

CENTRL



DD360

DD360 Helps Global Fund-of-Funds Firm Streamline and Scale Operational Due Diligence

Asset manager finds a scalable and cost-effective solution to ODD challenges with CENTRL

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Moving to DD360 saved us 85% costs over our previous consulting provider, while also enabling us to expand ODD to 100% of our investments.

- Head of Operational Due Diligence

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About the Funds of Funds Firm

They are a Multi-Asset Manager business and part of a global Insurance entity, a \$800bn, 100,000+ employee multinational insurance group. The business was founded in 2008 as a fund of funds for the Insurance Group. Today, they have a growing team of over 200, with offices in London, Paris, Brussels, Dublin, Hong Kong, and invests in over 300 investment products and 150 managers.



We are now able to auto-evaluate nearly 95% of asset manager submissions leaving a relatively small number for their analyst team, which is now also 85% more efficient in low-risk rated questionnaires and 30-50% more efficient in medium risk questionnaires.

- Head of Operational Due Diligence

Business Challenge

Like many operational due diligence (ODD) teams, the Fund of Funds group had a small team of three people to manage and oversee due diligence efforts for a large number of investment products managers.

Struggling to keep up with the ever growing and changing oversight expectations and legacy manual ODD processes, they turned to a consulting provider to help manage these efforts on their behalf. However, they quickly realized that wasn't the solution they were looking for. The consultants didn't scale, added additional costs for every manager, and did not provide the granular insight desired. They also realized that their ODD process could be more robust and accurate if they directly engaged with the investment manager rather than rely on secondary data.

All of these difficulties and limitations led them to search for a better way to structure their ODD processes. Their Head of Operational Due Diligence, began to ask around the investment community in London, where she is based. After speaking to other Heads of ODD and leaders in the industry, they suggested she check out the DD360 platform, by CENTRL.

Fund of Funds Firm with DD360 by CENTRL

The Fund of Funds firm went through a thorough analysis of DD360, and found that CENTRL was the right solution for their needs. "From the first time we saw DD360 compared to others we thought 'this is it. This is what we really need'," shared their head of ODD. They also found other significant benefits and the ability to address their specific needs via the platform, such as:

All their ODD data in one place — and flexible to their workflows: From the very start of the process, CENTRL's ability to go back and import all their historical records made it stand out. As their ODD Head said: "We really liked how configurable it was. Because the product could really work for us, instead of us working for the product." They were also able to configure the software to their workflows and scoring processes.

Reduced risk and improved manager relationships:

With DD360, all interactions are located within a single platform, making communication direct and seamless, assuring that nothing gets lost between emails and questionnaires. The platform allows benchmarking across managers with the same strategy, helping with their decision process to invest or disinvest with certain managers based on key data points like the quality of their processes and controls and potential operational risks. They also find the comparative data is extremely helpful when they need to explain their decisions to the investment committees.

Efficiency with reporting: “We are often asked questions by our investment committee, such as how many managers encountered a particular issue. Previously, we used to struggle and spend cycles searching through different questionnaires to try to find this information,” shared their Head of ODD “Now we can quickly narrow down through the searchable interface, slice and dice, and quickly get answers back to the committee the way we want.”

Effectiveness with audit: Furthermore, last year they were audited and able to ‘pass with flying colors’ because of the system’s detailed history and audit trail, including details behind actions taken, all in one place. “Everything that we have ever done in ODD is saved on the system” their Head of IDD says. “This is great for us.” These days, they operate 5x more efficiently, and have reduced tasks that used to take an hour down to only ten minutes.

True partner and client service excellence: From the get-go, CENTRL offered a top-notch solution engineering experience, with a hands-on approach including personalized demos and sandbox access. Since implementation, the Fund of Funds Firm has repeatedly found CENTRL’s customer service unmatched, from quick responses given to any and all inquiries, to the team’s dedication to providing updates on new features and functionality.

In conclusion

With DD360, the Fund of Funds Firm found not only a software solution but a business partner. As their Head of ODDi explains: “We come to CENTRL with problems and they provide us with solutions, sometimes even better solutions than we thought up ourselves. That is really where having CENTRL as a partner has helped us improve the service that we provide to the Group.” Overall, their new setup with DD360 has saved us 85% over the previous costs with the consulting provider, and approximately 50% on the time needed for questionnaire evaluation alone. They are now able to auto-evaluate nearly 95% of asset manager submissions leaving a relatively small number for their analyst team to review.

Going forward

The Fund of Funds ODD function is now seen as a case study of success across the Group: others have seen what they’ve been able to achieve, and how they’ve been able to handle high volumes with a trusted approach. With DD360 in place, they are now in a position to triple their funds oversight and to perform Operational Due Diligence as a service for other entities. Before ODD360 this was not possible, now this is all within reach.

Business Benefits

Customized scoring enables auto-evaluation of over **90%** of submissions

5x more efficient with internal reporting and audit requirements

85% cost savings over previous ODD approach