



Let's Solve



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Point of View

The Future of
Technology Platforms in

Wealth & Asset Management



Digital transformation requires investment and a general expectation across the organization that there will be a period of change as the firm pivots. Wealth, asset and investment management companies embarking upon this journey are no different. Players in this space often have to deal with market forces leading to increased competition and business pressures. The space is increasingly consolidating, and as firms merge and re-orient their service offerings, technology transformation initiatives will need to be structured appropriately.

Transformation initiatives in a rapidly changing environment would need to account for increased risk sensitivity, align to standard technology currency requirements, but also adapt to changing business strategies – while providing a path towards realizing ROI faster. A platform-led technology strategy addresses these concerns across two dimensions – realizing value and optimizing execution and implementation strategies.



Realizing value

Employing a platform-led technology strategy to transform adds value across the typical revenue generation and cost optimization pillars - for a wealth and asset manager.

| Revenue Generation | Cost Optimization |
|--|--|
| Build once and deploy to multiple clients | Utilize technology currency and ongoing initiatives to execute and pivot |
| Expand offerings across multiple lines of business and partner capabilities | Scale across operational and technology assets |
| Expand offerings through feature additions rather than large-scale programs and initiatives. | Bypass technical debt and legacy technology 'tail' through careful platform and product planning |

Implementation strategy – Risk & Time-to-market

Firms in the wealth, asset and investment management space typically have capabilities which vary across a digital maturity spectrum and vendor system providers with their technology and business transformation initiatives. A digital-first enterprise would have a significantly different approach compared to an organization with legacy technology and operational assets. Risk appetites and business objectives change as new products are introduced, or capabilities and companies are acquired. Platform-led transformation initiatives can adopt these approaches to manage risk while increasing time-to-market



PHASED IMPLEMENTATION

Target areas of 'core' and 'peripheral' areas are migrated to the target state. Existing business processes and operational methods are changed only to accommodate to-be platforms constraints.



