Fund Valuation Oversight

> ⓘ *... defining the next era of solutions for fund valuation oversight (NAV Validation)*

Evolution of Business Process

Era 1: Human-Driven

Domain Expert (Fund Accountant)

➕ Fund Accountants have rudimentary checks and use their experience to validate the NAV

ⓘ results in obvious scalability and key person risk, not to mention Quality control across Funds

Spreadsheet (Operated by Fund Accountant)

➕ lots of spreadsheets for groups of Funds encapsulating the experience of the Fund Accountant

ⓘ results in better checking, but a whole world of Spreadsheet pain & new key person risk

Era 2: Rule-Driven

Expert System (Automated Systematic Process)

➕ Best Practice systems implementing standard validations, tolerances & methodology

ⓘ results in much better operational control, Makers, Checkers & Fund Controllers, mobility of process, but lots of manual work clearing false positive tolerance based exceptions

Automated Workflow (Robotic Process Automation (RPA))

➕ business process automation driven by rule-based logic to process structured information and perform an Auto Clearance of selected exceptions (RPA), leaving Operators to focus on the remaining 'real' exceptions

ⓘ results in significantly reduced manual work to validate a NAV; all fundamental data is still not validated, still labour intensive to manage some exceptions

NOW

FUTURE

Era 3: Data-Driven

AI-Enabled Application

➕ data-driven approach leveraging Machine Learning techniques to implement Artificial Intelligence (AI), which can process unstructured information and derive actionable insights, leaving the Fund Operator to manually resolve only the genuine fundamental data exceptions it highlights

ⓘ results in significantly reduced labour, better quality, and timely outcome - AI is augmenting the existing workflow processes by learning from data over time

Era 4: AI-Driven

Cognitive Assistant

➕ super assistant driven by AI with skills to learn, unlearn, and relearn NAV Validations for any market scenario at hand, enabling Fund Operator to make truly intelligent decisions in complex scenarios with ease

ℹ️ results in arguably the most efficient business processes and the best user experience possible - AI is creating new and better ways to solve business processes while Cognitive Computing is replicating how humans would solve them

Research Hypothesis

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Status Updates

May

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