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POWERING FINANCIAL SOLUTIONS

Electronic trading drives growth for Hargreave Hale

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We develop software solutions for the global financial services industry across the entire transaction lifecycle.

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1. THE CHALLENGES

Hargreave Hale provides stockbroking, investment management and fund management services to private investors, trusts, companies and charities across the UK. Clients rely on the firm to execute trades on their behalf, yet until 2014 the company was using out-dated manual trading processes.

Before the Dion Global project, only ten per cent of the firm's trades were executed electronically. The other 90 per cent were executed over the phone, with the responsible front-office trader manually recording trade details on a deal slip. These deal slips were then faxed to another location, where the trades were then entered (again, manually) into the firm's back office.

This system was inefficient due to the time consuming manual processes involved. It was also costly, requiring skilled employees to spend time doing low-value administrative work when time could be better spent on value-adding work. Importantly, risk management **wasn't optimal due to the potential for human error. Finally, it constrained business growth and scalability.**

In order to remove these risks and barriers to growth, Hargreave Hale set an objective of executing 80 per cent of orders electronically by the end of January 2015. To achieve this, it implemented Dion's Investment Management solution across the entire front office. As well as driving electronic execution Hargreave Hale also wanted the front office to make greater use of **the system's** wider benefits, such as its benchmarking, mobile functionality, authorising, asset allocation & rebalancing, vetting controls and risk reporting functions.

2. THE SOLUTION

Implementing Dion's award-winning **wealth management platform** (winners of the "Best Implementation of a technology solution" title at the Wealth Briefing European Awards for this project; also won "Best Wealth Management Solution" title at the Goodacre Systems in the City award for 4 consecutive years) led to an 800% increase in electronic trading, and a subsequent AUM growth spurt due to the new scalability the business enjoyed.

Stuart Brookes, Joint Managing Director, Hargreave Hale

This fundamental benefit aside, the system is easy and intuitive to use, particularly in that it can be wholly customised to suit the needs of the individual user. Whereas rival systems offer only one fixed view of the data, with little room for manoeuvre, Dion's Investment Management Solution allows our users to view and analyse information in any way they want. We are also seeing the benefits of its straight-through processing and modelling capabilities, as well as the sheer level of compliance and audit controls that come built in.

Dion's Investment Management solution is a functionally rich front-office application that allows users to execute trades electronically and easily route orders to trading systems and fund platforms including Fidessa, Proquote, Co-Funds, Calastone and Allfunds. It is also designed to improve investment decision-making and execution for wealth managers, family offices, stockbrokers and fund managers. It enhances asset allocation and rebalancing, and allows firms to communicate more effectively with clients. Authorisation and vetting controls as well as audit trails and risk reporting allow firms to reduce the cost of compliance while achieving high levels of straight through processing.

The solution supports mobile and online wealth management services, allowing investment managers to be efficient outside the office and giving clients and IFAs access to their investment information at any time. It can integrate with proprietary and third party systems, including CRM applications, document warehouses, trading platforms and investment reporting systems. Its tools and interface are fully customisable at both the firm and individual level, and can display information and data feeds in the user's chosen format.

3. PROCEDURES & CONTROLS

The solution was delivered over a five-month time frame with a go-live deadline of 3rd November 2014. The deadline was important, as Hargreave Hale planned to open a number of new branches across the UK and wanted the systems ready to train the new teams. Dion has an agile, iterative approach to the implementation and development process. As new functions were developed, they were demonstrated to the client, who provided real-time feedback. This allowed for changes to be made on a rolling basis.

The implementation went live by the agreed deadline, and came in under budget. The project was initiated on the client side by Will Searle, Hargreave Hale's 'front office champion'. The implementation itself was largely overseen by Stuart Brookes and Lee Finlayson, Joint Managing Directors.

The Dion project and development team held daily meetings in its Leicester office to review progress and keep the project on track. There was regular interaction with the client through two channels: a regular project governance call, which was conducted at the senior level and covered the bigger picture, and continual daily interaction between Dion and Hargreave Hale's respective project managers regarding the day-to-day details.

In terms of controls, Dion uses Jira and a Kanban methodology. Jira is a globally used browser-based call logging system. Whenever the development team is working on a change or fix, everything is recorded within the system. The information includes a label, specifying a delivery date as well as relevant background information visible to all stakeholders. The client also has access to the system, allowing for mutual oversight and transparency right down to the smallest tasks.

4. BUSINESS BENEFITS

Thanks to the successful implementation, Hargreave Hale has exceeded its target for switching over to electronic trading.

Since the project's start, the firm has been able to increase its assets under management to over £6 billion. Over the past 24 months, the number of clients on its system has increased from around 16,400 to 19,000. This growth has been reflected in a series of new hires and office openings around the country.

Hargreave Hale's management have attested to the huge impact the implementation has made on their business and the value they have already received both from the product and the entire project. It has transformed trading processes from front to back office, and enabled significant business growth.

5. ABOUT DION

Dion is a trusted technology provider to the financial services industry. With 18 offices across 13 countries, we have development and support centers across all time-zones, giving us the ability to support our clients’ business across the globe. We have over 500 clients in more than 85 countries supported by a worldwide staff of over 450, including more than 250 in product development. We provide technology solutions to investment, retail and commercial banks, institutional traders and investment and private client wealth managers and stockbrokers.

We build innovative technology solutions in the following core areas:

Wealth management solutions	Retail trading & advisory solutions	Post trade processing solutions	Risk & compliance solutions
Payments & financial messaging solutions & data integration	FX derivatives, pricing, trading, and analytics solutions	Case & control management solutions	Research & information services

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