

“What keeps our heads above water is Confluence. It allows for a lot more scale and information analysis instead of just preparation,” said Matt Rupp, Senior Financial Account Analyst, The Principal Financial Group.

The Principal Financial Group®

Gaining Efficiency, Scalability and Control Thanks to Data Consolidation and Automation

The Client

The Principal Financial Group is a leading global asset manager, offering a wide range of financial products and services through its diverse financial services companies. A member of the Fortune 500, The Principal® has \$530 billion* in assets under management and serves more than 19.7 million customers worldwide from offices in Asia, Australia, Europe, Latin America and the United States.

The Challenges

Prior to working with Confluence, The Principal relied on manual processes and spreadsheets to meet reporting needs and regulatory requirements. At that time, staff members were tasked with manual data entry, report creation and minimal added value through analytical analysis of the reports they generated.

As the company targeted high growth, they realized that to support their growth strategy, highly manual processes would not be sustainable and scalable.

But a highly manual environment was not the only operational challenge The Principal faced. Fragmented sources of data were also an issue and the changing dynamics of the fund business were making fund administration more complex.

Their data was stored in multiple locations – often times the same data existed in multiple places making ensuring accuracy and consistency a challenge. Plus, increased regulatory reporting demands and the introduction of new, complex fund types in recent years have placed increased demands on the back office.

In addition, increased scrutiny over fund expenses was driving the need to turn around fund expense analysis faster.

The Solution

Confluence has provided The Principal with automated solutions to solve their challenges for over 15 years. The Principal began using Confluence’s Unity Performance in 1999 to reduce manual processes and meet reporting needs. Today, The Principal licenses a total of 10 Confluence solutions, enabling them to consolidate and leverage data across business operations.



*As of March 31, 2015

About Confluence

As a global leader in data-driven solutions for efficiency and control, Confluence solves tough data management and automation challenges for the asset management industry, including performance reporting, regulatory reporting, investor communications and fund expense management. Confluence solutions enable asset managers and third-party administrators to consolidate and leverage data across business operations which results in lower costs, reduced risk, decreased reporting turn-around times and the scalability to automate more processes without additional resources. The platform features solutions to support a wide array of fund types – including mutual funds, ETFs, alternative investments, institutional portfolios and UCITS funds.

Seven of the top 10 global service providers license Confluence products and eight of the top 10 global asset managers have business processes automated through Confluence.

Headquartered in Pittsburgh, PA, Confluence serves the international fund industry with locations in Brussels, Dublin, Ho Chi Minh City, London, Luxembourg and San Francisco. For more information, visit www.confluence.com.

“We would have had to add many more staff if we weren’t automated. We automated before the complex changes to our business. When we have added staff it has been to provide more analytical work and oversight,” said Sara Reece, Financial Controller, The Principal Financial Group.

Confluence’s multiple solutions allow The Principal to be as fully automated as possible. These solutions also allow The Principal to leverage one database rather than juggling multiple databases. The straight through processing also allows them to send a PDF to any printer they wish instead of relying on a typesetter.

Results

Today The Principal is benefiting widely from their decision to automate wherever possible.

Efficiency

- By eliminating typesetting they are saving the high expense of typesetting and have the flexibility to be printer agnostic
- Through automation, reports are produced and delivered faster – for example, fund expense analysis is 90% faster with automation, reports that used to take a week and a half to complete are now completed in half a day

Scalability

- Through data consolidation and automation, The Principal has the ability to meet growth demands without adding staff

Control

- By consolidating and reusing data for multiple purposes they ensure accuracy, consistency and control
- Straight through processing from data collection to report delivery eliminates the risks associated with error-prone manual processes

Flexibility

- As new fund types such as derivative products are introduced, they have the flexibility to administer complex fund types
- By relieving team members of manual data entry and report creation tasks their roles have become more analytical and they can now provide higher levels of analytical support and service