



AN INDUSTRY BRIEFING FROM GRAIL

What's Changing Above Your Platform

Your R&D budget is two instruments pretending to be one. Your platform vendor absorbs another layer of your category every eighteen months. Your scorecard measures uptime, release cadence, and vendor-management economics, and none of those is the 2026 question. A briefing for CTOs, CPOs, and Heads of Technology at mid-market European asset managers.

PREPARED BY

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FOR

European mid-market asset
management technology leaders

DATE

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Monday 9:15, platform review

Every CTO at a mid-sized European asset manager has had the same Monday. Your Head of Platform opens the review with the Aladdin renewal slide: three-year commitment, fourteen percent uplift, three new Studio modules the board thinks answers the AI question. Your phone buzzes mid-sentence. Your Head of Research Engineering is in a Canary Wharf coffee shop with a recruiter from an AHL-adjacent London quant fund. Your CFO forwarded the FundLP screening report: three of the five allocators on next quarter's target list subscribe to it, and their DDQ now asks explicitly for documented investment process repeatability. Your CIO wants to talk about whether you should just buy SimCorp One and be done. Your Head of Compliance is in the corridor with the DORA quarterly ICT-third-party register review.

You have run this function for a decade. The pattern used to be simple. Hold the platform up. Hold the data feeds together. Ship the integration work the investment team needed. Meet the board on release cadence, uptime, and vendor economics. The business was understandable.

Something changed. What used to take a fifty-person platform team to build and maintain now runs on a core of five plus Aladdin, SimCorp, or SS&C absorbing more with every release. That compression is real. Ninety-five percent of corporate AI deployments produce no measurable P&L impact, and the gap between what the tools can do and what your platform actually absorbs is where your seat now lives or loses. Allocators are running AI-augmented DDQs that screen for process repeatability your firm cannot demonstrate. Your lead PM carries thesis-construction judgment that has never been written down, and two London quant funds called his deputy last month.

You are not running one R&D function. You are running two, and only one of them is on your scorecard. One funds the platform maintenance book that keeps the lights on and the regulator off your back. The other funds the thin layer above Aladdin, SimCorp, or SS&C that absorbs your PMs' and analysts' judgment into institutional signal before the vendor absorbs the category from underneath. On one hurdle rate the first wins every quarter. On one scorecard the second does not exist.

This briefing covers what is happening in your sector, what it means for the technology function you run, and the three questions your team should answer before the next board cycle.

Asset management just lost the equation that priced the category

The platform vendors are becoming your category. Aladdin now runs more than twenty trillion dollars of assets across the buy side, and every release ships another capability your platform team used to own. SimCorp One is consolidating front-to-back. SS&C Eze and Advent ship AI modules monthly for data, analytics, and reporting. Arcesium is pushing into data plus analytics for hedge funds and alternatives. MSCI and FactSet are shipping AI-augmented research inside the data feed. The question for a mid-market manager stopped being which platform module to buy. It became whether any layer above the platform is worth owning at all.

The LP side of the market is repricing you at the same time. FundLP, CENTRL, and DD360 give allocators AI-powered screening against process-repeatability criteria that did not exist in 2023. The CFA Institute published "The Augmented LP" in November 2025, naming six specific AI-augmented allocator workflows. Your next DDQ does not ask if you use AI. It asks to see the documented process that demonstrates your edge survives your lead PM taking six months off. The firm that cannot show that loses the allocation to the firm that can. Fee compression from passive is the background pressure. LP rigor is the foreground one.

Bloomberg beat Reuters by shipping the platform the buy side built on top of. Aladdin is running the same play on the full front-to-back, and your 2026 renewal is the Reuters 1985 moment for your firm.

The speed mismatch is the third force. AI-native entrants build from scratch with no legacy stack, no three-year platform renewal cycles, no MiFID or DORA pipeline on their shoulders. Your firm has all three. You cannot pivot at their speed on their terms. What you can do is identify what is genuinely defensible above the platform layer, stop defending what is not, and ship the thin layer the platform vendor cannot absorb from their vantage point. The firms that are already moving are quiet about it. The ones that are buying more Studio modules and calling it an AI strategy are the ones the LPs will screen out in 2028.

Your technology function is feeling it every day

Your build engine. Your DORA pipeline ate a quarter of last year's platform budget. Your MiFID transaction-reporting pipeline is a permanent tax. Your custody integrations need remapping again because a custodian standardised on Aladdin. Your team is shipping, but every release audit shows another three capabilities the platform vendor absorbed last quarter, which means the work your team shipped four quarters ago has been rebuilt by the vendor and is now in the contract you already signed.

