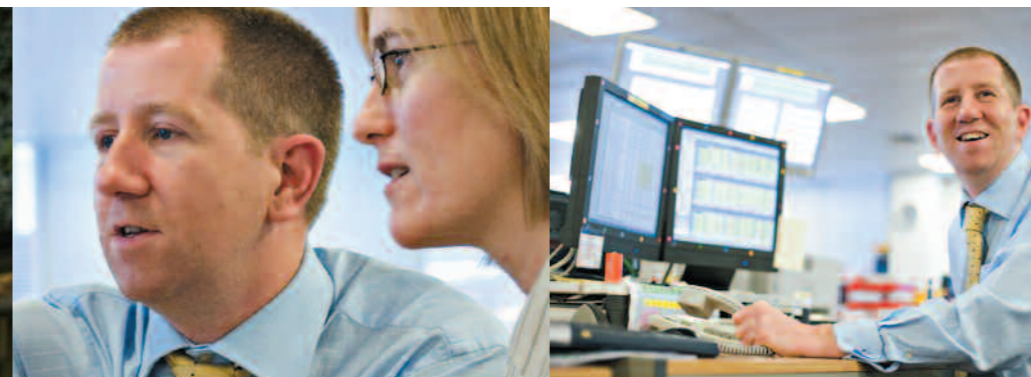




THREE YEARS AGO, THE DIRECTORS OF MITSUBISHI SECURITIES INTERNATIONAL HANDED CHRIS DOWD A BLANK PIECE OF PAPER AND ASKED HIM TO RETHINK AND AUTOMATE THE COMPANY'S RISK MANAGEMENT PROCESSES. NOW, WITH HELP FROM INTELLIMATCH, RECONCILIATIONS ARE FASTER, USER DATA IS TOTALLY RELIABLE – AND THERE ARE MANY FEWER PIECES OF PAPER FLOATING AROUND



"THE MOST IMPORTANT PART OF MY ROLE IS TO DELIVER ON THE TRUST PLACED IN ME BY MANAGEMENT. THAT DRIVES ME AND SCARES ME AT THE SAME TIME. BUT MSI ALLOWS US TO GET ON WITH THE JOB, AND YOU FEEL INSPIRED BECAUSE SOMEONE TRUSTS YOU"



The responsibility of delivering control and risk management efficiency is what drives Chris Dowd, associate director, operations, at Mitsubishi Securities International (MSI) in London. But sometimes it scares him a little as well.

A wholly owned subsidiary of Mitsubishi Securities Co, MSI is involved in markets including structured finance, equities, fixed income products, derivatives, exotics and new issues (both origination and syndication). Chris is solely responsible for deploying and supporting systems that mitigate and control many different aspects of process and operational risk at MSI. It is a task that involves him in a variety of areas: business analysis; process and control re-engineering; development; and systems support.

FIRST IN

His day starts early – he is in the office by 6:45 a.m. and hits the ground running, the busiest time of the day being the two hours up to 9:00 a.m. "During this time, the business team of two colleagues that I support have to complete many business-critical control and data validation tasks, ready for the arrival of the business staff. They execute all cash reconciliations, securities reconciliations, system-to-system reconciliations and prepare the cash funding for treasury."

Once support of this intensive processing is out of the way, Chris settles into his daily role, which includes developing and deploying new automated control processes. One of these projects is lifecycle exception control, which tracks in real-time all stages of cash and securities trading and settlement, giving full automated exception-based control from the moment a trade is executed through to final settlement. Any breaks in the reconciliation process will be immediately investigated and resolved, says Chris. Not only are errors discovered and corrected as they happen, he explains, but error costs are a thing of the past. "Compared to three years ago, MSI is saving six-figure sums every year in reduced error costs alone."

THE BIGGER PICTURE

The day-to-day support aspect of his work usually ends at around 4:00 p.m. After this, Chris has time to focus on the "visionary"

HOME LIFE

FAMILY: Married for 16 years.

HOME: "I live in Egerton, which is near Ashford in Kent. Our house is in the middle of the countryside, with plenty of peace and quiet – the exact opposite of working in the center of the City of London."

HOMETOWN: "Maidstone, which is also in Kent."

PASTIMES: "I love to go walking and out on my motorbike. I also enjoy DIY, and as we have lived in four different houses since we were married, have done quite a bit of renovation. So far, I have built three kitchens and two bathrooms."

VACATION: "I am not into sitting on a beach and prefer to explore new countries and cultures. Destinations in 2004 included the U.S., the Caribbean, Italy and Switzerland."

EDUCATION: "I left school at 16 with six O-levels – everything since then has been learned on the job. I believe that is the strongest qualification you can have."

aspects of his role. This might involve meeting with staff from all parts of MSI to talk about new processes and to prioritize requirements. "My job is to understand what the business needs to achieve and to take a totally fresh approach. Too often, people want me to automate what they are doing now. But our objective here is to take a giant leap forward in the automation of control and process risk mitigation. We won't necessarily automate existing processes."

Chris can do this because of the trust management has put in his ability to start from scratch and develop new functionalities. "This is something that is often very difficult for many companies to do. You need to identify someone who knows the company and its business areas, yet is not stuck in a rut as far as processes are concerned."

Chris's team was set up three years ago when MSI was building a new in-house equities settlement system. "The bank realized at that time that it also needed to create automatic reconciliation processes. Up until then, all cash and securities reconciliation was manual, with paper-based ledger processes – and, like so many other securities houses at the time, individual sets of controls for each system, business line, depository and nostro account." The team now performs in a few hours tasks that Chris estimates would take up to seven people most of the day to do in a manual environment.

To automate reconciliation processes, MSI chose SunGard's intelliMATCH solution, which provides real-time pre- and post-settlement reconciliation, identification, assessment and control of match-based exceptions. "We chose intelliMATCH for cash and securities reconciliation, but soon realized the potential of the product to fulfill many other control needs, such as funding and lifecycle exception management," he says.

intelliMATCH has helped Chris to "rewrite the book on the way a large part of operational and process risk control is executed" at

WORK LIFE

BUSINESS HOURS: 6:45 a.m. to about 6:00 p.m.

LOCATION: At the Broadgate development in the City of London.

COMMUTE: "One hour on my motorbike, or two hours on the train."

OFFICE: "We have an open-plan office to promote communication. The floor houses 45 operations people and 40 IT people."

VIEW: "I look out on to Liverpool Street station."

DESK HYGIENE: "I have zero paper on my desk, thanks to intelliMATCH, which gives us a totally PC-based workplace. The lack of paper reflects what we are achieving with the system. All control reports are stored electronically."

DRESS CODE: "Smart casual dress in the office, unless we have meetings with external clients or suppliers."

PERSONAL ORGANIZATION: "I use a PocketPC, for both business and leisure."

Everything is on that, rather than on paper. I guess I am a bit of a gadget fan."

CORPORATE CULTURE: "The emphasis here is on getting the job done. It is very flexible and relaxed – no-one is stuck in the mud about particular work practices."

MSI. The system helps Chris to deliver reliable and accurate data to users – often a challenge for securities houses. "I believe users of our data would never have a reason to distrust it for one moment."

Trust is clearly important to Chris, particularly the trust put in him by management. "The most important part of my role is to deliver on this trust. That drives me and scares me at the same time. But MSI allows us to get on with the job, and you feel inspired because someone trusts you and rewards you based on merit."

THE SUNGARD SOLUTION: INTELLIMATCH

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