

project case

Calculation of product- and distribution data for Europe and Asia

“‘Scores’ turns the Sales Controlling team into trusted advisors to Heads of Sales, when it comes to steering the business.”

Guido Bachmann, Head of Revenues, Corporate Finance, Allianz Global Investors Europe GmbH, Frankfurt



Allianz Global Investors Europe GmbH

Parallel to the introduction of a European trailer-fee billing solution, Allianz Global Investors (AGI) worked closely with Sowatec to develop and implement 'Scores', a rule-based sales controlling platform.

Our customer and the project

Allianz Global Investors (AGI) manages assets in all major asset classes and regions. The experts of the asset management unit at Allianz SE act globally and are presented through 22 branches in 18 countries across the globe, in particular in Europe, the USA and Asia. With some 500 investment specialists, the investment management team covers every major financial and growth market in the world.

www.allianzglobalinvestors.de

Challenge

The European Sales Controlling teams were reliant on a variety of systems to produce sales and management information reports. To speed up the process, AGI was looking for a solution that would automatically locate and integrate relevant data.

Goal

- A uniform basis for data management
- Greater data security and quality via individually configurable tests
- A faster and more flexible process for creating European and Asian sales controlling reports

Solution

Thanks to the central Sales Controlling platform, data from widely different sources (Golden Sources) can be processed, aggregated and analysed. This data is subsequently used for the reporting of various internal organizational units and functions (sales, product management and the European management). The information also serves as the basis for the pan-European Trailer Fee calculation.

The Trailer Fee calculation requires master and inventory data, as well information about complex sub-custody logic. Furthermore, a variety of relationships between the worlds of Sales Controlling and Trailer Fees need to be mapped by the platform. With 'Scores', complex calculations (including AuM and NCF) covering various fund groups can be performed. In addition to internal reports and queries, data can also be sent to the global finance and reporting systems.



'Scores' is used worldwide in different European and Asian countries

'Scores' Facts & Figures

- 40,000 customers
- 70,000 accounts
- 7,000 products
- 400,000 positions per day
- 100 million positions p.a.
- Daily calculation of estimated asset holdings and NCFs: 400,000 positions. Duration 1-2 h
- Weekly year-to-date calculation, incl. validation of 100 million positions. Duration 2-5 h
- Ad hoc calculations relating to requested customers and accounts, incl. holdings and NCFs on account and customer level, fund-in-fund investments, distribution and reinvestments
- 36 fully automated processes for data maintenance and calculation

Consistency, quality and progress:

"With the implementation of 'Scores' we made a huge step forward with respect to the:

- **data scope** – complete European and Asian fund range
- **consistency** – harmonised methodologies and processes across Europe and
- **quality** - reporting based on transactions, as holding statements are now available"

Guido Bachmann

In Conversation

Guido Bachmann is Head of Revenues, Corporate Finance at Allianz Global Investors Europe GmbH. He talks about the introduction of 'Scores' for the calculation of product- and distribution data.

What were the reasons and the goals for this project?

The main goal of the project was to improve the quality and timeliness of the European Sales Controlling reports. In addition, it was an opportunity to create a European Golden Source for AuM, NCF and Run Rate Revenues (RRR).

How was European Sales Controlling and Reporting handled in the past?

Before the implementation of 'Scores', our IT landscape was heterogeneous: two different systems were used in Germany and France and the reports were created out of several Access databases.

What were your key requirements at the beginning?

We were looking for a user-friendly, high performance system, which would also fit well into the overall AGI IT-landscape.

Were there any major project dependencies? What problems did you encounter during the project?

We had to take constraints into account relating to two major projects running in parallel:

- The setup of the European institutional database
- The European roll-out of the open-ended investment fund database

Managing these two projects at the same time was sometimes a bit challenging.

How did you resolve these problems and what, in your opinion, were the key success factors?

Our strong project management team successfully overcame all hurdles with innovative solutions. The support from top management together with Sowatec's flexibility, performance and reliability were also key to the success.

What improvements were made in terms of process, time line and quality of data?

We now have a harmonised process throughout Europe which enables us to deliver very good quality and timely reports (weekly at D+5). Despite this, we are still working to further optimise the timing.

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The implementation and go live of the project was divided into several stages. What were the key factors for this approach to implementation?

With the constraints and dependencies of the two projects running in parallel, we wanted to achieve quick wins and gain experience. We decided to migrate the smallest entity and system first, as a pilot (i.e. in France). We achieved this on 1. January 2014. Afterwards we concentrated all our resources and efforts on the rest of Europe. In doing so the experiences gained during the pilot paid off. In the next step we brought Asia on the platform as well.

Can you tell us something about the collaboration and performance of the Sowatec project team during the project?

Sowatec was not only a very supportive but also a very flexible partner during the entire project. They met all our deadlines and delivered the different software elements in keeping with all quality standards.