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SEI Whitepaper: Wealth Management Industry Must Transform Legacy Infrastructure for Long-Term Success

Unified Platform Model Key to Overcoming Legacy System Issues

OAKS, PA -- (Marketwired) -- 09/30/13 -- The current technology infrastructure in the wealth management space poses a major obstacle to progress as the industry struggles to adapt to an increasingly challenging environment, according to a whitepaper released today by [SEI](#) (NASDAQ: SEIC). The paper, titled "SEI Insights: The Legacy of Legacy Systems," explores how heightened client demands and desire for control, changing regulatory requirements, and the current economic landscape have strained the flow of information for both wealth managers and clients. The paper discusses the need for a radical industry-wide shift from legacy systems to single, unified platform models to combat industry challenges and achieve long-term, sustainable growth.

"The wealth management industry has evolved tremendously over the past few decades, but its rapid growth has led to growing pains, especially with technological efficiency," said [Al Chiaradonna](#), Senior Vice President, [SEI Wealth Platform](#). "What's interesting is that this issue isn't unique to the wealth management space. Through our research, we've discovered that we can learn from how other industries have addressed legacy system constraints and use that knowledge to build game-changing solutions."

The paper examines the transformation of legacy systems in the aviation sector as a model for the wealth management industry. Following a surge in air travel, airlines increased efficiency and revenue by moving away from siloed systems to a unified platform concept. Similarly, the paper suggests that the wealth management industry transition to a single platform for product distribution and client data, allowing for the integration of disparate processes and redistribution of capital to focus on client needs.

"The industry needs a client-focused solution that is adaptable to regulatory, market, and technology changes and puts clients in the 'co-pilot' seat throughout the investment process," [Al](#) continued. "We've spent more than a decade working on this kind of solution and the SEI Wealth Platform(SM) is the output. By providing firms with a unified system and enterprise-wide approach, wealth managers can better oversee accounts, advise clients, and ultimately provide clients with the control they desire. Unified platforms are the key to the industry's continued success."

The paper also identifies the issues legacy systems pose for the wealth management industry. As obstacles to efficiency increase, most firms adapt "on the go" by introducing quick fixes that address immediate issues. However, current solutions now struggle to deal with the growing demands of a complex wealth management system. In fact, independent research predicts the demand for wealth services will double within a decade. To effectively meet this opportunity, the industry needs to improve its capacity. The paper discusses how shifting to a single, unified platform confers a competitive advantage to wealth managers by eliminating infrastructure complexity. As a result, wealth management firms will experience greater efficiency, increased revenue, and improved wealth management services.

The paper, published by SEI Executive Connections, is the first in a four-part series, titled "SEI Insights: The Future of Wealth Management," which explores four key areas outside of the financial industry that offer opportunities for transformation in the wealth management industry. The final three parts of the series will look at changes to risk management, behavioral segmentation, and advisor productivity, respectively. SEI Executive Connections is a community for bank executives and industry experts, which provides business intelligence and opportunities to interact on banking topics and trends. To request a copy of the full paper, please visit www.seic.com/legacysystemspaper.

About the SEI Wealth Platform(SM)

The SEI Wealth Platform (the Platform) is an outsourcing solution for wealth managers encompassing wealth processing services and wealth management programs, combined with business process expertise. With the Platform, SEI provides wealth management organizations with the infrastructure, operations, and administrative support necessary to capitalize on their strategic objectives in a constantly shifting market. The SEI Wealth Platform supports trading and transactions on 104 stock exchanges in 45 countries and 33 currencies, through the use of straight-through processing and a single operating infrastructure environment. For more information, visit: www.seic.com/seiwealthplatform.

About SEI

SEI (NASDAQ: SEIC) is a leading global provider of investment processing, fund processing, and investment management business outsourcing solutions that help corporations, financial institutions, financial advisors, and ultra-high-net-worth families create and manage wealth. As of June 30, 2013, through its subsidiaries and partnerships in which the company has a significant interest, SEI manages or administers \$507 billion in mutual fund and pooled or separately managed assets, including \$204 billion in assets under management and \$303 billion in client assets under administration. For more information, visit www.seic.com.

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