

# Key Findings from the BetaNXT Data Modernization Benchmarking Survey



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## KEY TAKEAWAYS

- The wealth management industry is rushing to modernize its data infrastructure and deploy AI, but competing priorities make execution difficult.
- Firms are challenged to simultaneously innovate, integrate and upgrade systems.
- Data fundamentals such as security and governance are overlooked by many, but critical to success.
- Talent strategy and culture matter as much as technology and infrastructure in data modernization.
- Vendor solutions are helping firms fast-track transformation — but many clients wish for more strategic partnership.

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# Key Findings from the BetaNXT Data Modernization Benchmarking Survey

## OVERVIEW

The wealth management industry is nearly unanimous in its push to modernize data infrastructure, but progress remains uneven. To better understand the state of data modernization, BetaNXT and WealthManagement.com conducted a benchmarking survey of 244 professionals directly involved in data strategy, purchasing or implementation. The findings reveal near-universal recognition of modernization's importance — but significant barriers to doing it well.

Common obstacles include fragmented systems, unclear ownership and a rush to adopt advanced tools without strong data foundations. Turning intent into progress requires aligning data strategy with business goals, embedding governance into architecture, strengthening leadership and using vendors to accelerate — not replace — internal efforts.

## CONTEXT

With the launch of the BetaNXT Data Modernization Benchmarking Survey, subject matter experts from BetaNXT and Wealth Management IQ convened to discuss the key findings of the study and the implications for firms planning their own modernization efforts.

## KEY TAKEAWAYS

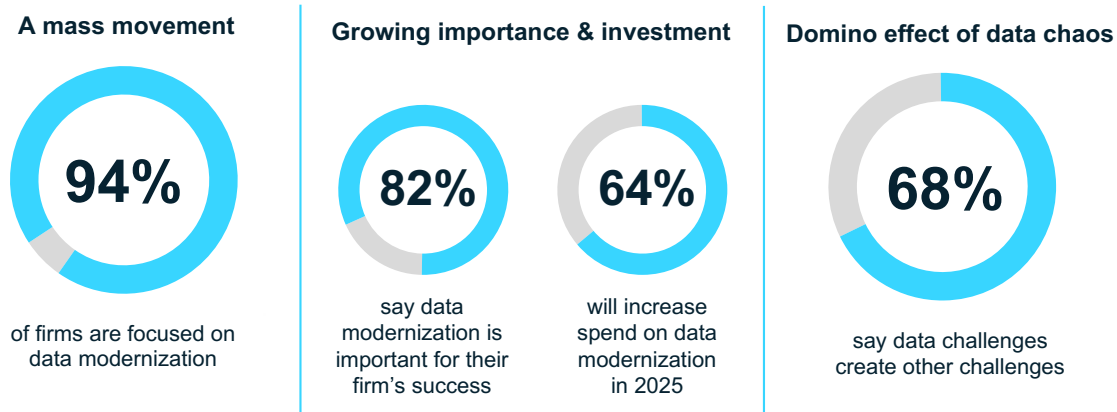
**The wealth management industry is rushing to modernize its data infrastructure and deploy AI, but competing priorities make execution difficult.**

Data modernization is a priority, with 94% of firms planning, implementing or having completed it; 82% say data modernization is important to their firm's success. A small but pioneering segment of firms (13%) have completed major data modernization initiatives while half (51%) of firms are actively implementing modernization efforts currently. The remainder are still in early planning, research or testing phases.

**"This isn't just about trends — it's a baseline. We now have a benchmark for where the industry really stands on data modernization."**

— Kristin Letourneau, PhD, Informa Engage

Figure 1: Data modernization is a universal priority of growing importance



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At the root of the problem is a widespread disconnect between intent and capability. Many firms are attempting to modernize without cohesive data strategies, defined ownership or foundational practices like governance, integration and data quality management. Too often, firms layer new initiatives on top of siloed systems, adding complexity instead of reducing it.

The risks are compounding, with 68% of firms saying that data challenges create other challenges across their business. As data volumes continue to grow exponentially, delays in modernization may lead to a surge of operational inefficiencies and missed opportunities.

Open architecture and “share, not send” models help reduce fragmentation and reconciliation burdens. Without structural alignment and a commitment to foundational work, however, even the most innovative tools will struggle to deliver lasting impact.

## The implications: Modernization is a must

1. Firms that aren't yet modernizing risk falling behind.
2. Taking action now will prevent the domino effect of data chaos.
3. Successful modernization depends not only on strategy but also on speed.

