Collaboration is CRUCIAL

Embedded Collaboration Tools Enhance Efficiency of Investment Operations

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As the settlement cycles of liquidity points and capital markets continue to narrow, effective workforce collaboration is becoming more crucial within investment operations. Traditional methods of collaboration (like interoffice mail, telephone, fax, and email) between individuals, departments, and organizations have worked to a point, but today's demands for real-time processing and information exchange are making these traditional collaboration methods obsolete. Effective portfolio management requires adaptive products and services that enable investment teams to instantaneously and effectively collaborate within the context of their business processes.
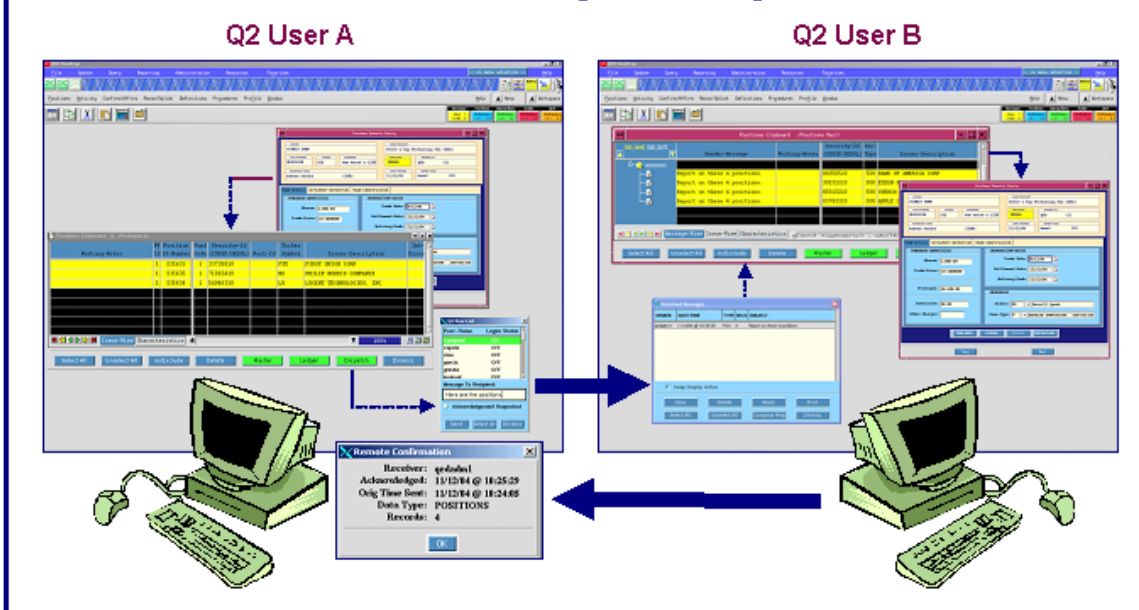
According to Matt Cain, "Almost every business activity can be made more efficient by enabling users to plan, negotiate, brainstorm, and resolve conflicts within the context of a business process. This idea of 'contextual collaboration' will replace the current model where collaboration services are largely divorced from business processes."[1] Because of the investment operations industry's continuous push to maximize efficiency, contextual collaboration is greatly needed within the fast-paced workflow of portfolio managers, hedge

funds, plan sponsors, treasury institutions, and other investment operations organizations where timely and accurate exchange of position and trade information is crucial.

Realizing the importance of real-time processing and data exchange in post-trade operations, select middle- and back-office software providers have taken a proactive approach to contextual collaboration by incorporating instant messaging, email, and data sharing agents directly into their portfolio management and investment accounting systems. By deploying collaborative tools as embedded functions within their applications, these organizations enable their customers to achieve greater levels of efficiency. With these embedded collaboration tools, system users can jointly and easily address issues related to trade clearing, reconciliation, and portfolio management by instantaneously interacting with each other and sharing detailed information—within the contextual footing of their respective computer desktops.

QED Financial Systems' Q2 Messenger, for example, is a messaging agent embedded within their Q2 Investment Workflow Management System. Q2 Messenger enables users to interact and collaborate instantly with peers, counterparties, clients, and even QED support

Demands for real-time processing and information exchange are making traditional collaboration methods obsolete.

