

Intelligent Data Extraction

SCANit at Baring Asset Management

Extract Data and Generate Transactions from Source Documents with SCANit

The Problem

How to automatically extract data and transactions from incoming documents and faxes.

The Solution

SCANit can automatically interpret information supplied on documents and faxes.

This information can then be used to:

- Generate one or more transactions from the interpreted information
- Initiate workflow actions based on the document content
- Populate indexes for document archiving

SCANit will dramatically reduce the amount of time spent keying data, and increase the accuracy of the data transcription.

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Baring Asset Management (BAM) is a global investment management firm with offices, clients and business lines spanning the world's major markets. In retaining its position as a leading global player, BAM strategy demands that it continually strive to improve efficiencies wherever possible through the effective use of technology.

BAM engaged with Neurosoft to improve its mutual fund order processes, streamlining these processes and removing manual effort where it could. A critical element of the project was the adoption of SCANit, the state-of-the-art software solution designed to replace the manual processing of paper receipted documentation (in this case, faxed fund orders) with an exception-based process. Prior to SCANit's introduction the processing of paper receipted fund orders was entirely manual, a large team of people being required to enter trades manually into the fund transfer agency system, across 2 processing locations, London and Hong Kong. Both the operational cost of maintaining 2 manual input teams and the inherent risk associated with manually processing orders where, for example, a misplaced decimal point may have far reaching consequences, made strengthening the process further, desirable.

The Business Requirement

In order to cut operational costs and reduce operational risk BAM needed a solution that would fulfil certain key criteria. These 'must-haves' were:

- The functional capability to translate faxed images in an accurate and timely fashion. (Dealing cut-off deadlines demanded that this be so).
- The ability to interpret information received from multiple distributors, providing order information:
 - in multiple varying formats, e.g. portrait, landscape, tabled, spreadsheet.
 - in non-English form
 - where faxes contain multiple deal orders
- The provision of exception processing facilities to allow end-users to enrich and verify those orders that could not be captured in their entirety during the automatic process.
- The ability to extract critical data elements (e.g. fund identifier/name, order quantity etc) for each specific order and create individual ISO15022 MT502 messages (per order) for onward delivery to BAM's transfer agent.

Delivering the Solution

With the business requirement clearly defined, the challenge was to deliver a robust but flexible solution in timeframes that would provide a return on investment as quickly as possible.

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To reach this point SCANit's generic functional core required an investment fund 'overlay'. This included some key developments:

- Developing a new front-end to the exception processing area
- Enhancing the interpretation engine
- Building the necessary meta data relevant to fund processing
- Developing the ISO15022 MT502

The next step was to provide a 'Proof-of-Concept' using a cross section of sample data provided by BAM to demonstrate:

- how the data would be processed by SCANit and
- what the likely interpretation results would be. The POC provided the necessary evidence that SCANit could satisfy the business requirement.

Paul Savage Head of Investment Operations at BAM comments, "Once we had seen the potential benefits a deployment of SCANit could bring, the initial scepticism surrounding optical character recognition dissipated and we wasted no time instructing the team at Neurosoft to move ahead."

This meant delivering a Pilot installation into BAM's technical environment in order to determine technical performance, data throughput and perhaps most importantly, software usability. The pilot lasted 4 weeks with data from a selected number of distributors (both European and Asian) processed on a daily basis. At the end of the Pilot period SCANit had not only ticked all the boxes but surpassed the initial targets set. It was then a matter of cutting-over to a production environment.

David Baxter Business Development Director at Neurosoft Securities comments, "Given that SCANit had not previously been implemented within a mutual fund order processing environment, this story is testimony to how quickly SCANit can be adapted to service different business/market requirements. The combination of generic core functionality and SCANit's adaptability has, in a very short space of time, enabled us to provide a practical solution that is providing very real benefit to Baring Asset Management."

Reaping the Reward

Baring processes approximately 30,000 onshore and offshore mutual fund orders per month, received from a core distributor base of some 300 distributors. Approximately 90% of these orders are received in a multitude of formats via Fax.

Nick Le Brun, Head of Mutual Fund Dealing at Baring, comments, "Our initial intention was to try and improve upon what we already had in place. This meant exploring ways in which the manual input of a trade order into our

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Agent's platform could be accelerated. This completely changed once we had seen SCANit and realised what could be achieved. The three key attributes that stood out were 1) the speed at which information could be interpreted and presented to the user for verification 2) the speed at which exceptions could be managed through the SCANit user interface and 3) the fact that we could generate MT502 messages for dispatch to our TA. These three things combined have enabled us to:

- *Make a 30% reduction in resource required to process deals manually*
- *Manage a 3-fold increase in processing volumes in a single location*

“What was noticeable immediately was the speed at which exceptions, when they occurred, could be processed by the team. We are processing between 800 and 1,200 orders per day via SCANit. This represents around 60-70% of global daily deal volume.”

In Conclusion

Baring has proven that through the deployment of SCANit, substantial improvements can be made in an industry heavily dependent upon manual input from paper sources. Whilst 'standards' teams continue to do sterling work in trying to define a standard and work with distributors to encourage them to adopt such standards, Baring has shown that automation can still be achieved without the need for distributors to alter their practices.

As Paul Savage comments, “We were looking for a practical solution, something that could be deployed in order to improve our processes today not tomorrow. SCANit has helped achieve this and has also enabled us to exceed initial expectations.”

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