



The Transparency Advantage: Building Investor Trust with Centralized Data

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The Transparency Advantage: Building Investor Trust with Centralized Data

How technology innovations and connected data can help asset management firms transform their financial and fund reporting into a strategic asset.

Reporting Pressure Meets Outdated Technology

Expanding regulatory expectations are reshaping how investment firms must report on risk, performance, and sustainability. Fund- and firm-level disclosures today require faster cycles, more structured data, and stronger governance, compelling asset managers to redefine their reporting frameworks in line with evolving standards.

Regulators are not the only ones demanding greater visibility into data: **92% percent of investors** consider data accuracy essential when assessing organizations.

Manual processes and fragmented data make it difficult for asset managers to meet rising expectations and deliver a unified reporting view. Firms that modernize their reporting processes with connected technology are better positioned to address these demands and operate more efficiently.

This paper examines recent industry research to provide actionable strategies for asset management teams ready to adopt connected, AI-powered platforms that address complex reporting requirements and adapt as organizations grow.

The Rise of Regulatory Scrutiny

In response to increasing regulatory complexity, asset management teams face intensified oversight across risk reporting, liquidity management, cybersecurity, and counterparty exposure, all of which now require more detailed and standardized disclosures. Mandates that demonstrate these pressures include:

- Reporting for fund holdings and filings in the US needs to use structured data formats such as [XBRL®](#) tagging.
- The US Securities and Exchange Commission (SEC) requires firms to report material cybersecurity incidents within four business days and disclose risk oversight practices annually.
- The EU's Digital Operational Resilience Act (DORA) requires asset managers to maintain a complete inventory of Information and Communication Technology providers and establish risk mitigation protocols.

Stricter requirements add layers of complexity to preparing disclosures, a challenge that is further exacerbated by manual processes.

The Cost of Manual Processes and Data Silos

Despite growing regulatory complexity, many firms still rely on manual methods, such as spreadsheets, shared drives, and siloed systems, which can't meet evolving reporting needs. According to a [Billtrust report](#), only 41% of financial planning processes and 19% of performance management processes are mostly or fully automated.

For Financial Executives



68%

say their manual processes are vulnerable to errors

64%

state volume of manual work prohibits planning, analysis

Outdated, scattered processes are static and inflexible, unable to evolve with disclosure needs. Manual processes hinder adaptability, slow down reporting, and reduce transparency at both firm and fund levels. As a result, firms find themselves facing significant challenges and costs related to data quality and manual processes:

- ✓ **Data quality pain is widespread:** 79% of C-level IT executives surveyed say data quality is a pain point for their wealth and asset management firms.
- ✓ **Executives lack confidence in reporting:** Between a quarter to 37% of financial executives say they do not trust their data.
- ✓ **Manual processes hinder accuracy and analysis:** 68% of financial executives say their manual processes are vulnerable to errors, and 64% state the volume of manual work prohibits proper planning and analysis.

These challenges can put a firm at a competitive disadvantage, making it difficult to respond to investor inquiries, maintain consistent disclosures across jurisdictions, or align fund strategy with performance. Gaps in visibility can also delay net asset value (NAV) sign-off, disrupt audit readiness, and complicate board reporting.

Centralized data in a connected, cloud-based platform can help firms respond to dynamic reporting requirements through features such as real-time data validation, consistent narratives, and scalable controls. For example, centralized, automated workflows can:

-  Ingest, validate, and format environmental, social, and governance (ESG) and financial data for recurring fund disclosures
-  Flag exceptions in reconciliation workflows and surface unresolved breaks for targeted review
-  Pre-fill regulatory reporting templates with verified data mapped to current frameworks
-  Link controls to supporting evidence across audit and compliance systems
-  Maintain version history and traceability across fund factsheets and board materials
-  Consolidate scenario modeling inputs and enable faster iteration across capital, NAV, and exposure simulations

Centralized Data Is the Backbone of Modern Reporting

The path to centralized data begins with adopting a connected reporting platform that combines the information portfolio managers, risk teams, and finance functions need.

Purpose-built platforms for financial and regulatory reporting allow firms to transform and streamline high-impact areas such as ESG disclosures and investor communications by creating workflows that enhance efficiency.

