



How A Data Warehouse Can Transcend Your Fund:

Spreadsheets can only take your alternative asset management fund so far

Jeremy Siegel, LUX FTS CEO

It used to be so simple: reporting requirements were cut and dry, and the list of those who needed reports was short and sweet. You and your team could get it all done quickly and efficiently using Excel. But the alternative asset management industry has evolved, and so have many funds—

including yours. These funds have outgrown the processes that were put in place at inception and need to adapt before it develops into a larger problem.

Many portfolio managers find themselves at this crossroads. Not only has the business itself become more complex and challenging, but reporting requirements seem to be endlessly expanding. In addition to reporting internally, managers need to report to investors and regulators with both transparency and in extensive detail. The spreadsheet just isn't cutting it anymore. Flexibility used to compensate for the flaws (like lack of time series and audit trail reporting), but that's no longer the case. More and more organizations are expanding their ability to share data and allow for concurrent usage. It's become untenable.

It's clearly time to seek out an

alternative. The option that's been the most effective throughout the alternative asset industry is data warehousing. The first question many LUX FTS clients ask is, "What exactly is data warehousing?" Data warehousing aggregates structured data from multiple sources for efficient analysis that provides greater business intelligence. It takes the risk out of handling your information manually and streamlines the reporting processes.

There are a few questions to consider as you weigh your options. Is it becoming problematic to validate and share data among various end users? Is your operations team spending valuable hours downloading, reconciling and manipulating information before it can be analyzed? Do you live in constant fear of changed numbers or formulas on a spreadsheet impacting data integrity? The good news is much of this process can be automated. Taking the right steps can provide efficiencies in an entire organization from the front office through the back office and into investor services.

A data warehouse provides the PM with a golden copy source of data, maintained and reconciled. This allows the entire organization to have appropriate viewing capabilities. Users will no longer need an IT developer to create their own real time dashboards in their desired format. There are also security controls to allow managers to create audit trails and determine access to data on a need-to-know basis.

You likely know about many of the benefits of the move to a data

warehouse, but it's the process of moving itself that has you reluctant. Let's just say the implementation process isn't what it used to be! Data warehouse solutions have evolved, and cloud adoption has made it more cost effective than ever before. Making the transition even easier to swallow, you can now leverage products with the core of the system already in place and not start the project from square one. The process of configuring and mapping the data sources seamlessly leads to data cleansing and dashboard design. What used to be a multi-year process can now be complete in a matter of months.

You've probably already come to this conclusion, but it's time to consider the change to a data warehouse and transcend the limits of your current system.