

ASSET MANAGEMENT IN THE NEW WORLD

Rethinking your operating model to optimize bottomline growth

THE ASSET MANAGEMENT LANDSCAPE

As vaccination rates rise, and businesses begin the transition back to a “Post-Covid Normal”, the economy is beginning to shift from treading water to one of growth. Corporate strategies the world over have weathered (hopefully) the worst of this unexpected event and are now looking to shift into high gear.

The asset management industry has faced a plethora of evolving risks in the last year, many of which have been exacerbated by the pandemic. In addition to long-term market shifts—including shifts in demand, choppy regulatory environments and the advent of technology disruptors— asset management firms also suddenly found themselves **addressing cashflow challenges and enabling a rapid pivot to remote working**. Overall, regardless of other KPIs, asset management firms across the board struggled to **keep teams aligned (especially in virtual contexts) and minimize inefficiencies in back and middle office operations and the resulting impact on the bottom-line**.

MOST SALIENT PRESSURES ON ASSET MANAGERS



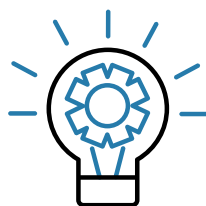
**DISRUPTION
LEADING TO
LIQUIDITY
ISSUES**



**INEFFICIENT
BACK AND
MIDDLE OFFICE
PROCESSES**



**MISALIGNED
LEADERSHIP
TEAM AND
STAFF**



**LEGACY
TECH
INHIBITING
GROWTH**

As asset management firms look to grow in 2021, new sources of revenue, winning market share and other drivers of topline growth will remain important. However, in order to **create sustainable value, asset managers will need to also look to efficiency levers to improve their bottom-line**. Rethinking your firm’s **operating model can help you reduce inefficiencies and increase operating margins across the value chain**. Additionally, tech enablement and good governance of data, particularly in organizations where the leadership team is aligned on a cohesive strategy for moving forward, can help enable analytics and automation while building innovation competencies that will set asset managers up for long-term success.

A MORE SUSTAINABLE OPERATING MODEL

Since the COVID-19 pandemic, optimizing processes to manage liquidity challenges and driving sustainable value have grown more important than ever. At The Poirier Group, we have extensive experience working collaboratively with asset management firms, focusing on the operational side of these organizations across the value chain – financial planning and analysis, accounts receivables and payables, legal, procurement, human resources, production, supply chain and logistics, and information technology. We have uncovered that, across functions, the average employee spends 20% to 50% of their time on manual, non-value-add tasks or “busywork”. In the firms where we have repurposed, outsourced or automated these tasks, it has resulted in an increased focus on value-add and strategic tasks, **thereby generating, on average, tens of millions of dollars in net annualized savings.** Specifically, this was done by looking beyond the financial statement and:

- Creating **standard and consistent processes that remove inefficient and inconsistent tasks**
- **Creating clear accountabilities by identifying key owners**, eliminating the guesswork and uncertainty in who will complete a task
- **Reducing non-value-add work** – typically referred to as “fighting fires” and **allowing all levels of an organization to align on a common goal – achieving an organization’s strategy**
- **Creating clear communication plans and change management techniques** that drive sustainable and scalable solutions
- **Implementing technological solutions that automate repeatable tasks**, thereby minimizing manual and often error-prone work

20%
to
50%

of employees' time spent on non-value add tasks on average

Up to
40%

reduction in net annualized operational costs, driven by operational optimization

HOW WE CAN HELP

At The Poirier Group, we have over **15 years of experience** creating what asset management firms need –

- Optimized operating models that trigger efficiency levers
- A well-aligned team that consistently delivers on your core value proposition
- Digital transformation plans that boost growth and scalability

We are a proven collaborator that drives top-line *and* bottom-line growth, whether you are looking to revamp your outsourcing strategy, upgrade legacy in-house tech or rethink your back and middle office operations. We are the consulting partner you can trust to deliver.

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