



GLOBAL CLEARING FOR AN OPERATION AS LARGE AS ABN AMRO IS NO JOKE: FOR ROBERT GAFFNEY'S GROUP, IT CAN MEAN 12-HOUR DAYS, 18-HOUR FLIGHTS AND LATE-NIGHT TELECONFERENCES WITH COLLEAGUES HALFWAY ROUND THE WORLD. BUT NO-ONE'S LEFT THE DEPARTMENT FOR EIGHT YEARS: AFTER ALL, THERE'S GMI AND PHASE3 TO EASE THE LOAD, AND NOTHING'S SO TOUGH THAT A STROLL DOWN PARK AVENUE AND A LATTE CAN'T HELP



"FOR MANY YEARS WE HAVE HAD 100% GROWTH IN OUR VOLUMES. TO BE ABLE TO SUPPORT THAT YOU NEED TO BE VERY AUTOMATED AND HAVE VERY TALENTED PEOPLE"



It didn't take long for Robert Gaffney, chief operating officer of futures at ABN Amro, to "get hooked" on the financial markets when he began his career on Wall Street. Originally intending to enter the world of equities, a chance meeting with a recruiter led him to a job in Prudential Bache Securities' commodities operations, which was in the middle of the 'silver bubble' of the late 1970s.

"I started at Pru Bache in the very early days when the Hunt brothers were trying to corner the world silver market. That was a real baptism by fire," he says.

After four years at the firm, Robert moved on to Citigroup, where he set up the firm's futures commission merchant operations as well as working on derivatives, swaps and options. In 1996, ABN Amro acquired Citi's futures division.

#### WORLDWIDE COORDINATION

Robert is in charge of global support services for the ABN Amro futures division which includes risk, IT, operations and treasury. Of the 481 people working for the unit, 217 are in support services. He has five direct reports that manage those respective groups. "ABN Amro's

futures division is a global organization and we offer a multiple-asset-class clearing services product, covering fixed income, futures and equities. The biggest piece of that business is the futures business," he says.

Regional operations in North America, Europe and Asia are tied into a global operating unit and Robert's unit supports offices in Seoul, Singapore, Tokyo, Hong Kong, Sydney, Chicago, New York, Paris, London and a representative office in Beijing. A new office is due to be opened in Shanghai soon.

"The challenge of managing such a dispersed operation is to keep communication lines open. In order to establish and deliver on global business goals, you must be able to communicate the global vision, which here at ABN Amro aligns support services with business goals. But global clearing is something of an invisible product – it is not something tangible we can show people."

In communicating the firm's vision, Robert identifies his

#### HOME LIFE

**FAMILY:** Married with two daughters, both in college.

**HOME:** Staten Island.

**HOMETOWN:** Brooklyn.

**PASTIMES:** "I originally wanted to be a geologist but realized that wouldn't pay the bills. It's fascinating to get out into nature and look at rocks and formations that date back millions of years. I am also very interested in oceanography."

**VACATION:** "Camping, hiking and skiing holidays are favorites. I also like to go to the beach – the Caribbean in particular."

**EDUCATION:** "A BA in administration, with a math minor, at Hunter College, part of New York City University."

**DREAM JOB:** "If I had to start my career over, I'd like to build a company in the alternative energy sector. That is an up and coming field that really interests me and would combine my interest in nature and entrepreneurship."

challenges as the day-to-day workload and the differing time zones in which the company operates. Keeping the lines of communication open often means working late and plenty of travel: "We will have meetings at different hours – I like to swap it around so the same people don't have to stay late all the time. Trips to London used to be a big deal, but now that we have offices in China, for example, it's nothing to do an 18-hour flight. There's only so much reading and work you can do on an airplane."

ABN Amro's futures business has grown rapidly – eight years ago we were clearing 25 million trades annually, a figure that is likely to climb to a forecast 1.1 billion for 2006. "For many years we have had 100% growth in our volumes," says Robert. "To be able to support that you need to be highly automated and have very talented people."

Two years ago, ABN Amro decided to harmonize its regional hubs in order to be able to deliver global support services. "We realized that we would not be able to grow quickly enough by having different service levels regionally," explains Robert. "We wanted to be able to implement the best-of-breed across the entire organization, so that if a strong product had been developed in the U.K., for example, it could be reused across the globe."

#### INDUSTRIAL-STRENGTH PARTNERSHIP

ABN Amro's strategy is based on buying products and integrating them, rather than building in-house. This has led to a strong partnership with SunGard, says Robert, because of the bank's extensive use of SunGard applications. "We needed to build large, very robust, industrial-strength platforms that are flexible. We partnered with SunGard because it is a major company with good resources."

ABN Amro uses SunGard's GMI, a back-office clearing and accounting software solution as its futures platform and Phase3, a real-

#### WORK LIFE

**HOURS:** "I begin at 7:30 a.m. and work between 11 and 12 hours, depending on issues affecting the different regions."

**LOCATION:** New York City on Park Avenue, between 51st and 52nd streets.

**OFFICE:** "I am in a strip of management offices. The building next door houses the trading floor."

**COMMUTE:** "I drive to work from Staten Island, which takes about an hour."

**PERSONAL ORGANIZATION:** "My P.A., Jennifer, and a team of about 10 people keep me organized."

**CORPORATE CULTURE:** "We are a very close, self-contained team but we have a lot of interaction with the rest of the bank."

**STRESS BUSTER:** "Sometimes when things are getting really hectic, you just have to get up from your desk and go to the nearest coffee bar – there are plenty around here! It's good to be able to catch your breath and come back to an issue with a fresh mind."

time order-to-settlement securities processing system, for fixed income and equities: "Change happens rapidly in these markets and we need to be able to move quickly. For that, you need a strategic partner that is good at managing IT."

Globalization, speed of change, multi-asset-class trading and access to emerging markets are all important issues for Robert and his team. Dealing with these issues requires strong technology and a talented pool of people. "Maintaining a team requires good compensation, but pay is not the most important element. I think people want to feel involved and want a challenge. If you can communicate the goals and vision to the team and show them how what they do has an impact, then job satisfaction improves and you get a better product."

THE SUNGARD SOLUTIONS: GMI AND PHASE3

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