

## Leading fund managers disclose top operational concerns

**London, 13 September 2006** – Investit Intelligence, the membership-based, research forum dedicated to the operational issues of the fund management industry, has recently revealed UK investment management companies' top operational concerns for the next 12 months.

Following the most recent Investit Intelligence conference, CEOs, COOs, IT directors and operational heads from 20 investment management companies, voted for the top three operational concerns they would next like Investit to research:

### ▪ **OTC derivatives**

Asset management firms are developing programmes to manage increasing volumes of complex OTC derivatives. Investit's research will look at the control mechanisms COOs need to put in place - and how they educate staff, who may need new skill sets to deal with OTC derivatives. Investit will also suggest best practice operational and technological solutions to the impacts of using these instruments? How do asset managers report these instruments to clients? Can outsource providers meet the needs of asset managers aiming to outsource OTC derivative processing?

### ▪ **Core versus added value services - what should custodians focus on?**

Custodian banks are developing an ever-increasing range of 'added-value' products and services, from risk and compliance solutions through to trading and execution services, for traditional and derivative assets. But are they meeting the needs and demands of their investment manager clients? Where and how should custodian banks seek to add value? Are there areas where market needs exist but no one is meeting them? Are any pioneers paving the way?

### ▪ **Using pooled funds**

What are the challenges of structuring, operating and administering pooled funds. And are there issues in servicing clients in a multinational/multi-jurisdictional environment? How will distribution models further evolve? What is the impact of DC and LDI on funds and pooling?

Investit Intelligence will conduct detailed research into each of these three top nominated areas, and the findings of these reports will be presented back to Intelligence members in January 2007.

### ***Catherine Doherty, Principal and Head of Investit Intelligence said:***

“Intelligence members take an active role in selecting these topics which ensures that our research papers focus on the industry's top operational concerns. Our findings allow our clients to keep ahead of industry changes and developments – and gain an insight into what their peers are thinking and doing.”

Investit Intelligence is designed to support the COO's requirements in investment management companies. Recently completed reports include *Client Management: Beyond the Investment Performance Halo*, *Liability Driven Investments: Opening the*

*Box and The Future of Back Office Systems.* Investit Intelligence looks at a range of issues from a practical point of view, providing workable solutions to business issues.

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## **About Investit**

Investit is the leading investment management consultancy. It has a unique range of services, providing expert advice across all areas of investment management companies, from front to back office. Investit also offers detailed research and benchmarking services. Investit was founded in 1998 and includes five core expertise areas: investments, client management, performance and risk, operations and technology. In 2002, Investit People was added to provide specialist recruitment services to support project work. Investit Intelligence completes the offering with a range of specialist surveys and detailed research papers. For more information, go to [www.investit.com](http://www.investit.com)

## **About Investit Intelligence**

Investit Intelligence is a customised information tool for all people concerned with turning high-level business plans into reality. Investit Intelligence consists of a number of research and survey services.

- **Investit Intelligence Member Service**

The member service is an interactive service where members take an active role in selecting, shaping and researching topics by voting on new discussion and research ideas.

- **Investit Intelligence Business Process Assessment – defining best value**

BPA is a service where Investit works closely with COOs of investment management companies to identify the value output of all business processes and how that compares with peers – it's an essential decision-making tool.

- **Investit Intelligence IT Value Survey**

The IT Value Survey looks in detail at the spend, effectiveness and plans of companies IT departments. It is an annual survey particularly designed for COOs and Heads of IT.

- **Investit Intelligence Performance & Risk Survey**

The Performance & Risk Survey is the only tool specifically designed for, and by, Performance heads in Investment Management companies. It looks at performance and risk systems, performance roles and remuneration, future trends and benchmarks against peers.

## **For further information**

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