RE-ARCHITECTURE

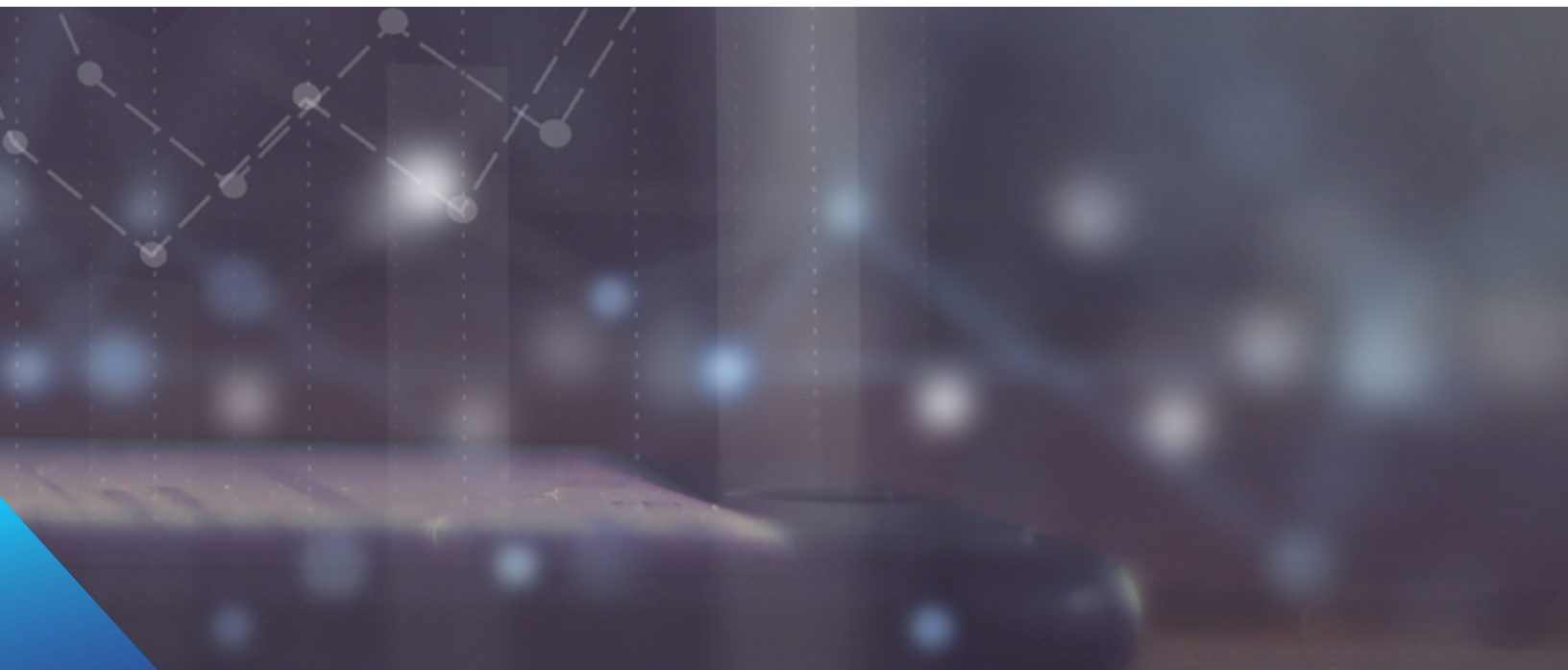
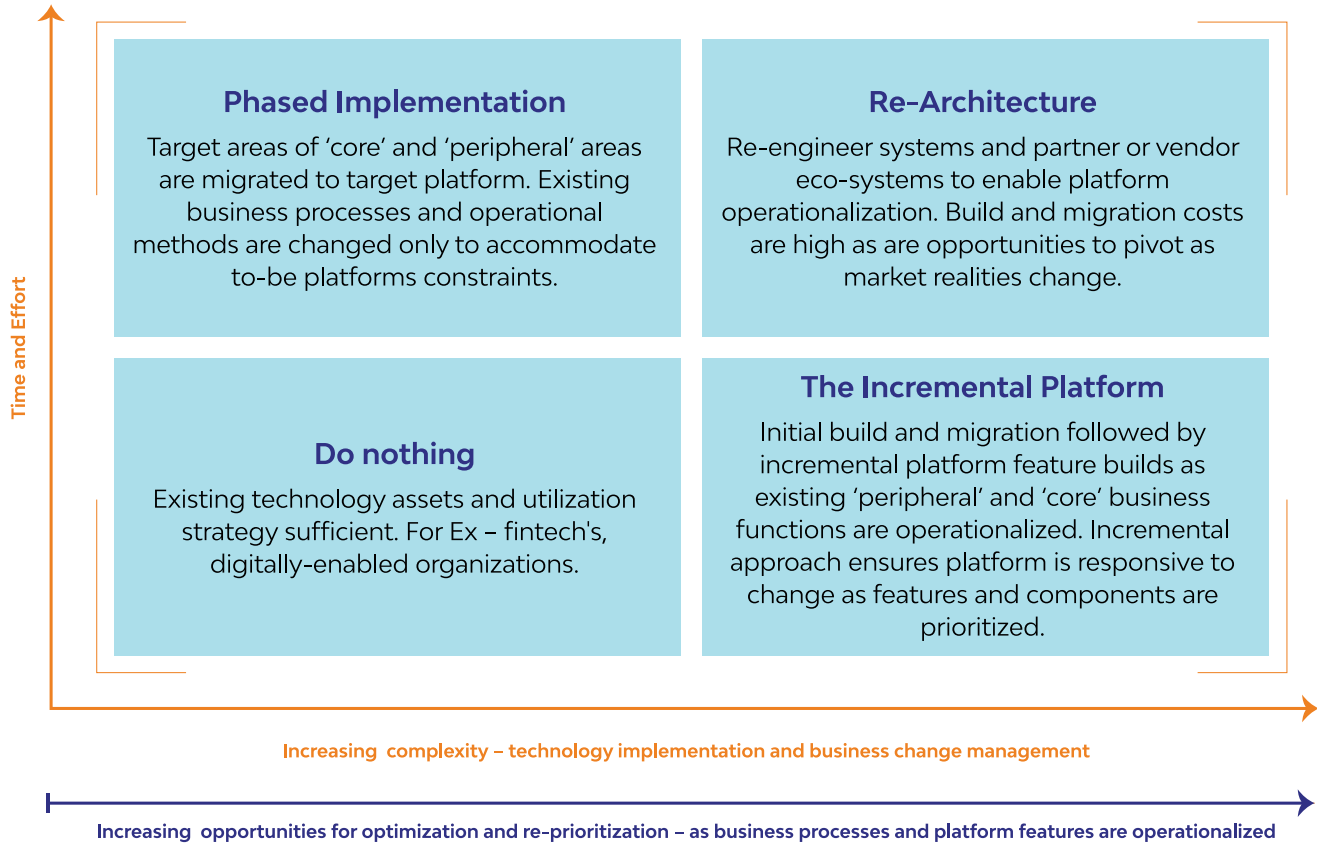
Re-engineer systems and partner or vendor eco-systems to enable platform operationalization. Build, and migration costs are high as are opportunities to pivot as market realities change.



THE INCREMENTAL PLATFORM APPROACH

Initial build and migration followed by incremental platform feature 'builds' as existing 'peripheral' and 'core' business functions are operationalized. The incremental approach ensures the platform is responsive to change.

Platform Implementation – Options



Concluding thoughts

As wealth and asset managers orchestrate experiences for their customers, platforms will enable enterprises to utilize partner ecosystems to capture value and scale across the investment value chain to capture value. A platform-led approach will allow enterprises to rapidly and elastically provision services and capabilities, and also respond to opportunities and changing realities.



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Ashray leads technology strategy and engineering for the client solutions group at LTI Canada. He oversees the design and development of technology solutions for strategic initiatives. Drawing on his in-depth Canadian Financial Services experience, Ashray has built and scaled engineering and solutions teams for globally distributed technology platforms.

Focused on platformization, disruptive technologies, client enablement, and digital ecosystems, Ashray believes that the complex and rapidly evolving financial services environment requires equally nimble engineering and technology capabilities.

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