

## Wealth Management FinOps

*A periodic read for operators, CFOs, and PE teams navigating growth and M&A in WM.*

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### Issue #2 – May 2026: The M&A Integration Flywheel and Six WM FinOps Principles

#### Executive Summary:

- **The Integrity Imperative:** Strategic insight is impossible without a "single source of truth." Firms must prioritize ledger integrity and process quality over dashboard aesthetics and AI experimentation to prevent execution leakage.
  - **The "Seams" Risk:** Enterprise risk is highest at system handoffs (AP to ERP, Billing to GL). Successful integrators manage these "seams" as governed controls through modular builds across the enterprise, rather than relying on technical afterthoughts and point-solutions.
  - **Process Architecture as Scalability:** Technology is an accelerator, not a fix. Standardizing the revenue and expense lifecycle - including ledger postings and financial close - is the way to help generate anticipated deal synergies.
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#### Full Text:

In wealth management M&A, up to **25% of deal value** can evaporate post-close through execution gaps. To eliminate this "leakage," firms must move beyond "heroic efforts" and adopt a disciplined integration framework. Based on dozens of integrations ranging from \$1B to \$100B+ AUM, we have identified six principles that separate high-performing platforms from those that struggle to scale.

#### 1. Integrity Before Insight

Strategic AI and predictive analytics are useless if the underlying data is mistrusted. In the rush of a rollup, disparate billing processes often result in General Ledger (GL) entries lacking support data and expenses mapped to the wrong cost centers, leading to delays and bad reporting.

- **The Benchmark:** Every dollar must have a documented path from client billing to the GL. We stress a need for clear data, clean processes and specified ownership *before* deploying agentic orchestration to move dollars across the revenue lifecycle. Once ready, the agentic deployment should be done first in parallel with human-led process, for at least one, or two billing cycles, then go fully automated, with human oversight.

## 2. Manage the "Seams"

Systems rarely fail internally; it is usually data going to and from systems is where things break. A lack of data fluidity between Treasury, AP, AR, and your ERP is where manual workarounds proliferate.

- **The Case:** A world-class API is not worth much if the data schema is mismatched. Leading firms map these "seams" before go-live, assigning owners to every cross-system feed to ensure data transformations and validation happen in real-time, and month-end is not the only place where these breaks become visible. Where time and investment budget allows, AI-native platform solutions are deployed to manage data.

## 3. Process Before Technology

Layering automation onto a process not well defined or executed leads to more problems than it solves. A very expensive mistake in M&A one can make is buying software to fix a process, or not addressing data and roles first, only to find the resulting complexity requires *more* staff.

- **The Strategy:** Converge and simplify billing, vendor management and compensation workflows first. Technology - whether agentic or traditional - is the final step, applied only to standardized high-KPI processes. If you do that, accurate, insightful reporting will (usually) follow.

## 4. Data Flows are Control Flows

Data governance is a financial accountability, not just a technical one. When a fee calculation error propagates through downstream environments, we see it as a governance and control failure.

- **The Requirement:** Establish clear data lineage and data governance framework. Define owners, hold data owners accountable. Why? So that when auditors ask for the source of a balance, the answer should take minutes. When management asks for insight, you should have ready forward-looking, driver-based explanations, go beyond flux analysis.

## 5. The Close is a Mirror

A 12-day financial close is typically a diagnostic signal of upstream problems: unaligned charts of accounts, mis-mapped clients or advisors, or manual cash reconciliations.

- **The Target:** A **3-day close** is achievable, but it requires fixing the "top of the funnel" - billing timeliness and subledger data integrity along with data connectivity. A "close management tool" can help identify month-end problem; yet it does not fix upstream processes; finance and operations team collaboration does.

## 6. Architecture for the "Next" Deal

Finance and Operations must be growth enablers. Most functions are built for the firm's *current* size, leading to "integration debt" by the third acquisition, leading to expensive investments in fixes.

- **The Gold Standard:** A hub-and-spoke architecture, with ERP and Data layer as the spine, and transactional and reporting systems as the spokes. Focus on new entity's trial balance to be onboarded on **Day 1 in ERP**, and used as a financial information anchor to measure integration progress through the month-end close lenses.

### The Bottom Line

The firms that deliver good M&A execution don't just work harder, they sequence better and modularize their build. They prioritize structure over speed. At **FinOps Partners**, we do the "boring" work of data and process hygiene first, before automating, to ensure that "Day 2" finance operations support "Day 1" deal valuations.

See more at [www.finopspartners.io](http://www.finopspartners.io)

**Coming Next:** *Issue #3 — Billing and Revenue Operations: Why firms lose more money here than anywhere else – and not just because of data.*