



ABOUT THE FIRM

This non-profit health system manages billions of dollars in assets supporting employee pensions, operating expenses, capital projects, and more.



THE CHALLENGE

- Struggled to track private investments
- Relied on fragmented solutions
- Needed a tailored pacing model



THE SOLUTION

- Established allocation targets
- Implemented new charting metrics
- Consolidated operations into a single platform



THE RESULTS

- Eliminated disparate processes
- Improved decision-making and reporting
- Redirected time to value-add tasks

Regional U.S. Health System Optimizes Private Markets Workflow with FactSet's Tailored Solutions

The firm now conducts reporting across analytics, risk, and performance attribution for all assets in one platform.

THE CHALLENGE

A U.S. health system's asset management team faced significant hurdles in managing its multi-billion dollar portfolio. Fragmented systems made it difficult for the team to stay on top of key responsibilities like risk reporting, performance measurement, and attribution.

The team needed a single platform covering all their asset classes (public equities, fixed income, and a growing private investment portfolio) for effective oversight and strategic alignment. As their private investments allocation grew, it also became clear the firm required an advanced, purpose-built solution to monitor it effectively.

Partnering with FactSet drove standout investment performance. With a steady stream of funds, the health system found it easier to pursue its mission of improving the livelihood of the communities it serves.

THE SOLUTION

As the firm looked for potential solutions, FactSet quickly rose to the top of their list. Already partners for performance measurement and attribution of their public equity holdings, FactSet introduced the health system to the Private Capital Data Aggregation Service (PCDAS) to consolidate their entire long-term portfolio management operation.

Using content from FactSet's PCDAS, they developed a proprietary pacing model that established the appropriate allocation among targeted private investment asset classes: equity (including venture, buyout, and secondary), credit, and real estate assets.

It also specified the required pacing of future commitments to help the firm achieve its strategic goals:

- Reach the targeted allocation within five years
- Meet return objectives
- Become self-funded

With the pacing model developed, the team turned to performance. The health system identified and implemented new charting metrics, including capital call pacing, distributions to paid-in-capital (DPI), residual value to paid-in-capital (RVPI), total value to paid-in-capital (TVPI), internal rate of return (IRR), private market equivalent (PME+), and direct alpha. These new metrics helped the firm deepen its understanding of private allocation performance and its impact on their whole portfolio.

Additionally, consolidation to one platform enabled the health system to prepare risk analysis on the entire portfolio's exposure by sector and geography.

THE RESULTS

With FactSet's analytics suite powering their full investment workflow, the team eliminated the need to separate tasks by public or private assets. The health system achieved its goal of performing risk analysis across its entire long-term asset portfolio, including monitoring more than 35 private funds. The firm also established a process for identifying key risk drivers and the underlying causes of underperformance. Monitoring both helped fuel decision-making and more accurate reporting.

The new pacing model allowed the team to stress-test their full private investment portfolio on an ad-hoc basis. By knowing which funds aligned with their targeted goals, the team used their time more efficiently to achieve them. Shifting focus from burdensome, manual analysis to evaluating managers, new bond issuances, and preparing for important meetings kept the team ahead, even as demands increased.

Partnering with FactSet allows the system to have greater visibility to improve decision making across its investment portfolio and to optimize performance. Success of the investment program supports the system as it pursues its mission of improving the well-being of the communities it serves.

DISCOVER SOLUTIONS

FactSet creates data and technology solutions for investment professionals around the world, providing instant access to financial data and analytics that investors use to make crucial decisions.

Private Capital Data Aggregation Service

Outsource private markets data collection and unlock deeper insights.

[GET STARTED](#)

Performance Measurement and Attribution

Drive greater impact with precision and efficiency.

[GET STARTED](#)