

# 4 Keys to Becoming a Firm of the **Future**

● Discover what can become possible for your firm.

# Positively impact your firm's growth, profitability, and viability.

Most often, the pursuit of new technology is spurred by a significant event, such as fundraising or capital deployment. In other words, it happens in fits and starts—and there is often a trigger. That means there are always a couple of years of calm followed by at least one of stress and frenzy. But, it also means that there is rarely anyone whose job it is to own the process.

So, chances are good that your expertise is not in choosing automation software for your VC/PE firm. Yet here you are, tasked with evaluating and selecting your firm's investor and deal management system(s). No pressure. Your decision is just poised to have a long-lasting effect on your firm's growth and profitability. Perhaps even your viability as a firm of the future. To help you navigate this important and confounding activity, we've compiled four helpful hints for PE/VC software assessment:

1. Free your data
2. Buy rather than build
3. Pivot from problems to solutions
4. Keep your requirements list tight

“My advice to becoming a firm of the future is **three pronged**:

1. Make it a point to consistently evaluate new vendors and products.
2. Keep abreast of what your existing vendors are doing.
3. Uncover what's worked at other firms. That might mean hiring a consultant, but your network will probably provide as much help as you need.

But, most importantly, you need to know what's possible out there to ensure that you are not unexpectedly limited in the future. Consumer expectations, the art of the possible, provide a huge opportunity to leverage technology for a differentiated experience for your LPs.”

—Jeff Williams, Chief Strategy Officer at Altvia

# Free your data.

You can derive value from your information when you centralize and structure it to build models and visualize it to make business decisions. But, many firms still have their vital data unstructured and scattered throughout disparate systems.

To unleash the power of your data, you need to ensure the flexibility and availability of your firm's proprietary info via data management software that supports advanced information initiatives.

Up to 90% of daily data generation is unstructured.<sup>1</sup>



IDC estimates there will be 175 zettabytes of data worldwide by 2025, and 80% of that data will be unstructured.<sup>2</sup>



90% of unstructured data is never analyzed at all.<sup>3</sup>



Altvia supports quick and accurate data insights, plus:

- Data consolidation and enrichment across disparate sources.
- Portfolio visibility and monitoring.
- Industry expertise, data analysis, and intelligence.

# Buy rather than build.

One of the biggest mistakes that we see private capital market firms make is in hiring people to develop functionality and systems that already exist. Besides wasting financial and human resources, you lose time to software development that you could be devoting to implementation and adoption.

Our advice? Determine your firm's goals and workflow priorities, then demo 3 to 5 software offerings to establish the most efficient and effective option for accomplishing them. Chances are, you'll be able to find a software package that gets you at least 70% there. Then, you can leverage domain expertise to customize as necessary.

The average cost overrun of an IT system development project is 27%, but some projects exceed original budgets by as much as 200%.<sup>4</sup>



70% of CRM deployments fail to meet expectations, leaving organizations without the tools they need for success. In fact, some companies report having endured up to 3 separate CRM deployment failures.<sup>5</sup>



Altvia offers integrated best-practiced-based workflows that can be tailored to the way you do business via:

- A secure, purpose-built data management platform.
- Customized system configuration to align with your firm's workflows.
- Seamless system scalability as your firm grows.

# Pivot from problems to solutions.

When reviewing software, you can't go into a demo unprepared. If you don't know your workflows, firm priorities, or specific department requirements, you won't be able to easily compare solutions. Plus, you'll only get to see what your seller wants to show you.

Prior to engaging in any product demonstrations, you should determine your biggest pain points across firm functions and build a list of high-level requirements. Then, you should zero in on how each provider will partner with you to help you solve your identified problems.

69% of buyers say that software demos help them make a purchase decision.<sup>6</sup>



80% of buyers state that product videos give them more confidence when purchasing software.<sup>7</sup>



Buyers report using demos most often for in-depth reviews of 3 to 5 software choices.<sup>8</sup>

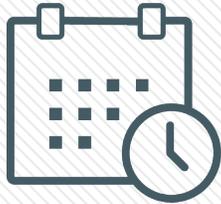


Altvia is the GP-preferred, secure, purpose-built data management platform for the way you do business, offering:

- Data consolidation and enrichment across disparate sources
- Portfolio visibility and monitoring
- Industry expertise, data analysis, and intelligence
- Easy customization to align with your firm's proprietary processes
- Seamless system scalability as your firm grows

# Keep your requirements list tight.

Companies take an average of 20 weeks to select a software package.<sup>9</sup>



About 30% of business buyers say that increasing efficiency is their main goal for selecting and implementing new software.<sup>10</sup>



At minimum, you should assess any business software against 4 high-level criteria:

1. Cost
2. User support
3. Internal process improvement
4. Flexibility

When developing a software requirements list, you need to be specific about your firm's pain points. Target up to 30 items and be clear on what's a deal breaker and what's nice to have. Then, ask to see it all in the demo. But, be sure to keep your wits about you. It may look great on the salesperson's screen, but you need to figure out what it's going to take to implement. (Even more important, you need to determine if you really need all the bells and whistles that you see.)

- What works right out of the box?
- How much customization will be required to address your firm's needs?
- And, how quickly can you expect to go live?

Altvia is trusted by top-tier firms to solve their most pressing pain points:

- Optimize workflow efficiency
- Modernize investor management
- Simplify deal management

# Embrace the art of the possible.

The art of the possible is your opportunity to leverage technology for a differentiated LP experience. And, it's essential that you embrace it to become a firm of the future. To get more tips like those presented in this ebook and understand the steps you need to take to think beyond today, contact [Sales](#). Or, go to [altvia.com](https://altvia.com) for more information or to watch our recorded webinar.

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1 IDC and Box (Box blog post), August 2023  
2 *Forbes Magazine*  
3 IDC and Box, August 2023  
4 *Journal of Management Information Systems*  
5 *Harvard Business Review* online, December 2018  
6 HubSpot blog post, updated September 2022  
7 HubSpot blog post, updated September 2022  
8 HubSpot blog post, updated July 2022  
9 *Software Patblog* post, January 2020  
10 *Software Patblog* post, January 2020