Your platform and data. Aladdin is the category. SimCorp One is consolidating. SS&C is shipping AI modules monthly. You cannot replicate twenty years of platform investment in two. What you can do is buy the commodity layer from the platform vendor and redirect the compounding capital into the thin layer the vendor cannot absorb: data rights renegotiated across your next twenty-four months of Bloomberg, FactSet, LSEG, and MSCI renewals, a firm-specific institutional-signal store that captures PM and analyst judgment as structured signal, custody and prime-broker integration depth published as proprietary mapping rather than surrendered into the vendor's standard rate card.

Your product thesis. Your board asked for the firm's three-sentence investment-process thesis last quarter. Your answer was the one from three years ago. Your DDQ responses are written as marketing. LPs running FundLP and DD360 now screen them against six AI-augmented repeatability workflows. The thesis-construction workflow, the risk-scenario workflow, and the client-coverage workflow need to be captured as structured process your firm can defend in a DDQ. That is a capital-raising asset, not a marketing one.

Your R&D bench. You stopped backfilling junior platform engineers in 2024. The routine platform work that trained juniors into seniors is now running on agents and on the vendor's standard releases. No routine work, no training ground, no senior platform bench in 2030. Your senior research engineers are the only ones who remember why the overnight batch runs in that specific order, and two of them are talking to a London quant hedge fund. Pair juniors with seniors on alpha-generation work from day one, not on platform maintenance. The career curve compresses from five years to eighteen months.

Your board-level authority. Most European AI-strategy ownership sits with the CIO, CDAO, or a new CAIO hire. The CTO is rarely on the list. Not because technology leaders abandoned the mandate. Because most have not yet claimed it. In asset management the lines run between CTO, Chief Investment Officer, COO, CFO, and Head of Compliance. The Q1 written boundary agreement with the CIO and COO on who authors the alpha-generation layer lands before the CAIO shortlist, not after.

The moat that matters in 2028 is not inside your Aladdin tenant

Your sector is being absorbed from underneath because the platform vendors are consolidating the front-to-back. Your function is compressing because five platform engineers now run what fifty used to, with Aladdin, SimCorp, or SS&C absorbing more with every release. Same force, two altitudes. But there is a third thing happening that most mid-market asset management CTOs have not named yet.

The moat that matters in 2028 is not inside your Aladdin tenant. It is the thin layer you build above it. Every feature you ship inside Aladdin Studio becomes an Aladdin feature in eighteen months, priced into the next renewal your CFO already resents. What does not get absorbed: the institutional signal you capture from your PMs' thesis construction, your analysts' coverage judgment, and your risk team's scenario instinct, stored as structured, queryable, model-agnostic infrastructure your firm owns. The platform vendor cannot build this layer because they do not have access to the signal source. You do. The window closes somewhere around eighteen months, which is roughly the time between now and the vendor release that ships a generic version of what you should have been building.

In 1981, Reuters dominated financial data. They had the terminals, the feeds, the institutional footprint, a decade-long head start. Bloomberg shipped a platform that let the buy side build its own workflows on top. By 1996, Bloomberg was the category and Reuters was fighting to stay relevant in the market it used to own. Reuters' CTO's 1985 scorecard never turned red. It just stopped being the one the market was scoring. The job had not changed. The unit of judgment had. Aladdin is running the same play today on the full front-to-back, not just the data feed.

You can tell which camp a firm is in from a single question. Is the R&D budget you defended at the last board meeting a platform-maintenance budget, a thin-layer-above-the-platform budget, or one budget pretending to be one when it is two? Most mid-market managers cannot answer. The ones that can have already made the shift.

You have twelve to eighteen months. The CTOs who claim the authorship of this decision in Q1 author the decade. The ones who wait until the next platform renewal inherit a seat that has narrowed to uptime, release cadence, and vendor economics, and a scorecard that stopped mattering the quarter their three largest allocators started screening every fund in their pipeline with FundLP.

What most firms are doing. What the winners are doing instead.

Every CTO has had the AI conversation. Most are making the same four decisions. A smaller group is making different ones.

THE DEFAULT PATH

Buy more Studio modules, call it the AI strategy

Vendor absorbs the feature. Same capability rebuilt, priced into renewal.

