

## Case Study

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Sirpa Leinonen, Head of IT, Sp-Fund Management

### PROFILE

**Client:** Sp-Fund Management

**Location:** Headquartered in Helsinki, Finland

**Description:** Investment fund and asset management company owned by the Savings Banks Group, offering competitive investment funds and asset management services

**AUM:** \$4 billion

### BACKGROUND

- Founded in 2003
- Business development was hindered by legacy systems and manual processes
- Wanted to streamline their process to increase efficiencies, reduce operational risks and introduce a more flexible system to support its business development

### SOLUTION

- Integrated solution for portfolio management, fund order management and distribution, including shareholder registry, with Tradex, Advent Portfolio Exchange (APX), and NAV Management for APX
- Solutions hosted and cloud-delivered through Advent Outsourcing Services (AOS)

Sp-Fund Management may be owned by Finland’s oldest banking group, but it takes a highly progressive approach to its business. The firm has been developing rapidly, with a particular focus on introducing new instruments and products aimed at providing customers with a highly competitive range of investment funds and asset management services.

To best support its clients’ needs and continue developing the business though, Sp-Fund Management needed a more modern, flexible technology infrastructure that could match its ambitions.

“Our legacy systems were old and it was very tedious making changes to them,” explains Sirpa Leinonen, Sp-Fund Management’s Head of IT. “For example, we’ve introduced a lot of instruments, such as complex derivatives, and there were no native support to them.”

Manual and duplicated processes were another problem. To calculate the NAV, for instance, the firm used its legacy platform, but then recalculated it manually as a backup check. “So we wanted to streamline the complexity of our existing system environment, get rid of those manual

processes and reduce our operational risks,” says Leinonen.

Key for Sp-Fund Management was a single, integrated platform that could automate its operations and support business growth, by providing the flexibility to easily add new instruments itself and respond to clients’ needs. A thorough search and selection process led to SS&C Advent’s solution suite.

“The SS&C Advent technology was the best match,” says Leinonen. “It was the most mature of all the systems, and is best suited to our needs.”

### Automating Fund Transactions With Tradex

One of the main attractions was the fund order management solution, Tradex. With its highly-automated, process-driven workflows, Tradex delivers seamless fund order processing from order entry through to settlement, enabling users to replace manual procedures and manage high transaction volumes with less effort.

“Transactions come in from the Savings Banks, as well as from two other banking groups in Finland that sell our products via

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their own channels,” Leinonen notes. “We get a lot of transactions per day, with peaks at mid-month and end of month. Using Tradex, we have been able to streamline the process. It is now completely automated, and processing time has been significantly reduced.”

### Flexibility to Grow

The flexibility Advent Portfolio Exchange (APX) brings to Sp-Fund Management’s operations, with the system’s integrated portfolio management and shareholder registry capabilities, was another major attraction of the SS&C Advent platform.

“We can now set up new instruments and new funds with a simple process in APX, as well as having a simple way to execute the corporate actions,” says Leinonen. This functionality will help drive the firm’s expansion plans, which include extending its mutual funds offering to new asset classes, and developing additional products for its retail and institutional clients. “We now have a reliable and scalable platform to support our plans for growth.”

APX will also allow Sp-Fund Management to enhance the reporting for its wealth management clients, a target growth area. “We can easily configure customized reports with APX, which is a big benefit,” she notes.

Transformation of the firm’s NAV calculation process has been a further big advantage, adds Leinonen. “We are very happy with the NAV capabilities. That calculation is so much faster than before, and we no longer need to re-check it manually. Our business and volumes are developing quickly, so it’s important we have a scalable and flexible system that adapts to these demands with as little change as possible.”

### Everyone Wins

And that flexibility and scalability is feeding through into the firm’s bottom line. Leinonen notes that the business has grown remarkably since Sp-Fund Management initially implemented the SS&C Advent systems. “But we’ve been able to support that growth with the same number of back-office staff. That’s a huge saving for us.”

Clients are seeing the benefit too. “We are trying to create products for various customer types, for example high-end, regular and mid-level savers,” says Leinonen. “The scalability and automation mean we are able to create more compelling and affordable investment products.”

### Enjoying the Cloud Cover

Sp-Fund Management’s focus on efficiency and innovation has informed its IT approach as well. Rather than an in-house implementation, the firm opted to take advantage of a cloud-delivered systems deployment using Advent Outsourcing Services.

The enhanced technology hosting provided by AOS reduces users’ IT footprint and operational risks. It ensures secure, guaranteed system availability, customized automation and monitoring, and ongoing solution maintenance and updates, leaving firms free to focus on their business-critical activities.

“Cloud-based solutions are part of the Savings Banks Group’s ICT strategy,” Leinonen explains. “Also, cloud-based solutions reduce the need for our own IT infrastructure team. We could see the savings immediately from getting the application, support and related infrastructure from one provider as a service.”

### BENEFITS

- Efficient, scalable solutions minimize operational risks, and deliver growth and cost savings
- System flexibility enables easy introduction of new instruments and funds to drive business growth
- Configurable workflows making it easy to streamline processes
- Automated fund order processing supports large transaction volumes, significantly reducing processing time
- Fast and accurate NAV calculations
- Easy to configure customized reports for wealth management clients

### Happy Relationship

Another benefit of cloud-based solutions delivery: smoother, faster implementation and migration processes.

“The first six months we expected a lot of difficulties, but it went quite well,” says Leinonen. “Any hiccups that came to light were all fixed on time and efficiently, so we were happy with the go-live.”

And the firm remains happy with the customer experience. “The relationship manager plays a key role in a successful relationship, and it’s very important that the SS&C Advent team is able to see things from the customer’s perspective and be proactive. Also, our requests are answered promptly and if there are any technical challenges they are usually resolved quickly by the support team.”

Which is crucial given how key the platform has become to the firm’s daily activities. As Leinonen points out: “The SS&C Advent solutions are an integral part of Sp-Fund Management’s business. They tie together our back, middle and front office processes, and are the mechanism for processing the customer transactions from our delivery channels.”