Advanced, integrated workflows can ingest, validate, and structure data in real time, effectively replacing manual or fragmented processes. For example, as automated governance, risk, and compliance (GRC) workflows streamline reporting, teams have more time to monitor performance trends and flag risks earlier in the cycle.

By replacing outdated processes, integrated workflows provide a more comprehensive view of performance, exposure, and anomalies. Firms also gain access to advanced capabilities, such as:

- ✓ Connecting fund- and firm-level data to investment data through live integrations
- ✓ Creating shared visibility into portfolio, risk, and performance data through integrated data layers
- ✓ Improving consistency across disclosures, forecasts, and board reporting with structured, permissioned access
- ✓ Accelerating cross-functional analysis using standardized, report-ready inputs
- ✓ Flagging underperformance or reporting delays early through automated monitoring
- ✓ Supporting scenario modeling across capital, NAV, and market shifts
- ✓ Strengthening board and investor communications with consistent, real-time metrics
- ✓ Reducing manual coordination between finance, risk, and investment teams through workflow automation

Integrated workflows allow teams to establish reporting frameworks that can readily adapt to new and evolving requirements. Centralized, automated processes also have a clear advantage in creating more efficient and accurate reporting.

Data Transparency Builds Investor Trust

The vast majority **(93%) of institutional investors** say they are more likely to invest in companies with assured integrated reporting, combining financial and ESG data with third-party assurance. For asset management firms, technology can be the missing link to achieve this integrated reporting.

For example, the Sustainable Finance Disclosure Regulation (SFDR) requires firms to explain how firm-level sustainability claims reconcile with fund-level disclosures. Any possible gaps in governance statements at the company level that may not reflect how individual fund strategies contribute to overall performance or ESG alignment could open the organization to unnecessary compliance risks.

A connected cloud-based platform can support regulator and investor expectations by enabling direct access to underlying data sources. This helps to verify the accuracy and consistency of reported information. With the right platform, reporting can become a strategic discipline that supports performance and transparency.

Beyond compliance, transparency backed by auditable data builds trust that can influence investment decisions and provide a competitive advantage in volatile markets.



Building the Roadmap to Connected Reporting

The roadmap to adopting connected reporting starts by identifying the technology and process changes required throughout the reporting lifecycle. As the roadmap develops, firms are able to incorporate unified fund- and firm-level disclosures, scalable automation, and accountability into every step of reporting.

Asset managers can build reporting practices that align regulatory requirements with investor expectations by taking the following steps:

- 1. Establish consistent workflows.** Create consistent processes for how data is collected, formatted, and reviewed. This reduces rework and allows for more reliable, timely responses to market changes.
- 2. Define accountability across the lifecycle.** Assign clear responsibility from data entry to final disclosure—whether it's NAV prep, fact sheets, or board reporting. Ensure that portfolio, risk, and compliance teams are working from the same playbook.
- 3. Adopt platforms built for reporting integrity.** Choose systems with built-in automation, version control, audit trails, and the ability to handle fast-moving data inputs needed for intraday decisions.
- 4. Streamline collaboration through controlled access.** Centralize feedback and approvals in a single platform. This shortens review cycles and ensures teams are aligned on the latest version of every report or analysis.
- 5. Embed scalability into the reporting architecture.** Build a reporting foundation that can grow with your firm. Look for tools that support ESG reporting, AI-driven insights, and rapid onboarding of new funds or strategies—without breaking your workflows.

Expanding reporting obligations threaten to expose the inefficiencies and potential gaps inherent in manual systems and fractured systems. By upgrading to connected reporting solutions, firms can reinforce governance and gain the agility to adapt as expectations evolve. Modernizing with cloud-based platforms positions firms to deliver trusted disclosures, sustain investor confidence, and support long-term performance.

Sources & References

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Robert Rhame is a former Gartner Research Director with over 20 years of experience in cybersecurity and market intelligence. He specializes in win-loss analysis, competitive intelligence, and persona development. Robert has advised organizations on building cultures of market intelligence sharing across sales and marketing teams. His insights help businesses understand buyer behaviors and refine go-to-market strategies.

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