

5 Powerful Advantages of Finance as a Service (FaaS) for Investment Management Firms



CONSERO

Financial clarity and efficiency made easy



Consero's Finance as a Service (FaaS) is a comprehensive and fully-managed back office solution that blends leading financial technology and a skilled finance & accounting team designed specifically to help investment managers run their business efficiently and profitably.

This eBook explores the top five ways FaaS enables investment managers like you can overcome common challenges and accelerate your time to value.

Whether you're growing your investment management business, launching a new fund, or launching your first fund, increasing your clients' wealth is your passion. Your investors are the lifeblood of your business, and you know how to nurture those relationships. When you can focus on your clients and their financial success, your firm can also be successful.

But running a business is more complicated and time-consuming than you expected. From human resources to accounting tasks to compliance and security risks, it's easy to get bogged down with managing the day-to-day instead of being able to focus on what you are best at—managing client investments.

The good news is you can streamline the entire back office of your investment management firm and scale on demand, effortlessly. Consero's Finance as a Service (FaaS) is a comprehensive solution that blends leading financial technologies and expert advisory services designed specifically to help investment managers run their businesses efficiently and profitably.

Keep reading to learn how FaaS helps you:

- 1. Take the Stress Out of Financial Management**
- 2. Leverage Industry Experts to Support Your Unique Operations**
- 3. Ensure Best Practices for Human Resources**
- 4. Minimize Risk While Boosting Control and Transparency**
- 5. Scale Your Business on Demand**



1 Take the Stress Out of Financial Management

- You've got clients to focus on, and you want to spend your time making investment decisions – not making daily accounting entries or creating reports. Finance as a Service eliminates much of the stress of running that side of your business so you can focus on your investors.



Automated Data Flow

With a Finance as a Service (FaaS) solution, financial and accounting processes and data are automatically consolidated into a single source of truth. You touch less data – meaning less risk is involved – and move from manual systems like Excel to a more sophisticated system that centralizes your data and provides built-in controls.

Segregation of Duties

Investment management firms require layers of approvals and often multiple steps involved in payment processes. Especially if your firm is smaller, you likely don't have sufficient segregation of duties to ensure cross-checking and cross-review of payment-related activities. FaaS provides built-in segregation of duties so you know your firm is protected against mistakes like paying phantom employees or releasing the wrong payments. With controls in place, you can avoid falling prey to internet scams, paying the wrong person, or issuing payments for the wrong amounts.

Time-Tested Processes

Any outsourced provider you work with should have processes and procedures in place for investment managers and implement best practices across the business, such as automating bill payment with appropriate approvals and vendor management, setting up a new expense reporting system, or implementing benefits such as a 401K or flex plan for your employees.

Business Continuity

When you outsource financial management to a Finance as a Service organization, you automatically gain a layer of business continuity planning. FaaS gives you the peace of mind of having an off-premise resource securing and continuously backing up your financial information so you can keep operations running in the event of an outage or security incident.



Finance as a Service vs. Bookkeeping

Many investment management firms are tempted to use general bookkeeping firms. But bookkeepers rarely have the unique industry expertise needed to work with your providers.

Finance as a Service experts like Consero know what to look for in your fund reports to record the relevant information because they are specialized in the investment management space. Their experts understand your business and investment models, your compliance and tax deadlines, and more.

2. Leverage Industry Experts to Support Your Unique Operations

One of the biggest roadblocks for any investment management firm is finding third-party vendors, software partners, and outsourced accounting experts who understand what you do. Yes, you are running a business like many others, but your high-stakes, high-pressure work and clientele present unique operational and financial challenges. That's where the investment management expertise of Consero becomes a competitive advantage.



Industry Professionals at Hand

Your FaaS provider should have relationships with industry professionals such as audit and tax firms, private bankers, compliance firms, and more – relationships that will be essential to building a solid platform for your success particularly if you are launching a new firm.

Executive-Level Support

A huge advantage for investment management firms using Consero's FaaS is easy access to experts that understand your business model and can serve in a CFO capacity for strategic support and planning. Should your firm lack seasoned financial expertise on the business side, your FaaS provider will know what is needed to support you in the launch of new funds or expansions.



Are you familiar with what a competitive investment management firm should include in their HR policies?

Here are a few components:

- Compensation best practices
- Benefits best practices
- Family and medical leave, maternity and paternity leave
- Paid time off; vacation, sick time, and leave of absence requirements
- Disability matters
- Minimum wage and overtime rules, which vary by state
- Immigration laws
- Workers' compensation issues
- Anti-discrimination matters

3. Ensure Best Practices for Human Resources

When you add employees, you want a smooth and efficient onboarding process for the optimal employee experience. HR and payroll require hands-on administration most investment managers simply don't have the expertise or time for. In addition to managing financial operations, the Consero FaaS solution helps you manage your human capital assets.



Attract the Best Talent

Your FaaS provider should have a pulse on the investment management sector – from hiring trends, to what people expect out of employers, to what systems and software to use for HR and payroll processes. Your Finance as a Service provider can help you design and implement benefits packages and compensation structures so you can be a competitive employer.

Hand Off Your Administrative Burden

Consero finds the right providers. A strong leader in the Finance as a Service sector will find the right partners and technologies for benefits management and payroll processing, and they handle the administration so you have peace of mind that your people are being taken care of.

Maintain Compliance

Your employment policies and benefits should match industry standards to sustain a competitive business and stay compliant with ever-changing employment regulations. FaaS helps you keep abreast of federal, state, and local laws while advising you on balanced and attractive policies.

