.

We welcome you to learn more about our tech-enabled fund administration offering and the topics we are actively addressing for clients by reviewing our [blog page](#) on our website and follow our reporting on the challenges affecting the asset management industry.

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