

CASE STUDY:

Improving Operational Agility While Mitigating Risk in Financial Services

A leading global investment firm offers dedicated financial solutions and oversees \$173 billion in financial subsidiaries, with more than 1,200 employees. The organization provides risk-management and equity strategies, as well as counsel for well-balanced mutual funds.

The company's asset-management disciplines include growth, core, international, value, mathematical, alternative and fixed-income. These products are sold through advisors and financial intermediaries, to institutional investors and directly to retail investors.

CHALLENGE

With impressive finances involved, managing the balance between risk and business innovation opportunities is a challenge between the organization and its trusted customers. According to the Director Information Technology and Process, the organization needed to adopt a business solution that would modernize legacy processes to change how work was done, eliminate trading errors through automation and data management, and document high risk records in the most efficient way.

Given this is the financial services industry, there are many regulations the business must adhere to. The organization needed an improved way to document regulatory changes and ensure that advisors communicated such changes to customers.

In the past, a specialist from within the team was required to understand legacy processes that lacked accurate audit trails, in order to assign tasks based on regulatory reporting standards before any daily accounting could begin. Many of these legacy tasks were manual and created delays in delivering services.

APPROACH

Enhancing user control and reducing risk was an essential piece of the organization's process transformation initiative. A more agile delivery of standardized yet adaptable processes, with an emphasis on time-to-business outcome, was essential to preserving the organization's stellar services.

Strategically, the firm focused first on automating manual programs to enhance control, reduce risk, increase efficiency, and improve accountability. Automation would allow for better compliance monitoring and audit trail recordings,

while enhancing control with fixed business rules. members created a "tier-based" ranking of organizational tasks, based on critical value of a given business initiative.

[Appian's Application Platform](#) was selected to address business functions across the company related to business rule automation, internal department management, and case management. According to company executives, the group selected Appian because the platform would show rapid value impact throughout the business while enabling excellent service to customers. Appian's was deemed the ideal platform on which to deploy multiple applications critical to the business.

SOLUTION

Appian was first implemented as a Task Resource Automation Center to enhance process visibility across the entire organization. While leveraging [Appian Records](#), the system enables investment and compliance monitoring to be documented through rapid delivery of audit trail reports that can be accessed throughout company departments such as security, finance, and trade operations.

The system reduced the need for team resources in the process, eliminated paper-based reporting, and automated end-of-day reporting requirements. The system manages the tasks, dependencies, and file uploads necessary for the pricing of company mutual funds. With the incorporation of modern IT infrastructure, the organization can process higher volumes of financial records and more complex business cases with greater accuracy.



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Continuing development across the platform, the Portfolio Cash Management solution assesses all aspects of cash management during trade and risk management processes. The process uses business automation from the Task Resource Center to review up to 20 individual customer accounts per day and automates financial reports to portfolio managers for approval.

Additionally, the Securities Pricing application was developed to manage and review all customer mutual funds. Each case must be priced daily, and securities within funds are channeled through by an assigned team member or "Quarterback." Each Quarterback manages the tasks within a given mutual fund to adhere to customer regulatory requirements.

RESULTS

Using the Portfolio Cash Management and Securities Pricing applications, non-valued added, manual auditing steps were reduced by almost 99 percent to create a more agile and standardized business environment, with an emphasis on time-to-business outcome. In addition, enhanced communication from Appian social collaboration tools provide greater visibility into project statuses, helping to break down business silos and create transparency throughout departments.

By automating these roles, and harnessing improved communications, the process time for reviewed and approved mutual funds was improved by ten minutes per day -- a huge savings where even a single minute is significant -- and dramatically reduces risk to the company from being out of compliance with federal regulations.

After its first successful deployment on the Appian solution, the financial services leader will apply what the company has learned in automating cash management and securities pricing across other operational responsibilities. The success will be the underpinning for a case management approach to business.

Appian is providing a platform to reduce process risk and gain efficiency throughout the organization.

- Director, Global Financial Services Organization



As the market leader in modern Business Process Management (BPM) and Case Management software, Appian delivers an enterprise application platform that unites users with all their data, processes, and collaborations – in one environment, on any mobile device, through a simple social interface. On-premise and in the cloud, Appian is the fastest way to deliver innovative business applications. For more information, visit www.appian.com