

Shining the light on efficiently scaling investment operations

Interview with Bill Neuman

When SS&C Eze developed the Eze Eclipse platform, the technology group had one eye firmly focused on start-up and emerging hedge funds, many of which face significant cost challenges in today's marketplace.

By building the platform from the ground up in the cloud, SS&C Eze is able to offer managers a single, front- to back-office solution that supports them in their daily workflow, wherever they are in the world, without having to outlay any infrastructure costs.

"We aim to solve that entire problem with one platform that has been designed from the ground up to integrate everything together so that there are no workflow process inefficiencies and lower operating costs, which can translate to lower total cost of ownership for clients," says Bill Neuman, Senior Managing Director, Product & Engineering at SS&C Eze.

"In addition, clients accrue benefits in other areas such as security, disaster recovery; things that a manager would typically get asked in an investor due diligence questionnaire. The Eze Eclipse investment solution now has over 60 clients and the adoption rate is accelerating."

The platform was built using a modern technology approach with APIs at the heart of the construct, in line with industry best practices. There are more than 120 microservices all working in concert on Eclipse. Neuman says each can be scaled up or down "depending on the current system load. This provides an unprecedented level of reliability and scalability to meet managers' growing needs."

That ability to scale efficiently is paramount in today's highly regulated, cost-intensive industry. Emerging managers live or die based on how well they manage their burn capital to run a hedge fund business, regardless of how good performance might be. This applies equally to established managers who are looking to outsourced cloud solutions to streamline their operations and reduce the overall total cost of ownership.



Bill Neuman, Senior Managing Director, Product & Engineering at SS&C Eze

Neuman explains that the API-first approach to building Eclipse makes it uniquely flexible, where all of the platform's microservices communicate with each other using RESTful APIs. As REST is a standard protocol, customer applications can communicate with Eclipse using the same means that are employed throughout the platform.

"This means that asset managers seeking to automate trading strategies with a proprietary application can use Eclipse APIs to create their orders, confirm compliance, and then execute without any extra development work on our part," comments Neuman.

Such are the advances in cloud-based technology platforms that managers now have greater capacity to deliver tailored solutions to investors, such as separately managed accounts. Without having the right tools to manage all the resulting complexity, the operating costs for managers could rise uncontrollably.

This is why technology is so important today, to help managers keep their businesses efficient while enabling them to offer a differentiated service at the same time.

Increasingly, managers are looking to gain efficiencies and spend less time and energy on non-core tasks in order to focus on generating alpha in their strategies. Much of that focus on improving the efficiency measure has been in the middle- and back-office, in Neuman's view; seeking to eliminate repetitive manual tasks to get more value out of each member of the team.

"What resonates with clients I speak with is that their most valuable asset is the intellectual horsepower of their employees. If they are spending time on manual tasks such as tri-party reconciliation at the end of the day, that is wasted effort.

"Clients are looking at ways to reduce their costs, and do more with the same number of people, as their businesses get more complex. We think Eze Eclipse is one solution to achieving this goal," concludes Neuman. ■