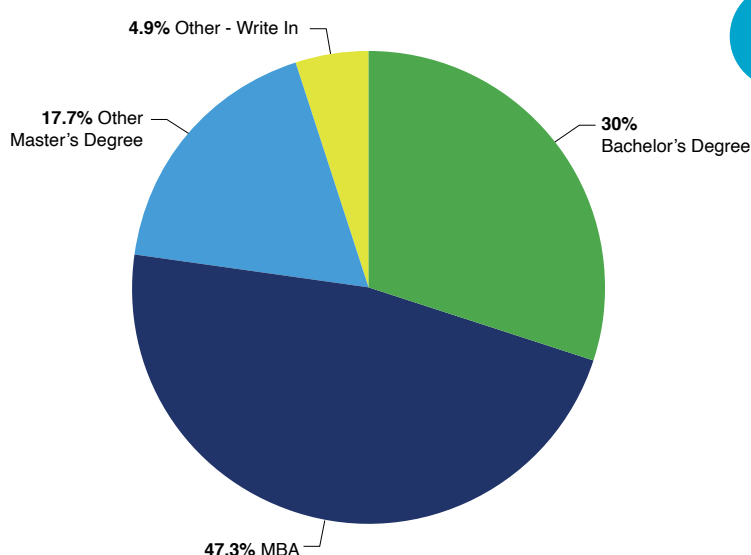


Backstop Solutions and **Mercer** conducted a survey of **more than 200 institutional investors** to explore the hypothesis that investment teams are spending time on tasks that don't align with their high levels of education, skills and experience. **Our goal** was to understand how much time institutional investors were spending on core investment tasks versus other non-core tasks and to **identify opportunities for improvement in daily work processes. Here's what we learned:**

1

Institutional investors have investment teams comprised of experienced experts.


73%

of respondents were a director or higher

67%

were of age 40 or older

66%

had a master's degree or other advanced degrees

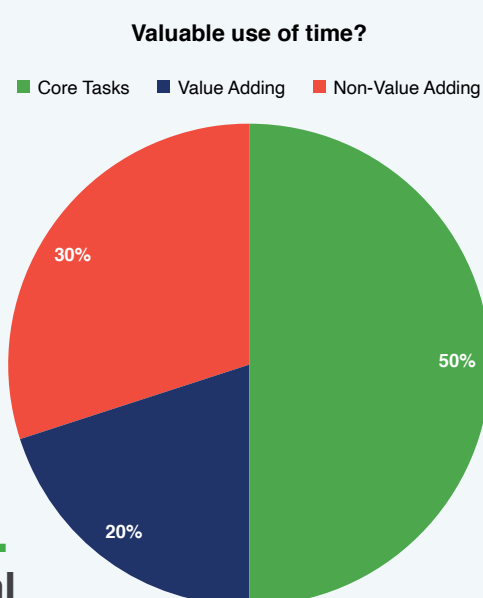
50%

had certifications such as CFA or CAIA

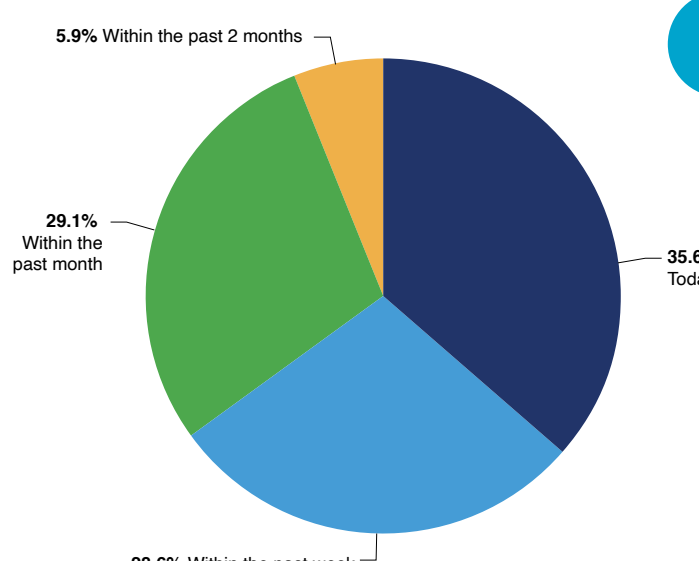
2

These key professionals are spending **30% of their time** on relatively lower-value, non-core jobs, such as searching for documents on shared drives, downloading and uploading documents, or retyping handwritten notes into a system.

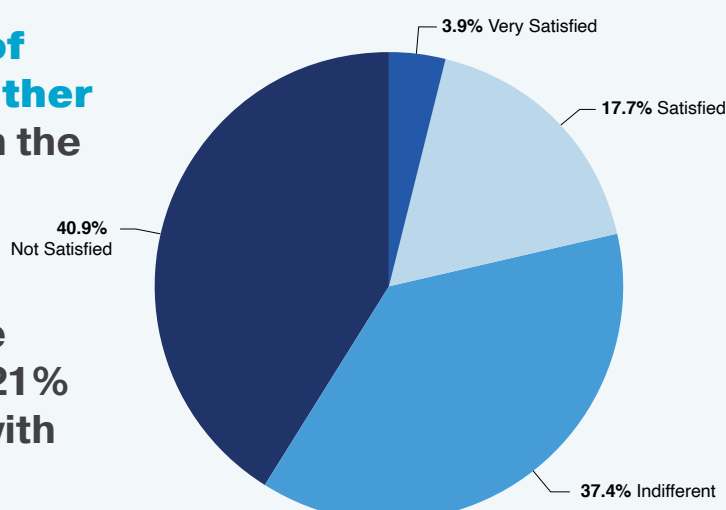
These same employees are spending just **50% of their time on meeting or diligencing new and existing managers.** These are core tasks that allow institutional investor professionals to piece together an investment worldview and act accordingly.


3

94% of respondents have thought within the past month that "there must be a better way to do this," which suggests that the manner in which work is done is top of mind, and they would genuinely and enthusiastically welcome tools, solutions and systems that can help them address the issue in question.


4

Approximately **three-quarters of respondents reported being either indifferent or not satisfied** with the technologies they have available to get their jobs done, with those not satisfied essentially doubling the percentage of those who were satisfied. In fact, only 21% reported that they are satisfied with their current technologies.


5

Data Management is an area of weakness.

Without the ability to ingest information, the investment team can't piece together their investment worldview. Without the ability to share information, they can only rely on the insights and ideas they generate themselves rather than those of the broader team.

On a scale of 1 to 10, where 10 is great and 1 is poor, how would you rate your organization's ability to ingest information and share it across teams?

1 2 3 4 5 6 7 8 9 10

Ingest Information 5.7

Share Information 5.3

6

If people are your most important asset, then helping make the most of their time is the most important investment you can make.

Data management is a vital part of the strategic infrastructure of institutional investors. Proper data management frees up time for investment teams to develop new ideas and enhance returns because it enables:

- **More time for relationship building** and richer interactions
- **More information** to consider
- **More complete** investment picture
- **More time to digest and consider** what has been taken in
- **More time for ideas**

How can investment professionals find a better way?

How can they spend more of their time on the most important core tasks – the parts of their jobs for which their skills are especially well suited?