

Client Case Study

Alpha Bank Cuts Costs by 80 Percent with Finvent's solutions

Alpha Improves Private Banking Services, Efficiency and ROI with Finvent

CLIENT BENEFITS

- Enhanced product and service offerings
- 80% cost reduction per year for the past 6 yrs.
- 600% return on investment in Private Banking
- Flawless trading accuracy – Advisory handling
- Consolidated wealth management reporting
- Improved employee morale

Alpha Bank is one of the largest banks in the Balkans offering as rich a selection of investment products as some of Wall Street's larger banks. Alpha's unusual combination of big-bank product offerings and niche-bank service has enabled it to move up market in recent years, adding larger institutional clients and more-affluent high-net-worth individuals to its growing client base.

Competing with Global Banks

In so doing, the firm not only competes with banks and brokerages several times its size, it often wins these bids, thanks in large measure to competitive advantages realized with investment solutions from Advent Software.

"We had to make sure that we could compete with a State Street or a JP Morgan on the core competencies of wealth management. Finvent, integrated with the trust side of our business, allows us to compete with anyone, both from a cost perspective and a product perspective."

"In six years, we have not had one trade error. Not a single trade error in the firm since we've been up on Axys. It has given us complete confidence." says
Private Banking Head of Investments

Designed Specifically for Wealth Management

Indeed, Alpha recently secured one of its largest clientele in 5 years after prevailing in a national bid against three of the largest banks in Greece. "We've done extensive automation in our proposals to prospects and have been successful at landing those as clients."

Alpha attributes this success to the improvement in efficiency, service, and profitability that has seen since adopting the Advent solution, Axys, APX and Moxy. Alpha implemented the solution's portfolio management and trade order management module respectively in its private banking and asset management

division in 2001 and gradually added licenses reaching users over 100 for portfolio modeling, trade order management, client relationship management (CRM) and Web-based wealth management communication.

"The system has paid for itself six times over. We had a return on investment of more than 100 percent the first year. And it has been at least 80 percent each year since then."

Operating Costs Reduced by 80 Percent

The Advent solution — which integrates with Alpha's accounting and shareholders registry system—has helped the firm increase its productivity and dramatically cut costs. "When we started our cooperation with Finvent, we had overstaffed operations. "Now we have skin lined operations to 100%. Since using Finvent systems, we've cut our costs by 80 percent each year."

This leap in efficiency and profitability has enabled Alpha to improve its client service in a variety of ways. To start with, Alpha can afford to hire the best, most experienced people in the industry to service its clients.

Experienced People for Better Client Service

"With Finvent, we don't have to keep adding people. "We're able—through technology, through systems, through integration—to keep our margins high enough that we can hire top people, because a family with more than €50 million wants to work directly with a senior person."

Today, Alpha's seasoned portfolio managers have many years of experience in the field. They also have another important asset at their disposal: the client relationship management module. APX® CRM functionality is part of the solution's wealth management reporting module to give Alpha account officers, portfolio managers and financial planners quick access to a wealth of client information—from birthdays to interested parties to any other activity they want to log.

Focusing on Relationships

"APX allows us to maintain a central repository of all information on the client. So our account officers, portfolio managers and financial planners are connected beyond the paper files and are always fully aware of the progress of each client relationship. They now collaborate more effectively to better serve our clients."

Equally important, Alpha's advisors also have a great deal more time to dedicate to client service due to a substantially streamlined trade order management process. "Our portfolio managers spend a lot less time working trades. Our operations staff spends very little time reconciling and taking care of the other activities that traditionally take a lot of time and energy. We want our advisors focusing on making proposals."

In fact, no area of Alpha's business has seen more improvement than trade order management and settlement. With Finvent, Alpha now enjoys automatic allocation between its trading, portfolio management and portfolio accounting functions. "When the portfolio manager enters a trade, that's it. There is no other input into the system anywhere. It's straight-through processing. That trade never gets touched again."

Flawless Accuracy

Best of all, however, the Moxy® trade order management module has helped Alpha achieve flawless accuracy across its trading operations. "In six years, we have not had one trade error. Not a single trade error in the firm since we've been up on Axys. It has given us complete confidence."

With this degree of precision, it's not surprising that the firm's audit process has improved as well. "We've been audited by the SEC many times and by the bank commission every year. The Finvent system has made this process very, very easy. To be able to show all transactions for the firm consolidated through a central point has been well-received."

"With Finvent, we don't have to keep adding people. We're able—through technology, through systems, through integration—to keep our margins high enough that we can hire top people."

Holistic Wealth Management – Private Banking

Naturally, Alpha redirects the time it saves on trading and compliance to improving its products and services. Among its newer offerings is holistic wealth management, which includes elements of financial planning, asset management, and trust administration.

"Our Finvent solution has changed the feel of the firm. The process is much less stressful, and the employees seem much happier. So it has really improved morale."

A Powerful Story

Alpha started cooperation with Finvent in 2001. Initially Alpha was using Axys (predecessor to APX) in a small scale of users. Within 2 years, the company had implemented Moxy, integrated the business flow and interfaced with all other systems used (banking system, shareholders registry, other back offices) in full scale. Then came time for migration to APX. Axys speed and reliability gave way to APX speed, reliability and fantastic new functionality and user interface. Alpha was now able to tell clients, 'all of your assets, no matter where they reside, can be consolidated into one statement.' That's a powerful story. Our large families are price-sensitive, but they understand the added value."

Apart from the migration to APX, Alpha also begun rolling out a new IT center hardware schema. The Finvent solution was rapidly changed over to from one IT Center to multiple IT Centers with test, quality assurance and production environments, providing the Bank with a well transitioned Business Continuity Plan for the Private Banking and Asset Management Division.

A 600-Percent Return on Investment

Finvent promised and delivered to further increase the 600-percent return on investment Alpha had already realized with its Advent solution. "The system has paid for itself six times over. We had a return on investment of more than 100 percent the first year. And it has been at least 80 percent each year since then."

Equally remarkable are the cultural improvements that Alpha Bank has observed since his firm adopted Finvent solutions. "Our Advent solution has changed the feel of the firm. The process is much less stressful, and the employees seem much happier. So it has really improved morale."

FINVENT
SOFTWARE SOLUTIONS

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