## Firms are challenged to simultaneously innovate, integrate and upgrade systems.

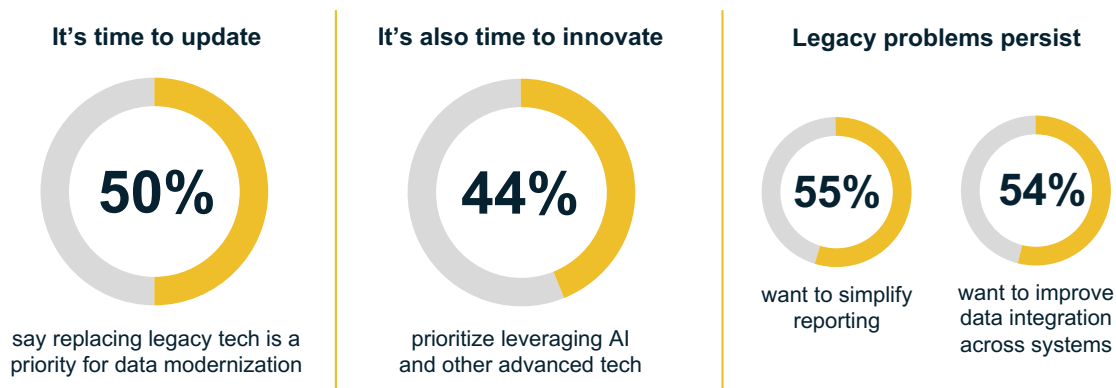
Despite a desire to modernize, firms are juggling multiple mandates — from replacing legacy systems to integrating new solutions and deploying advanced technologies like AI. These competing objectives stretch teams thin and undercut execution.

When asked about their top priorities for the next 12 months, firms cited:

- Simplifying reporting and analytics (55%)
- Improving data integration across systems (54%)
- Leveraging AI and other advanced technologies (44%)

In addition to the number of goals, a challenge is in the lack of alignment around the top priorities. Many firms are trying to modernize while simultaneously updating fragmented systems and launching AI initiatives, without a consistent data foundation. This often results in “wires getting crossed,” where innovation is built on conflicting or duplicative datasets.

Figure 2: Competing goals complicate modernization efforts



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For example, firms may have multiple versions of the same record, such as account masters or client books, without clarity on which is official. Layering advanced tools onto this only multiplies inefficiencies and risks failure.

A unified data strategy prevents integration, governance and innovation from becoming siloed efforts.

**“If you don’t do the integrate and update part . . . it’s very easy to focus on the innovate, because it’s shiny and exciting — but you risk not creating the quality product you had in mind.”**

— Jonathan Reeve, BetaNXT

## The implications: Solving for multiple priorities starts with the data

1. Firms are challenged to simultaneously update, integrate and innovate.
2. All these priorities should be addressed with a strong data foundation.
3. Data modernization is easier with open architecture and solutions with AI built in.

## Data fundamentals such as security and governance are overlooked by many, but critical to success.

While many firms are eager to embrace AI and cloud platforms, too few are building on solid ground. Survey data shows that:

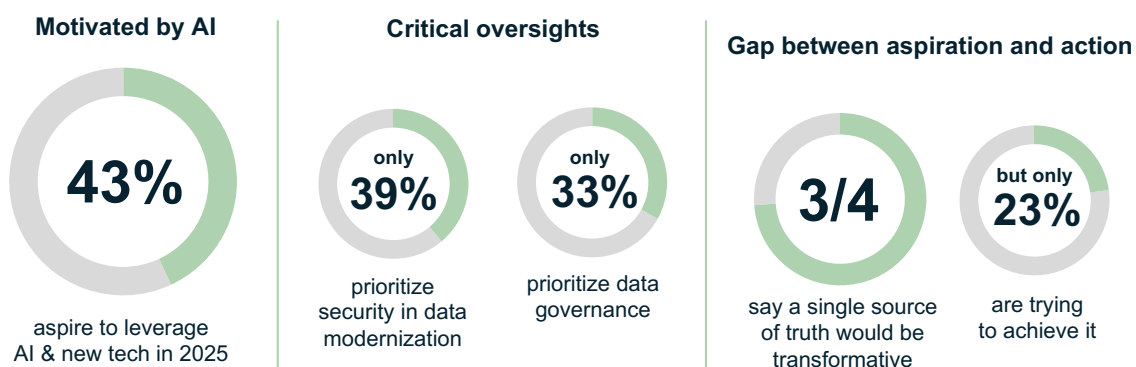
- Only 39% of firms prioritize security in data modernization.
- Just 33% focus on data governance.
- 75% say a single source of truth would be transformative — yet only 23% are pursuing it.

This signals a dangerous gap between aspiration and action. Firms are chasing innovation before resolving foundational issues like inconsistent data definitions, conflicting systems of record and a lack of cross-functional alignment.

