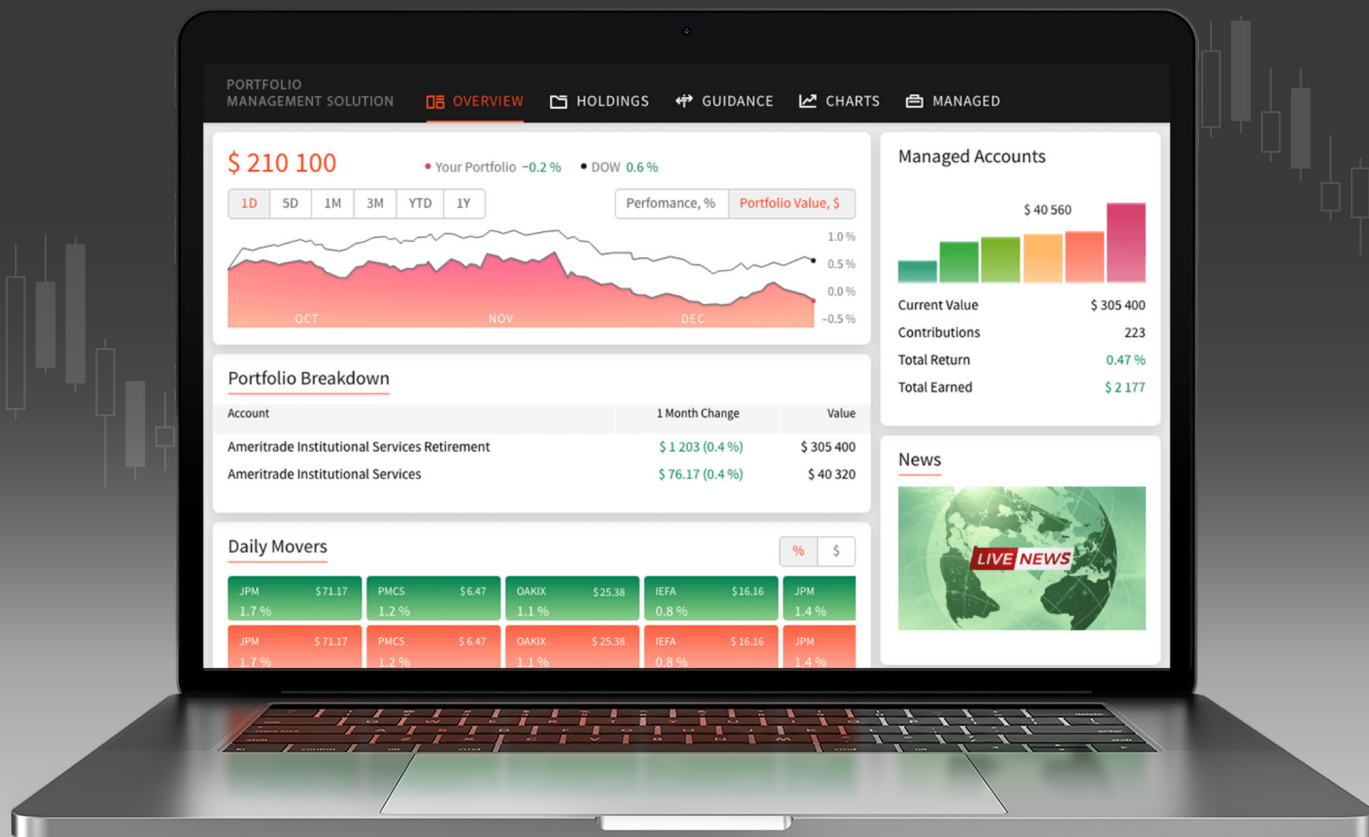Case Study: **Portfolio Solution for a Digital Transformation of an Asset Management Firm**

The Client had an ambitious plan to launch their IPO. A third-party off-the-shelf solution for portfolio management did not attract enough investments, setting the Client's plan back. So they decided to go for custom development.

ABOUT THE CLIENT

The Client is a private investment firm based in the US. They have been in business since the '90s, working with high net worth individuals, investment firms, pension, and profit-sharing plans, charitable organizations, and corporations.

The Client employs financial advisors that provide expensive specialty services through a turn-key asset management platform (TAMP). With almost $30 billion in assets, the advisor-strategists build customers' financial portfolios based on their risk tolerance and personal preference. They also assist in managing funds and investments.

CHALLENGE

The Client used to provide advisors with a third-party off-the-shelf solution for portfolio management. This meant recurring licensing fees and incapability to enhance the software with the Client's tailored features to fine-tune custom portfolios. The Client also required to reconceptualize the user experience. It implied the digital transformation of business processes, which was impossible with the off-the-shelf product.

The Client decided to get a proprietary custom financial software capable of providing advisors with the best customer engagement experience. Advisors demanded a business tool for a full cycle of operation with portfolios and a customizable interface layout. Through a proprietary solution, the Client also wanted to eliminate the license expenses and increase their business capitalization with a new valuable intangible asset.

SOLUTION

The Client chose Devexperts due to their experience in the development of tailored wealth management solutions and a previous record of successfully delivered FinTech projects. Devexperts developed both the front- and back-end of a new portfolio management solution, which incorporated the following features required by advisors:

- Compilation and on-the-fly adjustment of custom portfolios
- Comparison of solution's portfolios with external accounts (held at any financial institution)
- Configuration of UI layout for the variability of portfolio visuals - intelligent customer engagement through the capability to shift and change portfolio information based on advisor's demands

On top of these features, the new proprietary portfolio management solution provides:

- Elaborate information with the risk-return ratio for portfolio returns evaluation based not solely on investment returns
- The fulfillment of customer demands according to short- and long-term investments — demonstration how different investment decisions and market conditions impact customers' goals

Additionally, the new software provides advisers with instruments that optimize their day-to-day business activities. They comprise of initial customer conversation, ongoing financial planning discussions, performance, compliance and tax reporting, and billing.

RESULTS

New Client's portfolio management solution consists of modeling, comparison, and analysis tools. The robust proprietary solution allowed the Client to accomplish the purposes of:

- Cutting costs on the key software for their business by eliminating license fees
- Implementing a portfolio management solution customizable for business requirements
- Providing the best service to advisors, the key customers of the Client

Through the implementation of the new proprietary solution, the Client was also able to accomplish outstanding financial results. According to the Client's financial reports, a year after the solution's introduction, the business reached a CAGR of 17%, and net flow grew by 245%. The new portfolio management solution had a direct impact on bringing more assets to the platform and thus in successful valuation for the Client's IPO launch.

Describe your business challenge and we will suggest a solution