

How Do I Choose the Best Investor Portal?

Fund managers' top eight questions answered

Choosing your Investor Portal

Investors today require more in-depth information about the funds they invest in. They also expect a greater level of transparency. To provide all of this information to investors faster and more efficiently, fund managers are increasingly turning to investor portals.

But the question is: With several investor portals available on the market, how does your firm choose the best one for your needs?

Here are some of the most common questions that fund managers have, along with the answers.

01 Why does my firm need an investor portal?

Many general partners (GPs) are still relying on outdated methods to run daily operations. These methods can add friction to communicating with investors and fund reporting. A good investor portal provides GPs with a single channel for communicating with limited partners (LPs) and streamlines the investor communication and fund reporting process. Moreover, it allows LPs to get the information on-demand.

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What's the best way to approach looking for an investor portal?

Start by making a list of what your firm needs and what your LPs need, and choose a portal that will support both equally. This is important because LPs' needs are rapidly changing and evolving — many are replacing manual processes with software to improve their overall investment decision-making and portfolio monitoring. Therefore, whatever investor portal your firm chooses needs to support both your internal needs and LP requirements for transparency into their investments, including environmental, social and corporate governance (ESG) metrics.

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What do investors expect from an investor portal?

Today's LPs have significantly increased expectations concerning communications with fund managers and prefer:

- A single platform where they can access investment data across multiple funds
- Timely, secure and seamless access to performance data and reports
- The ability to access all their information online 24/7 via a single login — and also easily access that information via mobile devices
- Reporting transparency, responsiveness and flexibility

In addition, many LPs require ILPA reporting templates when considering an investment in a new fund. Many LPs will not invest in a fund if a firm does not provide ILPA-templated disclosures from the outset.

Lastly, LPs want ESG metrics. ESG has become a standard component of due diligence and when monitoring the risks of their portfolio. Many LPs predict that soon these metrics will be just as important as capital calls.

What features should an investor portal have?

While every firm and investor has different needs, below are some of the most important features to consider when choosing an investor portal:

FOR INVESTORS

- **An intuitive user interface:** If an investor portal isn't easy to use, investors won't use it.
- **Standardized ILPA templates:** LPs are pushing for standardization across the industry to more efficiently monitor their investments across funds. Using a portal that embeds ILPA reporting templates directly into the platform helps give LPs what they need.
- **Multilingual support:** This is crucial for global investors.

FOR FUND MANAGERS

- **Communication and investor reporting tools:** GPs should be able to upload documents across multiple funds and

permission them to specific LPs, as well as respond to investor requests for private equity holdings and hedge fund data. A portal should also provide a way to share documents and data between investors, fund managers and advisors.

- **Secure document management:** A modern investor portal should provide the ability to manage investor documents securely.
- **Productivity tools:** A robust portal will allow your firm to publish multiple documents at a time, split large reports into multiple investor-specific documents, and quickly and efficiently distribute documents to investors.
- **Investor activity tracking:** This functionality will help your firm know if investors are receiving and accessing the time-critical documents you're sharing with them.

Firms should also consider the size of a portal's investor community. How many LPs have adopted the solution? How many countries are represented on the platform?

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What kind of reporting and information sharing should an investor portal support?

A good investor portal should support your firm in sharing up-to-date investor account data, including historical and current capital balances, cash flows and fund performance. It should also enable your firm to share portfolio and company data, performance metrics, and private equity holdings and hedge fund data. Data should be available across funds, and your firm should be able to rapidly upload capital account statements and other investor-specific documents for investors.

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What are the benefits for GPs and LPs?

HOW GPs BENEFIT:

- Go beyond their reporting obligations and be more transparent and responsive to investors

- Automate tasks and significantly reduce manual, time-consuming processes
- Seamlessly manage reporting across funds, track investor activity and upload critical data effortlessly

HOW LPs BENEFIT:

- Obtain timely information and ongoing updates they require to manage their portfolios
- Quickly filter and search through multiple documents to pinpoint the information they need instead of having to click through multiple file folders
- Get sensitive and confidential information from firms in a highly protected way
- Have a better overall experience in working with GPs

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What security capabilities should an investor portal have?

Most firms need to manage and share confidential, highly regulated information with investors, prospects and clients. In doing so, firms must protect personally identifiable information (PII) and proprietary data. To accomplish this, look for a portal that:

- Is designed to secure the critical flow of information required
- Has a security model that includes file, application, operational and platform security as well as data sovereignty and compliance
- Offers security capabilities such as multi-factor authentication and encryption that protects data no matter where it is – at rest, in use or in transit
- Gives users secure mobile access

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How long does it take to implement an investor portal? Also, what kind of support can my team expect?

Most portals today are software-as-a-service (SaaS) solutions, meaning they are web-based, so firms don't have to download any software or worry about updates. A standard implementation from contract sign-on and data migration to actual use can be completed in a few weeks. Some companies that offer investor portals have dedicated development teams and offer 24/7 global support from customer service managers who are experts in the alternative investment industry and its specific requirements. When choosing a portal, ensure these teams can support your firm's internal investor relations team and your investors.

Conclusion

As investor expectations about information accessibility and transparency continue to grow, your firm must also continue to re-evaluate how it can use technology to report to LPs. Choosing a robust, easy-to-use and flexible investor portal that's widely adopted in the industry can go a long way in providing the types of experiences that investors want from your firm – today and in the future.

About SS&C Intralinks

SS&C Intralinks is a cloud-based financial technology provider for global banking, dealmaking and capital markets. The company facilitates strategic initiatives such as mergers and acquisitions, capital raising and investor reporting by enabling and securing the flow of information. Intralinks also offers a next-generation investor portal called **InvestorVision™** that helps companies modernize their investor communications and fund reporting, and provide business-critical information to their investors – when and how they want it.

For more information, visit intralinks.com.

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Intralinks customer survey

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