



# Gresham

## CASE STUDY

# Investment manager gains efficiencies with Gresham's Control and Data Services

A Chicago-based investment management company manages internal institutional insurance mandates for the corporate affiliates of its parent company, one of the top 25 global active managers. Today, the firm manages institutional and retail accounts across fixed income, public and private equity, and commercial real estate related asset classes.

## The challenge

### Improve efficiency and accuracy

The team responsible for supporting portfolio analytics and management was tasked with automating the error-prone manual reconciliation process that was being performed on spreadsheets.

Led by the firm's Vice President of Securities Operations, the group sought to improve efficiency and accuracy by moving to a dedicated reconciliation software solution that would identify exceptions, streamline the data acquisition process, and allow it to focus on more value added activities.

The right platform would need to integrate with the firm's PORTIA portfolio accounting system and centralised data warehouse. Also required was the ability to set and fine-tune its own matching criteria, such as by custodian bank, account and security type.

**“The system works. As important for us is the really great support we get from Gresham. They respond immediately to inquiries and is especially helpful in troubleshooting. From a people perspective, Gresham is an outstanding and dedicated supplier.”**

Vice President, Securities Operations





## The solution

The firm selected Gresham's Control for investment management (formerly Electra Reconciliation), and Gresham's Data Services (formerly Electra Data) for acquiring and normalising data from custodian banks.

Today, the group automatically integrates and reconciles externally provided data from 12 custodians.

The firm has more than doubled in size since implementing Control. The automation of the reconciliation and exception management process, as well as the time savings from the automated data acquisition from multiple custodians, supported this growth.

Data is ready for the team each day prior to their arrival in the office, and they have been totally relieved of the manual process of acquiring custodian files. The firm reconciles transactions, holdings and cash on a daily basis, and staff time is now spent purely on resolving the exceptions as identified by the automated reconciliation process.

By fine-tuning matching criteria for its holdings reconciliation, the firm has achieved a daily match rate of almost 99%.

## Results

A robust audit check, supervisory review and sign-off process has been implemented using Control. And they now have more time to analyse and quickly resolve the underlying causes of exceptions.

The automated reconciliation process has also benefited other areas in the firm. A proprietary cash management and projection tool leverages data from Data Services, allowing the team to provide more accurate, timely and forward-looking trading cash balances, which is useful to the investment team.

The group has also been able to focus more attention on ways to better streamline the flow of information being sent to its internal clients. For example, the automation Control provides allows the firm's operations team to respond quickly to a variety of ad hoc requests from the front office.

The firm's leadership team stresses that the functionality of Control has been honed to such a degree that its confidence in the accuracy of the numbers and data that go to the investment team on a daily basis has never been higher.

**“The automation has allowed the analysts to do more value-added types of work. The reconciliation process should be the minimum of where they spend their time if things are set up properly.”**

**Vice President, Securities Operations**