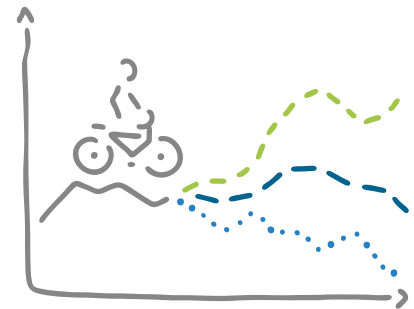


## calculo – Business Case Scenario

99 Use Scenario in calculo to perform management projections, calculate offers and simulate future developments. This makes decisions easier, calculations more profitable and negotiations more successful.

By changing rules and conditions and projecting possible market developments, forecasts can be created without changing master data and processes that are currently in use.



### How does Scenario work?

Scenario can create a crucial advantage when making decisions – from volume pooling, to switching product or custodian, to contract modifications and offer generation.

Three practical examples:

Scenario 1

#### How can I simulate various fee models for negotiation purposes?

You create a sample portfolio for the prospective customer containing anticipated assets. You then run a projection applying an assumed percentage return over the desired period of time. Using this hypothetical portfolio, you can apply various fee models and run the respective calculations. If a contract is closed, you can incorporate the fee model negotiated into production, in a controlled way.

Scenario 2

#### How would a simplified fee model affect revenue?



Create a Scenario for all customers with managed account contracts. Within Scenario you can then easily exchange any fee models for managed account contracts with the new standard model and run the calculations. The numbers are then used to produce a clear comparison to actual fee revenue generated for the period in question.

Scenario 3

#### How will the merging of two sales networks affect commission pay-outs?

Create a Scenario with last year's holdings of the partner group. Then combine the two sales organisations and run a full-year scenario projection for the previous year. It is then easy to compare the results with the actual pay-outs.

## How can Scenario alleviate my workload?

 Task	 with Scenario	 without Scenario
<p>Create hypothetical holdings to run calculations on sample portfolios.</p>	<p><b>Volume generation</b> Generate hypothetical portfolios for scenario calculations (e.g. when preparing offers).</p>	<p>In a test environment, holdings have to be imported similar to production data. Depending on the processes currently in place in your organisation, creating the hypothetical holding files to be imported, can involve a considerable amount of manual effort.</p>
<p>Evaluate changes and/ or running projections on existing holdings over a period of time.</p>	<p><b>Volume adjustment</b> Project holding for a user-defined period and apply a percentage change rate (e.g. 10% increase over the next calendar year).</p>	<p>Import of theoretical assets over the planned period. Adjustments within the system are often not possible. As there are usually existing assets in the system for prior periods, the scenario will likely only be implementable for future periods.</p>
<p>Trace the impact of changes that were made as a result of a system simulation. Incorporate selected amendments into production in a controlled manner (e.g. upon acceptance of an offer).</p>	<p><b>Historicise</b> All scenario-relevant changes can be retraced in the "History"-view. Authorised users can incorporate specific changes made in a scenario into production.</p>	<p>Changes to historic data types can typically be reviewed in a standard history report. However, there it is not possible to distinguishing between scenario- and production data.</p>
<p>Change large amounts of data to simulate changes within the company or at partner firms (e.g. switching custodian, or a pooling of assets under management due to a merger of several distribution partners).</p>	<p><b>Bulk changes</b> Change attribute values for a large number of data sets from within a central view (e.g. move all assets from a particular custodian to another custodian)</p>	<p>Incorporating desired modifications into production will generally have to be done by re-configuring production. Depending on the type of data and authorisation control, this is not possible without using Scenario, unless the imported data is manipulated on the test system.</p>
<p>Simulate the effect of temporary bonus commissions or applying standard rates to groups of partners.</p>	<p><b>Compare scenarios</b> In calculo there is a special function that allows you to calculate all payouts based on SCENARIO-data. The results are displayed in a separate view, making it possible to compare them directly with calculations that are currently in production.</p>	<p>Production data will have to be incorporated into a test system and existing accounts have to be deleted manually. After the calculation, comparisons with actual production are only possible outside the systems, because simulation and production are on different systems.</p>
<p>Simulate accounts based on changed data and/ or hypothetical holdings. Analyse differences between simulation and production.</p>	<p><b>Standard profiles</b> Add or replace existing fee models for individual partners or groups of partners from within a central view. Filters can be applied to select partners (e.g. by partner or fee type).</p>	<p>Contracts and rates are changed manually for all relevant partners.</p>