

Regulatory Challenges and Advances in STP Technologies Pave Way for Integrated Investment, Accounting, and Treasury Management Solutions

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Businesses today are moving to consolidate and streamline processes and are therefore implementing single, advanced software solutions that combine comprehensive functionality that previously could only be found in disparate systems. Among the processes that financial organizations are attempting to streamline are investment management, departmental accounting, and enterprise-wide treasury operations. Additionally, special emphasis is being placed on seamless general ledger integration with each process.

Select Software Facilitates Information Sharing and Reduces Process Redundancy

Typically operating in a decentralized fashion, an enterprise's investment, accounting, and treasury departments have traditionally relied on multiple software systems for managing their investment portfolios. However, with regulatory challenges and advances in straight-through processing technologies leading the way, select financial software providers are creating solutions that facilitate cross-departmental information sharing and reduce process redundancy.

QED Financial Systems, a Marlton, New Jersey-based portfolio management, investment accounting and general ledger software and services provider, is one of the few software companies that recognizes the need to integrate investment, accounting, and treasury management solutions into one core product offering. QED's Q2 Investment Workflow System provides complete investment accounting, cash management, transaction processing, mark-to-market valuation, reconciliation and trade settlement, performance measurement and analysis, *and full general ledger capabilities* in the software package's *core functionality*.

Minimizing the Technology Footprint with an Integrated General Ledger

By providing an integrated general ledger along with the investment accounting and treasury operations functions of Q2, QED is catering to the needs of financial organizations who want to minimize the 'technology footprint' in their organizations and maintain one database (and hence one version of 'the truth'). Rather than researching, purchasing, maintaining and supporting the hardware, software, licenses, and services associated with multiple incongruous systems, treasurers, CFOs, IT directors, and other enterprise decision makers can solely rely on a single system like Q2 to meet their demands.

Easier Implementation, Use, Maintenance, and Support Lead to Real Cost Savings

From a technical standpoint, it doesn't take long to see the tangible results of replacing multiple systems with a single, cohesive system. As any IT professional or accounting software user will certify, it is much easier to maintain and use one system than multiple. Using more than one system to manage and analyze your accounting data will force you to learn the user interface and procedures of multiple systems. The time spent learning a new component could be better spent on actually performing the tasks you bought the software for. Since you are already familiar with the user interface, functions, controls, and order of operations of software you already use, why muddy the waters by introducing foreign concepts and procedures? All the components within one system should be similar, and therefore easier to learn, which will decrease the downtime associated with learning a new product. Likewise, the labor costs and intellec-



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tual capital spent customizing, maintaining and supporting multiple systems and their related interfaces are greatly reduced when one comprehensive system is used. Freeing up time and resources to work on other mission critical tasks can pay dividends for any financial organization. Additionally (and possibly most obvious to financial decision makers) using one centralized system positively affects an organization's bottom line. With cost savings realized through reduced hardware, support, and license fees, many executives are quickly changing their philosophies about their enterprise software requirements.

Complete, Real-time, Readily Accessible Financial Data Streamlines Operational Workflow

From an operational workflow perspective, it makes perfect business sense to have a centralized general ledger, investment accounting, and treasury operations system. With today's companies mandating clear, real-time views of cash and transactions across departments, divisions, and global facilities, it is becoming a best practice to store and access these financial records in one location. Specifically, with an integrated investment accounting and operations system that includes a general ledger, transaction events that are directly linked to the general ledger are easier to examine and evaluate than events that are stored in separate systems' databases. A single click of the mouse is all that is necessary to drill down from a general ledger entry to its originating investment transaction. In addition, it is easier to view specific details about a general ledger entry (like account and security type information) when all the details are cohesively linked together in one place. Quite simply, operations are streamlined when all the accounting functions occur at the same place and in the same system. Moving from one workstation to another, or having to open multiple applications in an attempt to view related, but disjointed, accounting data simultaneously, is wasting time that could be better spent performing other tasks.

Likewise, having the ability to generate regulatory, operational, and client-facing reports from the same, integrated investment management, accounting, and G/L system is key. In centralized systems, an integrated general ledger would automatically have access to all the reports in the portfolio management system, as well as be able to incorporate any stored data elements into those reports. An integrated reporting package would also give you the ability to create custom reports from your general

ledger data (with investment data, as well as other business data), all while maintaining the consistent branding of the investment accounting reports you're accustomed to generating.

Centralized General Ledger System Provides Confidence, Security, and One Version of ‘The Truth’

What's more, using one centralized and integrated system offers greater confidence and security in your organizations ability to defend its financial calculations and books of records. If you are using separate systems for maintaining investment, operations, and general ledger data, every time a transaction event occurs in the investment system, the general ledger must be updated to incorporate those changes and formulate a new balance. Any time data needs to move from one system to another, a lengthy interfacing process typically occurs. The existing data first must be formatted to prepare it for exporting. Then, the export process must be initiated, which may or may not automatically post to the general ledger. If only a file is created, you then have to import the data into your general ledger system (or in some cases, manually enter the data!). Once there, the data may be checked, scrubbed, or reformatted in case any of the data did not translate effectively the first time. In contrast, if an integrated system is used, all of these processes could potentially be eliminated since cumbersome data interfaces are not needed. Eliminating data transfer to and from multiple systems reduces potential error entry points, trims time consuming processes, and ensures there is only one version of ‘the truth’.

Conclusion

An integrated investment, accounting, and treasury management software solution saves you time and money and makes your job easier in the process. With financial organizations moving to consolidate and streamline investment accounting processes, many are considering such integrated solutions. QED Financial Systems, in their continued efforts to provide industry-leading solutions, has recently added comprehensive general ledger functionality to their existing portfolio management, investment accounting, and treasury operations system - Q2.

