

Standing out from the crowd

Matt Horton recently spoke to Real Deals following our success at The Private Equity Awards, where we scooped the prize for ‘Fund Administrator of the Year’ for the fifth time at the prestigious awards. Hear what Matt had to say about the Group standing out from the crowd, the internal effects of Covid and its impact on private equity.

What makes Aztec stand out from its peers in the private equity fund administration market?

From the outset, Aztec has been focused on the alternatives market. As a specialist alternatives administrator, operations are the mainstay of our service model, with a robust operating model and stable control framework creating an extremely strong backbone across our entire business.

Our technology platform is a central part of that operating model. In the private equity space, we’ve invested significantly in eFront systems over more than a decade, including the creation and ongoing development of a specialist team to configure those systems to meet clients’ specific requirements.

But technology only gets us so far. Our service model is centred around our clients, with each client benefitting from a dedicated relationship team that includes accounting, administration, governance and compliance professionals. By investing in client-centric teams alongside technology, our people work more efficiently and focus their time on working in partnership with their clients.

Our focus on service goes beyond the service model; we are highly focused on learning and personal development, with our in-house Academy supporting professional qualifications, general training and soft skills. We’re a people business – many say that, but we go the extra distance to support our people throughout their time with Aztec.

Overall, our success is due to our unwavering commitment to ensuring that both our clients and our people are supported as client demands changes and our business continually evolves.

How does Aztec ensure it is continually “top of its game”? How do you manage Aztec’s private equity team to achieve continued success?

Again, it’s about being a people business. And it’s not only about investing financially in training and development, it’s equally about investing time to fully support our people and listen to them, in turn encouraging them to support and listen to our clients. That might be a simplistic way of looking at things but, for me, it’s the most important part of what we do.

Beyond attracting and recruiting the best talent, and investing in training and development, it’s vitally important that every employee has a clear career path. As the business grows, that path becomes more critical. Our first group of trainees from around 10 years ago are now being promoted to leadership positions across the Group, which is massively encouraging to see.

Finally, we try our utmost to never be complacent. We invest in client relationships and nurture long-term partnerships, the result being that we develop shared knowledge and grow as our clients grow. And we see real benefits from that approach, with around half our new work coming from our existing clients.

How has the pandemic affected Aztec in the last 12 months. Are there any specific challenges that you are faced with and have had to overcome?

February and March are incredibly busy months for us and for our clients, with year-end reports, audits and so on. Accounting bodies were also making policy statements and issuing guidance notes on valuations, so it was an eventful couple of months! For those who were fundraising, we saw an urgency to complete the process, and dealmakers were trying hard to secure deals already in the pipeline.

Just prior to the pandemic, we had signed off a key digital transformation programme that would be a central part of 2020’s operational developments. At the end of last year, I knew the programme would be important, but it was long-term and had a distant completion horizon. When the pandemic took hold and lockdown was enforced, it suddenly became clear that the transformation was

essential to support our business and enable all staff to switch to remote working quickly and efficiently.

Education and training provision has been a challenge, but it's one that our training and development team have more than ably stepped up to. For example, trainees were considerably affected as they have the least experience to draw upon and suddenly couldn't learn in a physical environment. We've spent a lot of time ensuring they are included and supported by more experienced members of their teams; this has meant a rapid shift to online learning and ensuring that the virtual door is always open for them to ask questions and seek assistance.

Overall, our response to the pandemic has been successful. I take part in our ongoing client relationship programme and have had lots of conversations with key clients during the last six months. One of the main questions I've asked is "how did we perform?", and almost all clients have said "we didn't notice a difference". To me, that is a massive accolade to be proud of.

Has Brexit had much of an effect on day-to-day business? How have your clients reacted?

A lot of this is about headlines and not about what people are doing. Covid and Trump have successfully kept Brexit out of the headlines. That said, it is on our clients' radars, having an influence on fundraising, structuring and on their portfolio companies.

On the fundraising side, our clients have maintained a watching brief on Brexit. By that, I mean that clients thinking ahead of the curve and keeping a close watch on LP's decision-making have been able to make confident structuring decisions.

Our international clients have been relatively stoic about Brexit, opting to stick with Jersey or Guernsey as these jurisdictions work for them and will continue to do so. Around 80% of our clients are multi-jurisdictional, so they are keeping a close eye on the situation and are prepared if they need to make any changes.

It's worth remembering that the referendum was four years ago; investors have generally made up their minds and have prepared for Brexit.

What are your plans for 2021 and how do you plan to grow your service offering?

More of the same, maintaining a constant dialogue with our clients and adapting our service offering to deliver what they need.

In the past, we've opened offices in new jurisdictions to meet client demand, while also thinking strategically about the geographic markets where we have an opportunity to grow. That approach won't change, and we're continually looking at geographical expansion as a driver of future business growth. We're certainly not short of ambition!