**“Governance isn’t a tax — it’s the gold-plated part of the solution. Firms that embed governance upstream empower their entire ecosystem to move faster.”**

— Don Henderson, BetaNXT

Figure 3: Data fundamentals are being overlooked in a rush to innovate





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As a result of overlooking fundamentals, firms risk introducing new tools and technologies into environments that are not ready to support them, leading to chaos instead of clarity.

## The implications: Get the fundamentals right to modernize faster

1. Establishing strong data governance security and governance first speeds progress later.
2. Creating a single source of trust is a transformative effort worth investing in.
3. Consider a data platform that handles these fundamentals for you, upstream and upfront.

Modern platforms now embed governance directly into architecture, enabling speed, trust and consistency.

Shifting to embedded, automated controls accelerates modernization and ensures long-term integrity. Ignoring these fundamentals does not just delay progress; it undercuts the reliability of everything built on top of that data, including AI models and business logic.

## Talent strategy and culture matter as much as technology and infrastructure in data modernization.

Modernization is not just a technology issue; it is a talent and leadership issue. A skill gap or lack of internal data expertise was the top barrier cited by 46% of survey respondents, yet only 29% are working to build a data-driven culture.

A forward-thinking 37% of firms have appointed a Chief Data Officer (CDO) to lead data efforts, and these firms are notably ahead: 78% have made meaningful progress in their data modernization, compared to 53% of those without CDOs. Still, most firms rely on executive leadership rather than data teams to drive modernization, signaling an opportunity for greater trust in the data function's leaders.

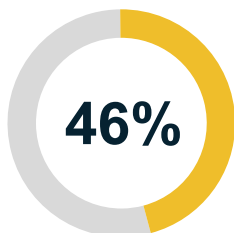
Without clear ownership, data projects become reactive, fragmented and hard to scale. Analysts often spend more time cleaning data than generating insights.

**“You can’t modernize effectively if your analysts are spending 60% of their time wrangling data.”**

— Jonathan Reeve, BetaNXT

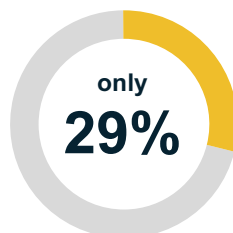
Figure 4: Talent and culture matter as much as technology and infrastructure

### The #1 data challenge



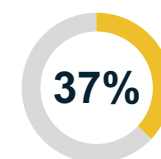
report a skill gap /  
lack of data expertise

### Culture not top-of-mind

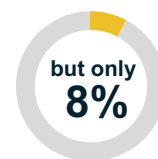


prioritize building a  
data-driven culture

### The title but not the power



of firms have  
hired a CDO,  
and are more  
advanced in their  
modernization



say data teams  
are responsible  
for data  
modernization

# Key Findings from the BetaNXT Data Modernization Benchmarking Survey

Firms making real progress are investing in people, not just platforms. That includes formalizing data ownership, empowering technical teams and aligning leadership with business goals. Without these shifts, even the best tools fall short.

## The implications: Talent strategy and culture are undervalued success factors

1. For firms who want to leap ahead, it may be time to revisit talent strategy.
2. Hiring data-minded leaders helps ensure enterprise-wide alignment and success.
3. To maximize their impact, data leaders need to be empowered to truly lead.

## Vendor solutions are helping firms fast-track transformation—but many clients wish for more strategic partnership.

Among firms surveyed, 71% rely on vendor solutions for data management. Those that do tend to be further along in their modernization journeys; however, reliance on vendors does not guarantee effectiveness. Integration remains a major obstacle, with firms citing difficulty connecting tools to legacy systems, inconsistent tech stacks and limited strategic partnership.

As a result of integration issues and other challenges, firms are becoming more selective in choosing vendors. Top criteria include:

- Proven integration capabilities (prioritized by 68%)
- Flexible delivery across architectures
- Ability to accelerate timelines with specialized expertise

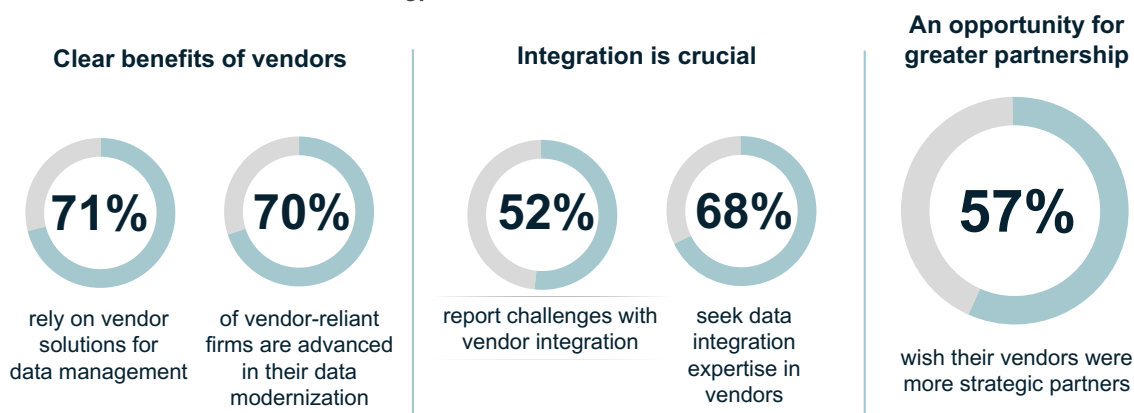
The most successful firms use vendors as strategic collaborators, engaging them early, aligning solutions with enterprise architecture and leveraging support to supplement internal skills — not replace them.

