

Case Study:

RCP Gets Insightful Data Through Enhanced Reporting with Altvia

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Andrew Nelson
Principal

RCP ADVISORS OVERVIEW

 LOCATION:
Chicago, Illinois

 INVESTOR TYPE:
Private Equity

 INVESTMENT STAGE:
Buyout

 FOUNDED:
2001

 # OF EMPLOYEEES:
90

PARTNERSHIP SUMMARY

 IMPLEMENTATION
 **Data Management**

 YEAR IMPLEMENTED:
2015

 # OF USERS:
40

ABOUT RCP ADVISORS

RCP Advisors, LLC is a private equity investment management firm that provides access to lower middle market private equity fund managers through funds-of-funds and through direct co-investments. The firm is invested in nearly 100 funds and close to 1,000 underlying portfolio companies and while each of the members on the firm’s investment committee is familiar with a specific part of the portfolio, it is impossible for all of them to closely follow the entire portfolio because of the firm’s size.

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THE CHALLENGE

RCP's 2-man portfolio monitoring team, then, is charged with providing the investment committee with a summary of the entire portfolio on a quarterly basis, as well as ensuring that the valuations provided by underlying managers are reasonable and maintaining a constant high-level view of the portfolio.

"Taking all the data surrounding each investment and condensing it into a 5 or 10 minute summary on each fund can be a real challenge," says Principal on the Portfolio Management team Andrew Nelson, "but it's crucial that each member of the investment committee knows the entire portfolio rather than just the 10 or 12 specific relationships they're close to."

Since 2005, RCP has been using the AIM software system by Altvia to track fundraising, investment due diligence, and portfolio management. And over this time period, they have amassed a great deal of data on each fund and each operating company in their portfolio.

From this data, the portfolio monitoring team could produce reports that showed the current amount the firm had invested in each fund or operating company. These reports, usually built in spreadsheets, produced a limited view of the entire data set and were often just a snapshot of the current state of investments. For example, they provided no historical data about investments the firm had made at any given time in the past.

Without a regimented and flexible method for creating reports, the portfolio monitoring team was limited in the completeness of the picture they could provide for the investment team. Says Nelson, "We had all the data and we knew what reports we needed. We just didn't have the technical skills necessary to turn those ideas into a nice, clean report that contains all the relevant information."

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THE SOLUTION

In 2011, Altvia reconfigured RCP’s AIM database to accommodate enhanced reporting. RCP then invited Altvia back to Chicago later that year to help them leverage the functionality of their new database by configuring the customized reports the portfolio monitoring team needed.

Once on site, Altvia and the portfolio monitoring team started by brainstorming ideas for the kind of information they would like to get out of their database. Eventually they outlined a set of 10 reports that they wanted and Altvia went to work creating them.

“We had all this data and information and we knew how to do it but they made it more efficient,” says Portfolio Management team member Adam Ciborowski. “They helped us automate all of the reporting capabilities that we had been doing manually and it improved our ability to present the data in a usable form.”

The end product was a set of reports and a reporting framework that facilitated RCP’s consumption of data in a way they had never done before, providing them insight into the portfolio but also into their managers and industry trends.

“We had our set ways and Altvia opened our eyes to different ways of how to report and what we can use within Salesforce and excel,” says Ciborowski.

“They know our business and they understand our language,” says Nelson. “As a result, it was very easy to describe what we wanted and they were able to contribute ideas of their own.”

Leveraging their new reporting capabilities, the portfolio monitoring team is providing RCP with data that is more informative, more insightful, and more accurate, letting RCP ultimately make better- informed decisions.

“Altvia gave us the ability to fine-tune our reporting more to our liking and also made it more flexible so we could do more with what we have,” says Nelson. “At first we had a limited view and they expanded our horizons with what else can be done.”

“I think it helped us look at our data in a different way,” says Ciborowski. “We had been looking at it at a very high level and now we are able to break it down and be more specific. We have more accurate and more meaningful data and we can do everything more real-time. I think we became a lot more efficient.”

