

# Case Study

## Transitioning to a new fund administrator

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### Challenge

Silvia is the CFO of a well-established middle-market private equity fund manager, overseeing multiple funds and co-invest entities with several hundred million dollars in assets under management (AUM). Recently, she has been facing growing frustration with their fund administrator. The issues have become increasingly apparent, including delayed reporting, a lack of responsiveness, and outdated technology that no longer meets the needs of the firm or the expectations of their investors. These challenges have prompted Silvia to take action. She decides to go out to market and explore the possibility of switching to a new provider that can better support the fund's operational needs.

### Solution

Silvia understands that the right fund administrator is crucial for maintaining operational excellence and delivering superior results to her investors. She is determined to find a partner who can provide timely reporting, responsive communication, modern technology solutions, and one that aligns with her firms' values. Silvia is confident that making this switch will ultimately benefit the firm and its investors. She therefore embarks on an evaluation process, seeking a new fund administrator.

The search becomes a strategic priority, as Silvia recognizes that the right partnership can enhance their operational capabilities and improve overall investor satisfaction, driving high follow-on investment rates. She engages **LewisLevy** Consulting to assist in identifying and transitioning to the ideal fund administrator.

**LewisLevy's** first step is a comprehensive evaluation of the firm's current operational environment. After documenting the existing processes, they establish a target operating model (TOM) to address inefficiencies, close process gaps, and create a roadmap for enhanced operations. This TOM is then used as a foundation to communicate the firm's needs to potential fund administrators during the RFP process.



***“Silvia recognizes that the right partnership can enhance their operational capabilities and improve overall investor satisfaction, leading to improved follow-on investment rates”***

The next step is conducting a comprehensive RFP process with fund administrators based on criteria that came out of the TOM. Key factors for selecting a fund administrator include, but are not limited to, team's expertise, technical capability, technology, and pricing. This process includes interviews with the various fund administrators, demonstrations of their technology to evaluate reporting capabilities and the investor experience, and a review of proposals and a comparison of capabilities to determine the best fit for the firm. A critical element of the selection process is ensuring cultural and operational alignment between the teams. Building trust is paramount, as the choice of fund administrator serves as the foundation for a strong, long-term partnership.

After careful evaluation, **Phoenix** Fund Services emerged as the ideal partner. **LewisLevy** managed the transition, drawing on their hands-on experience to ensure a smooth process. This included transferring historical documents to the new fund administrator, reconciling data and reports, and transitioning to the updated operating model.

This arrangement allowed Silvia to concentrate on her outward-facing role, engaging with investors and stakeholders, while leaving the complexities of the transition in expert hands.

Within just a short period of time, all historical data was captured and reconciled seamlessly, ensuring that ongoing operations continued without interruption.

**LewisLevy** acted as the primary point of contact with **Phoenix** and the outgoing fund administrator. This clear line of communication was essential as it allowed for seamless onboarding onto **Phoenix's** platform without causing any disruption to the investors, and with minimal time and effort expended by Silvia and her team. **Phoenix** was well-prepared to take over operations thanks to the proactive measures taken by **LewisLevy**.



The transition culminated in the fund manager's ability to engage with a modern reporting system. This new system provided timely and accurate data, enhancing the overall transparency of operations. It also offered a customizable experience for both the fund manager and their investors, which was a significant improvement over the previous platform. The fund manager could now access real-time data, enabling them to make informed decisions quickly.

***“This clear line of communication was essential, as it allowed for seamless onboarding of Phoenix without causing any disruption to the investors. Phoenix was well-prepared to take over operations, thanks to the proactive measures taken by LewisLevy.”***

## Results

The transition was completed seamlessly and within the agreed timeline. The fund manager immediately noticed a significant improvement in both the accuracy of reporting and the level of support they received, along with overall operational efficiency. Investors appreciated the enhanced, transparent reporting system, which led to greater confidence and trust.

**LewisLevy's** expertise not only ensured a smooth transition to **Phoenix** Fund Services but also positioned the firm for operational excellence. The partnership with **Phoenix** has enabled the firm to meet the evolving needs of its investors, maintain a competitive edge in the market, and lay a strong foundation for future growth.

*Note: This case study is for illustrative purposes only.*