Run AI budget through IT, sign the requisition

CIO owns the thesis. CAIO arrives next year. CTO seat narrows to uptime.

Answer LP DDQ with marketing narrative

FundLP screens it against six workflows. Allocation goes to the fund that documented process.

Cut junior platform backfill for Q1 headcount win

Cheaper function this quarter. Empty senior bench by 2030. No internal CTO successor.

THE WINNERS' PATH

Buy the commodity, build the thin layer above

Institutional-signal store the vendor cannot absorb. Judgment encoded as structured signal.

Route R&D capital through two named budgets

Plateau pays licences and regulator. Compounding pays for the 2028 moat.

Publish structured investment-process evidence

Thesis, risk, coverage workflows captured as queryable process. DDQ priced into the fee.

Pair juniors with seniors on alpha-generation work

Eighteen-month apprenticeship on judgment. Platform maintenance runs on agents and vendor releases.

Same platform team. Same twelve months. Opposite outcomes. The difference is whether the CTO authors the capital allocation or signs the vendor renewal.

THREE QUESTIONS

Build Velocity. Product Defensibility. R&D Capital Allocation.

Three questions every asset management CTO is tracking. The second is the crux. The first and third are how you earn the right to answer it.

01 · BUILD VELOCITY

Is our platform capacity shipping differentiation, or absorbing vendor releases?

DORA pipeline ate a quarter of the platform budget. MiFID reporting is a permanent tax. Aladdin absorbed three capabilities in the last release you had built in-house. Five platform engineers now run what fifty used to, but only if the capacity gets redirected above the platform line, not spent rebuilding what the vendor just shipped.

02 · PRODUCT DEFENSIBILITY

What does our firm do that Aladdin cannot absorb in two releases?

Every feature you build inside Studio becomes an Aladdin feature in eighteen months. The thin layer above, anchored in your PMs' and analysts' specific judgment absorbed into structured signal, is the only thing the vendor cannot build because they do not have the signal source. Your lead PM's thesis construction, your risk team's scenario instinct, your analysts' coverage, captured before the vendor absorbs the category from underneath.

03 · R&D CAPITAL ALLOCATION

Is our R&D budget one instrument or two?

Plateau capital pays platform licences, DORA, MiFID, custody maintenance, data feeds. All necessary. None differentiating. Compounding capital builds the thin layer above the platform. On one hurdle rate the first wins every quarter. On one scorecard the second does not exist. The CTO who walks in with one budget runs the same programme every peer is running. The one who walks in with two, each defended separately, authors the decade.

What the firms winning this play are actually doing

Four concrete moves any asset management CTO can start this quarter. Each addresses one sub-function. Pulled together, they become one architecture the firm builds on.

1**Build engine: run a kill-list review every quarter on what the vendor absorbed**

Aladdin, SimCorp, and SS&C ship releases every month. Every quarter, audit the custom integrations and extensions your platform team maintains against what the vendor just absorbed. Kill what was duplicated. DORA and MiFID pipelines operate as named cost centres on their own budget, not cross-subsidised with compounding work. Release cadence on the thin alpha-generation layer runs on its own track, with its own review bar. The dashboard is no longer uptime. It is capacity redirected above the platform line.

2**Platform and data: build the thin institutional-signal layer above the platform**

Three programmes that stack over eighteen months. Data rights audit across your top Bloomberg, FactSet, LSEG, and MSCI contracts, with renegotiation targeting the licensing language that prevents training your own models on your own research. A firm-specific institutional-signal store capturing PM thesis construction, analyst coverage judgment, and risk-team scenario instinct as structured, queryable, model-agnostic signal. Custody and prime-broker integration depth published as proprietary mapping, not surrendered into the vendor rate card.

3**Product thesis: publish LP-DDQ-ready process documentation as a capital-raising asset**

Your thesis-construction workflow, risk-scenario workflow, and client-coverage workflow captured as structured process that survives any named individual's departure. Written once, maintained live, published during the DDQ cycle as institutional edge. The joint document with your CIO and CFO is signed before the next LP meeting, not after the first allocator screens you out on FundLP. The DDQ answer is priced into the fee, not given away as marketing narrative.

4**R&D bench: rebuild the junior pathway via quant-and-platform pairing**

Your 2024 decision to stop backfilling juniors saves Q1. It empties the 2030 senior platform bench. Reverse it. Juniors in 2026 do not start on platform maintenance. The agent layer and vendor releases absorbed that work. They start on audit, exception-handling, and paired composite work with a named senior research engineer on alpha-generation for their first eighteen months. By 2029 you have a quant-and-platform mid-tier bench the London hedge funds cannot hire away because it did not exist anywhere else to hire from.