Current assets	1,34,026
Non-current assets	88,905
	1,645,921
Liabilities	
Current liabilities	166,630
Non-current liabilities	110,327
	56,303
Equity	
Paid-in capital	74,393
Retained earnings	72,921
	1,472



Current year	1,774,576
Comprehensive income	15,897
Issue of share capital	88,905
Dividends	23,853
Previous year	166,630
Comprehensive income	110,327
Issue of share capital	56,303
Dividends	67,676



Income statement	
Revenues	12,978,516
Net sales	12,873,892
Investment	104,624
Expenses	6,372,535
Research and Development	1,385,395
Operating expenses	4,439,118
Marketing	548,022
Net income	6,505,981



Cash flow statement	
Operations	12,978,516
Earnings	12,873,892
Depreciation	104,624
Investing	6,372,535
Real estate	1,385,395
Equipment	4,439,118
Financing	6,505,981
	6,505,981



Consero's FaaS offering includes the following security protocols:

- Role-based access control (RBAC) controls access to the platform
- Multifactor authentication
- Stringent password and password change policies
- Architecture that separates each client database into its own secure location – not shared between clients
- Hosting infrastructure that uses best-of-breed security and is SOC1 compliant with every major security standard

4. Minimize Risk While Boosting Control and Transparency

Managing large amounts of capital comes with obvious risks, but FaaS can help you better control cash procedures for the business so you're assured your processes are compliant and secure.

Establish Controls

Consero helps you establish controls for all processes related to cash, including banking wires, payroll procedures, dual person invoice and vendor management, and approval processes.



Gain Transparency

FaaS provides a set of dashboards where you can see all your information in real time, whether it be cash, accounts payable, the status of invoices, and more.

Formalize Procedures

Once your accounting policies and procedures have been established, Consero creates a customized manual to document those processes so everything is clear and disseminated to your team.

Reduce Business Continuity Risk

You don't have to recruit, hire, train, or oversee continuity experts to ensure your operations stay online in the event of a disaster because accounting continuity is maintained by Consero experts.

Ensure Security

FaaS delivers cloud-based systems that automatically back up your data and introduce redundancy, so your sensitive accounting data stays secure.



“Overall, investment management firms are more likely to increase than decrease both outsource and offshore approaches to digital transformation. In contrast, they are decreasing emphasis on vendor solutions and in-house build projects, while partnering is more balanced.”

Source: [Deloitte's 2021 Investment Management Outlook report](#)

5 Scale Your Business on Demand

- As you bring on new clients, generate more revenue, and establish a cycle of growth, you'll need a high-performing back office that scales with you. This is where Consero FaaS shines – delivering an end-to-end solution that supports your business as it grows.

Institutional Grade Back Office

FaaS creates an institutional grade back office that combines process automations, best-in-class technology in the cloud, and investment management expertise to give you a flexible infrastructure aligned to the evolution of your business. You don't have to purchase or maintain a finance or accounting system you are locked into, only to grow out of it later.

Scalable Support Team

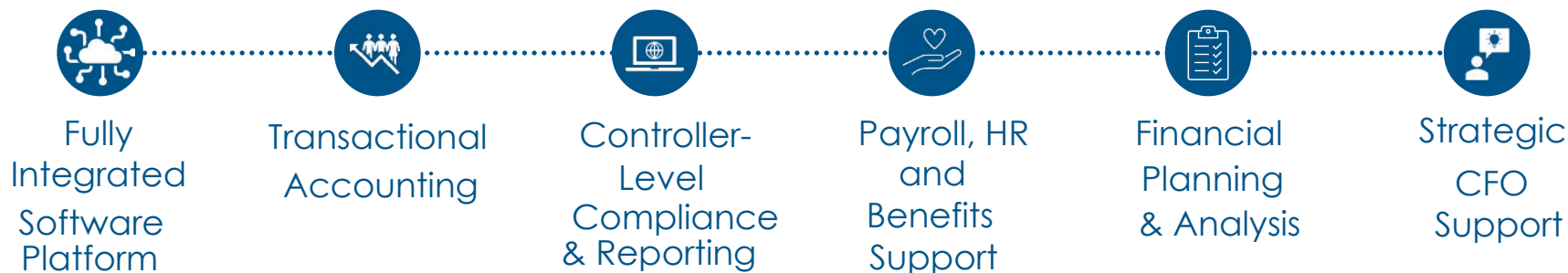
As your business grows, you would routinely need to go out and find, hire, and train various personnel in your finance and accounting departments – but not with FaaS. There's no need to add full-time salaries because you can outsource everything to Consero.

About Consero

Consero's mission is to disrupt the way investment management firms achieve the financial clarity and scalability to grow. Through our revolutionary Finance as a Service offering, we help firms like yours unify and clarify your numbers and processes, and reduce time spent on finances by 90%.

Founded in early 2006 with the goal of providing a superior alternative to building and maintaining an in-house finance function, Consero is proud to specialize in helping investment management firms.

Our FaaS solution and deep knowledge of the industry enable us to give investment managers peace of mind that their financial, HR, and payroll operations are not only run efficiently but are supporting their growth. With Consero overseeing your back office, your clients will have confidence that your firm runs a credible, compliant, and secure organization.



CONSERO
Financial clarity and efficiency made easy

Contact Consero to learn how FaaS can simplify and support your investment management firm.

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