



Design the right in-house investment proposition for consolidation success.

Adviser alignment is key to integration.

M&A is reshaping financial advice, and vertical integration is at the heart of it. Our research shows that consolidators are targeting growth by integrating investment and platform services. Yet many are falling short—migration to in-house products is often less than half of expectations, sometimes just a trickle.

“Our transfers to the MPS proposition have been a tiny trickle, despite ambitious targets.”*

Whether it’s a consolidator or a merger of larger firms, those without a clearly defined and communicated investment proposition struggle to deliver expected outcomes. Lack of adviser buy-in is a common failure point, and when advisers don’t support the proposition, they leave, taking clients with them.

Vertical integration isn’t just a business strategy. It must deliver suitable, high-quality solutions to clients and advisers. Done well, it aligns advice and product, improves agility, diversifies revenue, enhances pricing control, and boosts valuation.

“For vertically-integrated groups, the value to client and regulator needs to be very clear.”*

* Research participant, SEI’s “Consolidation in Wealth Management” white paper, Page 34

Turning strategies into solutions.

Whether you're focused on long-term client needs, growth, refinancing, or preparing for a sale, SEI's asset management capabilities flex to fit your strategy.

Build

Building an investment proposition from scratch can be empowering—but it's also complex.

Where it can go wrong:

- High capital requirements and regulatory hurdles can squeeze client pricing and compress margins.
- Lack of performance history, brand credibility, and differentiation impacts adviser adoption.
- Time-intensive operating processes distract expensive investment talent.

Where it can go right:

- A clear investment philosophy and target operating model are defined.
- Investment in scalable systems, marketing, and compliance is available from day one.

Consider:

- SEI's equity, fixed income, and alternatives building-block funds to complement and enhance investment proposition.

Buy

Acquiring a firm with discretionary permissions can accelerate growth—but only if integration is done well.

Where it can go wrong:

- Cultural misalignment and integration complexity can erode acquisition value.
- Risk of adviser attrition and client disruption rise if acquired solutions don't meet expectations for suitability.
- Legacy systems and overlapping propositions steal time and cause confusion.

Where it can go right:

- Overlapping funds and MPS are rationalised early.
- Pricing, segmentation, and service tiers are brought in line.

Consider:

- SEI's partner funds solution to lower the cost of in-house offerings while maintaining margin and investment philosophy.

Partner

Partnering enables firms to retain control, boost margins, optimise capital allocation, and access broader investment expertise—provided the partner is the right strategic fit.

Where it can go wrong:

- Failure to clearly differentiate and demonstrate value to clients and advisers impacts adoption.
- Unclear roles and responsibilities lead to confusion in partnership.
- Firms can be slow to cut ties if a partner no longer meets client or business needs.

Where it can go right:

- Control is maintained over the look, feel, and delivery of the proposition.
- Differentiation supports competition on suitability and value, along with performance and price.

Consider:

- SEI's Co-CIO solution to co-manufacture bespoke, institutional-grade investment solutions supported by robust operations, marketing, and compliance infrastructure.

Your strategy, our focus.

Ultimately, advisers must be confident that the in-house solutions are suitable and competitive.

Firms that are clear and consistent with their proposition effectively “sell” to advisers by emphasizing differentiation, suitability, and client value—earning stronger buy-in and results.

Whether you’re:

- A consolidator seeking scalable investment business infrastructure
- An ambitious advice firm exploring transformative growth strategies
- A PE backer or financier aiming for synergy across your portfolio

SEI can help you design or redesign your in-house investment proposition for consolidation success.

Empower your next move.

Since 1968, SEI® has provided investment solutions for some of the leading financial services businesses in the world. We help our clients overcome evolving industry challenges and capitalise on new opportunities. Our mission remains constant: to deliver innovative, comprehensive solutions that help clients achieve long-term success.

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SEI® (NASDAQ:SEIC) is a leading global provider of financial technology, operations, and asset management services within the financial services industry. SEI tailors its solutions and services to help clients more effectively deploy their capital—whether that’s money, time, or talent—so they can better serve their clients and achieve their growth objectives.

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