The only firm that joins R&D authorship to working infrastructure

The asset management CTO has four places to go. None can do what we do.

The big tech-transformation and buy-side strategy shops ship a standardised framework scaled across a sector book. Their cost structure requires reusability. Your seat is specifically idiosyncratic because your firm's investment thesis is specifically idiosyncratic. A reusable framework on it produces governance theatre you cannot defend to the board.

The platform vendors' own consulting arms price the engagement against extended licence consumption. Aladdin advisory, SimCorp transformation, SS&C consulting. Their business model structurally prevents them from telling you which platform capabilities not to buy.

The data-vendor AI modules positioned as your AI strategy are already quoted into the next procurement cycle. MSCI AI, FactSet Mercury, LSEG AI. The AI is already in your subscription, the pitch goes. It is not. It is their product. Yours is above the platform line.

An in-house or fractional CAIO with buy-side experience splits the seat. Strategy CAIO is capital-raising-measured; Platform CAIO is release-velocity-measured. One person rarely holds both in asset management. Two create parallel governance and duplicate the R&D allocation conversation.

The four options you have already looked at. None can run the capital-allocation conversation the seat requires. GRAIL is the fifth.

WHAT YOU GET

Senior advisory that speaks platform-review, not transformation-deck

Working infrastructure your team uses the same week

Custom agents built on your PMs, your analysts, your platform stack

The start of a thin-layer moat above Aladdin, SimCorp, or SS&C

No vendor lock-in at any phase of the engagement

WHY IT MATTERS

Founded by operators who have carried senior platform seats

Business first, technology second

Three weeks from first meeting to working infrastructure

Your team keeps the infrastructure, you own the IP

Every next step earned by what just shipped, never assumed

Three sessions with your technology leadership. Working infrastructure from week one.

We start with your technology leadership because the change cannot outrun the team's personal understanding of what is possible. Three workshops. Each delivers standalone value. Each earns the right to the next.

WORKSHOP 01

How to think

Walk through what is happening in your sector and inside your technology function. Build the first piece of infrastructure in the room: a capital-allocation agent that takes your real R&D budget, splits it two ways, and runs the alternatives analysis against Aladdin absorption, SimCorp consolidation, and the LP DDQ rigor your firm is walking into. Your leadership team leaves with a shared view and the first working artefact already in hand.

WORKSHOP 02

Your thin-layer infrastructure

A half-day build. Your Head of Platform, Head of Research Engineering, Head of Data, and Head of Client Reporting each leave with five to ten pieces of working infrastructure tuned to their function. Kill-list audit agent. Institutional-signal store prototype. Data-rights renegotiation playbook. LP-DDQ-ready process documentation scaffolding. Infrastructure your team is using the same week, not decks about infrastructure.

WORKSHOP 03

Ready to run

Refined infrastructure based on real use. The board document that splits the R&D budget into two instruments with two hurdle rates and two kill criteria. The boundary agreement with the CIO on who authors the alpha-generation layer. The joint document with the CFO on vendor-renewal economics. The eighteen-month thin-layer build plan.

Three weeks. No IT project. No board approval needed to start. The infrastructure your technology function is already running on when we finish.

For your next platform review

The questions where your technology leadership cannot agree on an answer are the ones worth an hour on the agenda. Ask these honestly.

Is your R&D budget today one instrument or two? If one, what does the board see that splits platform maintenance from the thin layer above, and what is the kill criterion on each?

Name the three capabilities Aladdin, SimCorp, or SS&C absorbed in the last four releases that your platform team had built in-house. If you cannot name the top three, that is the first thing the briefing changes.

If your lead PM took six months off tomorrow, how much of the thesis-construction and coverage judgment would the firm retain in structured form, and how would that answer survive an FundLP or DD360 DDQ screen?

Your DORA pipeline and MiFID reporting are a permanent tax on the platform budget. Where is that capacity actually being spent, and is any of it landing on the thin layer above the platform line?

Your Aladdin, SimCorp, or SS&C renewal is the rate card your 2028 LP discussion is priced against. Is your Q1 boundary agreement with the CIO and CFO written, or is it waiting until after the next vendor pitch lands?

If any of these produces a disagreement in your technology leadership, that is the conversation worth having before the board asks.

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