



TECHNOLOGY & OPERATIONS

Managed Account Infrastructure

Managed account programs depend on coordinated technology, operations and investment implementation.

The investment strategy is only one part of the operating model. To run at scale, a managed account platform must support account setup, model assignment, portfolio accounting, trading, rebalancing, reconciliation, reporting, billing and exception handling. Each function needs to operate consistently while accommodating client-level variation.

This is especially important for multi-manager, multi-currency and multi-custodian programs, where implementation complexity increases quickly. The operating environment must support both standardized workflows and account-specific instructions.

Technology provides the control framework. Operations provide execution discipline.

Beyond Software

Managed account delivery is not solved by a single application.

A functioning program requires connected workflows across front office, middle office and investment operations. Portfolio construction, model delivery, trade generation, allocation, reporting and billing all rely on accurate data moving through the platform.

The core requirement is orchestration.

Systems must be able to receive models, compare target and actual holdings, identify drift, generate trades, apply restrictions, route orders, allocate fills, update books and records, calculate performance and support advisor reporting.

If those functions are disconnected, the program becomes difficult to scale and harder to control.

Operating Model

A managed account operating model needs to support both scale and variation.

Scale requires repeatable processes, automated controls and defined workflows. Variation requires the ability to manage account-level restrictions, tax lots, cash positions, legacy holdings, sleeve assignments and custodian-specific requirements.

THE OPERATING MODEL SHOULD DEFINE:

- Data sources and records;
- Model and account hierarchy;
- Trading and allocation workflow;
- Rebalancing rules;
- Exception management;
- Reporting and billing process.

The objective is to reduce manual handling while preserving the flexibility required for personalized portfolios.

The TAMP Framework

A Turnkey Asset Management Platform, or TAMP, provides the operating framework required to administer managed account programs at scale.

Rather than relying on disconnected applications and manual processes, a TAMP coordinates the functions required to support the full managed account lifecycle. These functions typically include portfolio administration, model management, trading support, reporting, billing and investment operations.

The objective is not to replace the advisor, asset manager or institution. It is to provide the infrastructure that allows each participant to focus on their area of expertise while operating within a consistent framework.

A TAMP can support a broad range of structures, including separately managed accounts, unified managed accounts, ETF model portfolios, multi-manager programs and advisor-led solutions. Depending on the institution, it may also accommodate multiple custodians, various execution models and cross-border investment programs.

At its best, a TAMP serves as the connective tissue between investment strategy and implementation. It provides the workflow, controls and operational discipline necessary to move from investment intent to account-level execution while supporting growth, consistency and oversight.

The underlying technology may differ from one provider to another. The operating principles remain consistent: accurate data, defined workflows, disciplined implementation and clear accountability.

Proposal and Analytics

Proposal and analytics tools support the pre-implementation stage of the client lifecycle.

They help evaluate an existing portfolio, compare proposed allocations, identify concentrated positions, estimate transition implications and support advisor-client discussions. This is particularly useful when moving clients from brokerage, fund-based or legacy portfolios into managed account structures.

The analytics process should connect to the operating model rather than sit outside it. Recommendations, restrictions and transition decisions need to flow into model assignment, trading and rebalancing.

Model Management and Rebalancing

Model management is central to managed account implementation.

The platform must support model receipt, validation, version control, sleeve assignment and account mapping. It must also compare target allocations to actual portfolios and determine whether rebalancing is required.

REBALANCING MUST ACCOUNT FOR:

- Drift thresholds;
- Cash flows;
- Restrictions;
- Legacy positions;
- Tax lots;
- Sleeve weights;
- Custodian rules.

The goal is to maintain alignment with the intended strategy while applying account-level instructions.

Trading and Allocation

Trading converts portfolio decisions into executed positions.

A managed account trading workflow typically includes order generation, trade aggregation, routing, execution, fill allocation and trade reconciliation. The process must support fairness across accounts, operational controls and consistency with the model.

For multi-custodian or cross-border programs, trading may also require currency handling, settlement coordination, local market access, ADR or ordinary-share treatment and custodian-specific order workflows.

Strong trading infrastructure reduces dispersion and improves operational control.

Portfolio Accounting and Administration

Portfolio accounting provides the system of record for positions, transactions, cash and performance.

Accurate books and records are necessary for reporting, billing, reconciliation, trading and oversight. In

managed accounts, accounting must also support account-level customization, tax-lot visibility, household views and sleeve reporting.

Administration includes transaction processing, corporate actions, reconciliation, cash monitoring, position maintenance and data validation.

This operating layer underpins the rest of the program.

Reporting and Billing

Reporting converts portfolio activity into usable information for advisors, institutions and clients.

The platform should support holdings, performance, allocation, transaction history, household-level reporting and strategy-level views. Reporting must be consistent with the accounting record and flexible enough to support different advisory and institutional requirements.

Billing is also part of the managed account infrastructure. Programs may include advisory fees, overlay fees, manager fees, platform fees or tiered schedules. Fee calculations need to be reliable, auditable and aligned with program documentation.

Exception Management

Exceptions are unavoidable in managed account operations.

Accounts may have missing data, rejected trades, failed settlements, corporate action elections, restriction conflicts, cash shortfalls, model conflicts or reconciliation breaks. The operating model must identify, assign, track and resolve these issues.

Exception management requires clear ownership, workflow status, escalation paths and auditability.

The quality of exception handling often determines whether a program can scale without increasing operational risk.

People and Process

Technology supports the workflow, but experienced operators are required to manage complexity.

Operations teams interpret exceptions, coordinate with custodians, monitor implementation, validate outputs and support advisors. Their role is especially important when workflows cross multiple systems, counterparties or jurisdictions.

A sound operating model combines automated controls with human oversight. The objective is not to remove judgment, but to apply it where it is most useful.

Infrastructure as a Control Layer

Managed account infrastructure functions as a control layer across the advisory program.

It connects investment strategy, account data, trading, reporting and oversight. It also provides the governance structure required to manage growth, reduce manual intervention and support consistent implementation.

For institutions, this infrastructure is essential to operating advisory programs with multiple strategies, managers, custodians and client-specific requirements.

Without a coherent operating layer, customization can create fragmentation.

With the right infrastructure, customization can be administered consistently.

Looking Ahead

Managed account growth will require stronger integration between technology, operations and investment implementation.

Future TAMP operating models will need to support more account types, more currencies, more custodians, more strategy formats and more personalization. They will also require greater control over data, workflow, trading, billing and reporting.

The firms that build disciplined operating models will be better positioned to expand managed accounts without losing control of implementation.

Technology & Operations

A managed account program requires more than investment selection. It requires a defined operating model that can connect strategy, account data, portfolio administration, trading, reporting, billing and oversight in a controlled workflow.

That operating model is what allows personalization to function at scale. Client restrictions, tax lots, cash positions, sleeve assignments, custodian requirements and model updates all need to be incorporated without breaking consistency across the program.

Technology provides the workflow and control structure.

Operations provide the oversight, exception management and daily discipline required to keep the program aligned, accurate and scalable over time.

Investment ideas define the portfolio design.

TAMP translates that design into account-level implementation.