Margin Lending Projects

The Problem

The current problem for large scale institutions when it comes to Margin Lending is that their current technology has aged to a point where it is now costing more to fix, run (labour) and operate than it ever has before. Thereby the problem is that this older software must now be converted or up-graded in order to increase efficiency and functionality.

The Solution

There are six major ways in which the client can improve upon their current Margin Lending systems as well as solutions. Computer Frameworks has been engaged by several clients to do the following projects; Customise and implement a major upgrade for an installed vendor, Margin Lending system or expand the functionality of a system already in place. They have also acted as technical consults to the institutions Margin Lending team. They have encouraged their clients to undertake due diligence on the existing in-house Margin Lending system. Lead manage an acquisition-related Margin Lending data conversion. Design an architecture strategy for replacing the existing system and lastly, CF defined the business requirements for development of an in-house Margin Lending system. There are many benefits to the work CF did with their clients.

The Benefits

1.1

Customising and implementing a major upgrade for an installed vendor Margin Lending system

Computer Frameworks upgraded the UNIX-based vendor system by building a Continuation-of-Business machine, converting data from the legacy system and expanding the vendor system's functionality. The system was now able to develop the following: fixed and variable loan processing modules; consolidated client statements, which showed loan balances, loan payments, dividends, interest, and contract buys & sells, a trail commission processing module and a general ledger processing module, which transferred files to a central back-end system. The new system also had the capacity to automate overnight file transfer processes to the bank-end system, enabling early-morning reporting. Also improved was the unit trust module and developed a potential trade module. The upgrade also allowed for improved customer settlement, chess reconciliation, and reporting processes. The newly upgraded system could also develop a multiple user reporting process, which allowed custody, client support, and marketing to generate customised reports.

1.2

Expanding the functionality of an installed vendor Margin Lending system

On this project the benefit was also an increased functionality. This simple expansion project resulted in increased functionality and therefore increased efficiency in the following areas; Instalment gearing, flexible product packaging, internet delivery of customer portfolios information upon query, white label sub-system, direct debit processing, flexible trail commission processing and automation of security DRP entitlements from CHAMP.

2.1

Consulting to an institutional Margin Lending team

On this project the benefit was in terms of improved services. By offering their services as consultants Computer Frameworks was helping their client improve within but also improve their customer service without. CF used the following tools during this consultancy; they identified system and business function problems and recommending solutions. They also provided operational advice to business users as well as advice on improving client reporting. The team also provided training to technical staff, which included reviewing the CHESS/CHAMP interface.

3.1

Undertaking due diligence on an existing in-house Margin Lending system

The benefits given by teaching due diligence to the staff, was that CF left their clients with all the tools necessary to keep the system running. Due diligence activities included: on-going Technical reviews, Operational reviews, and Business function reviews. With these procedures in place, problems would be detected and thereby solved earlier.

4.1

Lead managing an acquisition-related Margin Lending data conversion

See section 2 B. of this Corporate Profile document for a brief discussion of The St. George Bank – Deutsche Bank acquisition project.

5.1

Designing an architecture strategy for replacing an existing Margin Lending system

The benefits of this project were the complete overhaul of the system. This allowed CF the opportunity to put in place a system completely tailored to the clients needs. CF first determined the high-level architecture options. They then performed an evaluation to measure the impact of each option on the existing business platform. CF ensured the alignment of the system they designed with the overall enterprise architecture and produced a concept paper outlining various options and implications as well as their own recommendations.

6.1

Defining the business requirements for development of an in-house Margin Lending system

In this instance Computer Frameworks developed a set of business requirements for their clients as well as defined the basic functionality needed to establish a Margin Lending business, and finally they developed a Vendor package selection and evaluation framework. This benefits both small and large businesses looking to start up or maintain the status quo of their margin lending business.