

CASE STUDY

AUSTRALIAN ETHICAL INVESTMENT USING GARRADIN



LOOKING FOR A SECURE AND STABLE REPLACEMENT SYSTEM TO MINIMISE RISK

When Australian Ethical Investment (AEI), a leading fund manager specialising in ethical and sustainable investing, realised its investment management system no longer fulfilled its business requirements, it began investigating other technology solutions available on the market.

AEI had been using an international investment management system as the core system and had developed another internal system to accommodate additional reporting and valuation requirements.

However, by the end of 2009 the vendor of the investment management system had withdrawn its Australian presence. This mix of an in-house built solution and a lack of local support for the investment management system became an unacceptable risk for AEI and it began investigating other available technology solutions.



SELECTING A FUNCTIONALLY RICH AND ROBUST SOLUTION TO MEET GROWING DEMANDS

Criteria for the new solution comprised a mix of functional requirements (i.e. the ability to calculate daily unit pricing and half-yearly distribution, accurately and in a timely manner), cost efficiency, risk mitigation,

opportunity costs and technical requirements, as well as needs specific to the Australian financial sector, such as accommodating Australian tax requirements and disclosures.

AEI wanted to achieve a reduction in proprietary risk, evidenced by a well documented system with a broad base of consulting professionals and reputable customers.

"Based on our experience with the previous investment management system vendor, it was important to have a vendor with a well-established local presence, a reputable client list and good references," said Gary Leckie, CFO/COO, Australian Ethical Investment.

AEI was also looking to establish heightened levels of employee engagement with the system on a day to day basis.

In order to most effectively ascertain requirements, craft an internal business case and select a vendor, AEI enlisted the services of specialised investment management consultancy firm, First Treasury. Rather than issue an RFP, First Treasury used its extensive market knowledge to directly engage with prospective vendors in discussing how their proposed solutions would fit with AEI's requirements.

In early 2010, following a review of technology solutions across the market, AEI and First Treasury chose Bravura Solutions' Garradin private wealth and portfolio administration system, as the most suitable technology solution available to meet AEI's needs.

"Garradin presented a compelling proposition. With its strong tax engine and functionally rich and modular design, AEI is empowered to focus on providing the best service and investment performance to clients."

"The Garradin system will allow AEI to grow and meet any future challenges, whether regulatory or competitive in nature," said Dennis Brandt, MD, First Treasury.

GARRADIN:

A FULLY INTEGRATED PRIVATE WEALTH AND PORTFOLIO SOLUTION OFFERING EXTENSIVE ASSET COVERAGE AND A MARKET LEADING TAX ENGINE IN A TOTAL BACK OFFICE PROCESSING SOLUTION

Garradin is a comprehensive, multi-currency investment management system with integrated asset management, registry and tax management functions.

Developed to encompass a total back office processing solution, Garradin enables users to manage securities trading and settlement, value and track performance, check compliance against preset rules and mandates and generate accounting entries. The system can also produce a variety of operational and management reports, and has the ability to manage unit registry and unit pricing processes.



IMPLEMENTING A STAGED APPROACH

The team responsible for the implementation of Garradin was comprised of individuals from AEI and First Treasury, with support from Bravura Solutions.

The overall strategy for the implementation of Garradin was staged, so AEI could go live with its essential business activity – unit pricing – after nine months and gradually go live with additional areas in the following months.

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DECREASED RISK, INCREASING TRANSPARENCY, GARRADIN DELIVERS EARLY RESULTS

"We have already achieved a heightened level of transparency across the unit price/asset management process. We have also experienced a decrease in significant levels of risks, in addition to a higher degree of integration within systems used in our investment management process," said Gary Leckie, CFO/COO, Australian Ethical Investment.

As a result of consolidating asset management, unit pricing and general ledger functions in one system, AEI expects that Garradin will considerably simplify and hasten daily unit pricing processes, in addition to eliminating the business burden associated with reconciling various systems.

"With Garradin, we expect that users will be far more satisfied with their system, management will feel more comfortable with the quality of data and, overall, the business will experience increased profitability due to more streamlined processes and scope for new business areas," added Dennis Brandt, MD, First Treasury.

"WE HAVE ALREADY ACHIEVED A HEIGHTENED LEVEL OF TRANSPARENCY ACROSS THE UNIT PRICE/ASSET MANAGEMENT PROCESS. WE HAVE ALSO EXPERIENCED A DECREASE IN SIGNIFICANT LEVELS OF RISKS, IN ADDITION TO A HIGHER DEGREE OF INTEGRATION WITHIN SYSTEMS USED IN OUR INVESTMENT MANAGEMENT PROCESS."

GARY LECKIE, CFO/COO
AUSTRALIAN ETHICAL INVESTMENT

ABOUT BRAVURA SOLUTIONS LIMITED

Bravura Solutions Limited is a leading provider of software solutions for the wealth management, life insurance and funds administration industries, underpinned by functionally rich technology that enables modernisation, consolidation and simplification.

We are committed to increasing the operational and cost efficiency of our clients, enhancing their ability to rapidly innovate and grow, minimising their risk and enabling them to provide better service to their customers.

Backed by over 30 years of experience, our installed or managed hosted solutions are used by many of the world's leading financial institutions. In excess of A\$2.8 trillion/ £1.6 trillion in assets are entrusted to our systems.

We support our clients with a team of more than 1,300 people in 12 offices across Australia, New Zealand, United Kingdom, Europe, Africa and Asia.

For more information about us visit bravurasolutions.com. You can also follow us on Twitter @BravuraFinTech.



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