## The implications: Vendor solutions can fast-track data modernization

1. Vendors' scale and specialization enable firms to move faster.
2. Ease of integration should be a top criterion for choosing external partners.
3. Vendors should step up to serve as more strategic partners.

Solutions like BetaNXT's DataXChange, built on Snowflake's AI Data Cloud, can be highly effective, but only when embedded in a clearly defined, internally owned data strategy. Vendors cannot fix fragmented leadership, but when paired with clarity, they can help accelerate transformation.

Figure 4: Talent and culture matter as much as technology and infrastructure



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## ADDITIONAL INFORMATION

To learn more about BetaNXT and how they can help you succeed in data modernization, visit [www.betanxt.com](http://www.betanxt.com)

## BIOGRAPHIES



### Don Henderson

Chief Technology Officer,  
BetaNXT

With a notable history of delivering results, Don is responsible for the technology architecture and operations at BetaNXT, including all aspects of research and development, information technology and security.

Previously, Don served on the executive teams of fintech firms including Investment Metrics, IPC, NYSE and NYFIX, where he was part of the executive teams responsible for transformation to enable business growth. Recent highlights include leading digital transformation enabling the sale of Investment Metrics to Confluence Technologies for \$500M.

In other roles, he led overall product strategy, delivering transformational Software as a Service to expand product offerings to new customer segments, and his leadership has also resulted in revenue growth and improved pre-tax margins. Don's significant experience as a proven transformation executive support BetaNXT's efforts to transform the wealth management industry.



### Jonathan Reeve

Chief Product Officer,  
BetaNXT

Jonathan Reeve is responsible for building a commercially focused product framework at BetaNXT and continually enhancing the portfolio across all products, data and wrap-around services. He drives innovation, oversees product roadmaps, develops a strategic vision and helps articulate BetaNXT's value proposition and commercial model.

Jonathan has more than 20 years' experience in product innovation and design of scaled data management. Most recently, he was Executive Vice President at FactSet Research Systems, Inc., where he led their fastest-growing business unit and oversaw the delivery of proprietary and third-party content through various channels, including data feeds, APIs and cloud delivery. Jonathan's earlier career includes notable positions with Intercontinental Exchange (ICE), where he led product management for their MarketQ wealth platform, data feeds and workstation businesses. At S&P Global, he served as Chief Data Officer and led product management for S&P Capital IQ. Jonathan's career commenced at Refinitiv, where he spearheaded data operations for the Americas.

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**Kristin Letourneau, PhD**

Vice President, Research,  
Informa Engage

Kristin Letourneau currently leads the Market Research team of Informa Engage, a high quality, international B2B marketing services business that connects buyers and sellers in specialist niche markets worldwide.



**Davis Janowski (Moderator)**

Senior Technology Editor,  
WealthManagement.com

Currently splitting his time between technology editing and consulting, Davis's career has been varied. He splits his time at present, working both as a technology editor and writer for WealthManagement.com; and as founder of Bear's Den Creative where he continues to work with FinTech startup clients.

Prior to this Davis served two years as Senior Analyst of Digital Wealth Management for Forrester Research Inc. He has worked for two FinTech startups, Wealthfront and New York-based FeeX, Inc. His work covering advisory technology began in 2007, when he joined InvestmentNews as technology reporter and later as technology columnist. He got his start covering technology at PC Magazine beginning in 1999, where he initially led the Internet Infrastructure team. While there he lived through the bursting of the tech bubble and went on to cover and review a wide range of technologies and products, everything from WiFi (back when it was only one of several competing wireless protocols) to the consumer web applications of Microsoft and Google.

His work has appeared in *The New York Times*, *WealthManagement.com*, *Financial Planning*, *RIABiz*, *InvestmentNews*, *PC Magazine*, numerous blogs and several books including *Technology Tools for Today's High Margin Practice*. He has also served as a speaker and moderator at numerous advisory conferences.