Real-Time Exchange of Working Data

Q2 User A   Q2 User B

In QED Financial Systems' Q2 application, collaborative functionality allows users to attach security positions, trades, tickler notes, or other user-defined data to real-time message alerts so that the alert recipients can review, research, analyze, process, update, or report on the attached data.

team members. Using Q2 Messenger, an operator who needs assistance setting up a new security type, for example, can instantly contact a QED representative for support. The QED representative can provide the operator with detailed instructions, quickly and within the context of the application. The operator's productivity is enhanced, since the integrated instant messaging utility enables the operator to receive immediate support—without leaving the Q2 system to look up telephone numbers, make telephone calls, or send emails.

Further enhancing the contextual collaboration within select portfolio management and investment accounting systems are integrated email agents that allows users to exchange financial data and reports via email to or from other users, custodians, or clients. Users realize the benefits of sending email and associated attachments, but they do not have to leave their respective applications to do so. In some instances, the integrated email capabilities enable third-party organizations to send data directly to the application for automated import and processing.

Perhaps the most captivating collaboration

tools embedded within select portfolio management and investment accounting systems are facilities that promote real-time exchange and sharing of working data between system users. In QED Financial Systems' Q2 application, collaborative functionality allows users to attach security positions, trades, tickler notes, or other user-defined data to real-time message alerts so that the alert recipients can review, research, analyze, process, update, or report on the attached data. For example, during the reconciliation and account verification process, Q2 automatically displays any exceptions to the operator. The operator can then copy the list of exceptions to an interactive data clipboard, attach the list to an alert message, and send the alert message—with the attached exceptions—to another user. The recipient of the alert can then directly access the actual exception data on her Q2 desktop and drill down for research, processing, and reporting. This method of data sharing is a great improvement over traditional methods. Efficiency and productivity are greatly enhanced because live, working data is shared between users in real time, which drastically reduces

The most captivating collaboration tools embedded within select portfolio management and investment accounting systems are facilities that promote real-time exchange and sharing of working data.

the time spent on the multi-user collaboration that is often needed to effectively resolve problems.

Similarly, many middle- and back-office systems also include embedded FTP agents that provide simple point-and-click file transfer mechanisms that are accessible from the within the application. The integrated FTP agents are critical for efficient and automated securities processing and management in that they facilitate universal data exchange with internal and external sources. Any organization of data, such as trades, positions, prices, and exceptions, as well as saved .txt, .html, and .pdf files, can be easily shared with other users, clients, custodians, brokers, trading systems, DTCC, etc. by simply transferring the data files via the integrated FTP agents. Again, the contextual collaboration realized by embedding the FTP agents directly within the investment accounting and portfolio management systems increases operator efficiency and eliminates the need for third-party delivery tools.

[1]*Cain, Matt. 2003 "Collaboration and the Evolution of the Enterprise: Improving Business Efficiencies Through Collaboration". Stamford, CT: META Group, Inc.*

QED Financial Systems' Commitment to Streamlined Collaboration

In response to the investment operations industry's growing needs for effective workforce collaboration, QED continues to research and invest in new methods to improve their core competency of portfolio management and investment accounting software. QED realizes that the future of investment operations software is directly related to the ability of software vendors to provide integrated collaboration methods that enhance business efficiency.

About QED Financial Systems, Inc.

QED Financial Systems, Inc. (QED) is the leading provider of portfolio management and investment accounting systems to institutional investment firms. Founded in 1987, QED provides financial systems to pension funds, investment advisors, state treasuries, and other buy-side firms. QED manages more than 1 trillion USD in collective assets, and QED solutions are used by 42% of the U.S. state treasuries for managing their investments.

QED's Q2 application provides money managers a comprehensive portfolio management system that can be easily customized and administered, allowing for unprecedented control over information needed to drive business. Q2 combines extensive portfolio management, investment accounting, and securities operations within a single, multi-threaded application. Q2's diverse, multi-currency capabilities process mortgage-backed securities, CMO's, asset-backed securities, flexible payment schedules, repos, and reverse repos. Q2 also processes debt, shorts, derivatives, currency forwards, options, futures, and swaps.

The Q2 interface incorporates intuitive drag-and-drop methods, allowing information to be organized according to user preference and enabling users to generate custom reports. Blotter-based, real-time displays provide immediate notification and access to mission critical events occurring within the system.

Q2 is also a complete investment accounting system with security valuations, accruals, realized gains/losses, bond amortization with audit trails and reporting, and standard and custom third-party interfaces.