- Faster reports
- Additional reporting obligations
- Less error-prone
- Reliable consolidation

# Rapid availability of reports at Flow Traders

Flow Traders is listed on the stock AMX exchange in Amsterdam and specializes in trading index-tracking funds. It is a young, fast-growing company, based in Amsterdam and with offices in Singapore, New York and Cluj. After its placing on the stock exchange in 2015, the company needed to comply with additional reporting obligations. The switch to OneStream facilitated the process and stakeholders receive reports faster than before.

# RAPID AVAILABILITY OF REPORTS AT FLOW TRADERS

"Flow Traders was founded in 2004 and has been growing fast. In July 2015 we went public, which meant that we had to deal with (financial) stakeholders more frequently than before," says Joost Dankers, Global Co-Head of Tax & Finance, on the rationale behind the streamlining of the consolidation process and reporting. "Initially, our stakeholders had day-to-day involvement, whereas now, we have to deal more frequently with external stakeholders. This, together with the fact that we have more reporting obligations as a consequence of the IPO, lead to our wish for a consolidation system."

## "AFTER OUR PLACING ON THE STOCK EXCHANGE, WE HAVE TO DEAL MORE FREQUENTLY WITH EXTERNAL STAKEHOLDERS."

Flow Traders focusses exclusively on exchange-traded funds (ETF), also called index funds. Close cooperation between Risk, Technology and Trading is paramount in this regard. Joost: "Our focus is on pricing. The traders only trade when they truly understand the value of the products; they first calculate the underlying value and then put them on the market."

NO MORE EXCEL
"Our objective was: Get rid of Excel," Joost continues. "Our Finance team has grown to almost twice the original size. When several people are simultaneously working on complicated consolidated Excel files, errors are quickly made. Our objective was to switch to 'one source of the truth' where everyone can extract information from."

Reliability of reporting is paramount. As an accountant, Joost has often seen mistakes in Excel. "An erroneous formula or number can go unnoticed and affect other calculations. I remember that, during an audit, I came across a formula in an external report that was accidently miscopied. This formula gave a check that resulted in a 'true' or 'false'. Because of the disappearance of the formula, the result was always positive. It took the organization three months to discover that where 'true' was indicated, it should have been 'false'." These are mistakes you want to avoid.

"When there has been an error in a report for three months, it takes a long time to prove the reliability of your numbers" says Andreas Nederhoed, who, in his capacity as a Finext consultant, was closely involved in the implementation of the new consolidation system.

In addition to the sensitivity of Excel in terms of errors and omissions, there are several other reasons to perform the consolidation in a Performance Management solution, Joost feels. "Consolidating with a Performance Management system is reliable and less time consuming. We use this time to run analyses and to provide more support to business operations. OneStream provides a platform with a completely transparent and accessible database; it generates standard reports, dashboard and ad hoc analyses that meet the information needs of our organization. This allows us to spend less time on administrative tasks, and dedicate more time to controlling.



Andreas Nederhoed, Jeroen Imming and Joost Dankers

The move to a Performance Management tool is part of a bigger movement within Finance to increase professionalism. "We are automating the administrative and financial processes, and the consolidation process is part of this. This is in line with our objective to realize further growth."

SPEED AND PEACE OF MIND
After a careful selection process, Flow Traders chose OneStream out of 5 solutions from a shortlist. Joost assesses the chosen Performance Management solution positively: "During the selection process, you want to move from the

present to the ideal world, but it remains to be seen if all targets will actually be met. In our opinion, this has been very effective."

At the request of Flow Traders, one of the requirements was even custom developed by OneStream. "OneStream took a proactive stance in the project and developed custom made solutions for Flow Traders, such as an FX-connector. The calculation of FX-corrections is often done manually, and this was something Flow Traders wanted to address," Joost says.



Andreas: "We actively provided input regarding possible solutions. This is the strength of OneStream: it is not a mere consolidation tool, it is a platform." Through the Marketplace, OneStream offers add-ons and (training) materials. The offer in the Marketplace is increasingly expanding. Joost: "I am confident that, in the near future, OneStream will provide more innovative functionalities that provide solutions for our growing company."

The consolidation solution provides speed and peace of mind, according to Joost. "We can generate the actual reports more rapidly. In addition, there is less checking to do compared to Excel. In Excel, we felt we needed to check things over and over again, whereas now, we rely on the system. I source things in OneStream, so I know that everything is set up correctly. This provides peace of mind."

## QUICK IMPLEMENTATION
The implementation of OneStream had a tight calendar to work to. "We wanted a swift implementation," says Joost. "Particularly because I know that such projects can take a considerable time to implement. In addition, there was company-wide support to make this a priority."

Midway through the project several additional priorities surfaced. "Finext did an outstanding job in drafting the project plans and in helping us to identify all the necessary steps to enable us to reach our goal. We outsourced quite a lot of work in order to develop the desired pace." Joost enjoyed working with Finext, the biggest implementation partner of OneStream in the Netherlands, and feels it is a professional implementation partner and very pleasant to work with: "It was an open and effective project."

## SMOOTH DATA VALIDATION
The data validation also took place smoothly. "The data was very orderly and clean, which enabled us to rapidly validate the data," says Andreas. In practice, we often see that organizations need a lot of time to get the numbers right, but this time, it was very straightforward.

There are several factors that contribute to the cleanliness of the data. "We have grown organically, without any merger or acquisition," Joost says. "In addition, and thanks to my predecessors, we have a uniform Reference Classification System of Financial Information (RCSFI) for all entities. Without it, the mapping alone would take a week. It would seem to me that, during the validation, you would already need to delve deeply into the system."

"There is also a downside to a smooth data validation," Andreas says. "If the numbers are incorrect during the validation, people start to look and work in the system. In this case, the users didn't need to get to the bottom of the matter during the validation. This means that it takes longer for the users to get comfortable with a tool."

## IN SHORT

After its placing on the stock exchange in 2015, Flow Traders needed to comply with additional reporting obligations. Also, the fast growing organization wanted to optimize and automate the consolidation process.

Implementing OneStream made the consolidation process less error-prone and more reliable. The FX-connector was even custom developed for Flow Traders by OneStream, enabling the system to automatically calculate foreign currency corrections.

The Performance Management platform provides full transparency. The standard reports, dashboards and ad hoc analyses allow Flow Traders to unlock her information, giving the organization peace of mind.

After the swift roll-out, it took longer than expected to get started with the new consolidation solution. Joost: "People had cold feet about it. This was partly due to complacency, but also to time pressure. If you have the choice between a known route or a new approach that takes more time in the beginning, people prefer the known route. Eventually I made clear that we didn't want to see anything in the old format anymore."

## "WE WANT TO AUTOMATE AS MUCH AS POSSIBLE TO ENSURE THAT ALL DATA IS CORRECT. IN THE END, IT ALL COMES DOWN TO THE RELIABILITY OF THE DATA."

### WISH LIST
Joost is positive about the choice for OneStream. "I am still very happy with our choice for OneStream. I am very pleased about it, and so is my team. It contains several convenient tools, that help me use it a lot. Users make the adjustments and changes in the system themselves. For instance, they map the numbers and create accounts themselves."

There are also other tasks he would like to perform using OneStream. "For instance, an audit pack, a reporting pack that we can distribute worldwide and at any time to our auditors, and a more frequent budgeting process." The linking of non-financial KPI's with the Flow Business Intelligence Database is also on the wish list. "For instance, the volumes traded, an estimate of ETF-market or fte's. These data are not part of the financial package, but we do report them." Andreas: "Integration is easy with OneStream; I think it should only take us a day to make these links." "We want to automate as much as possible, to ensure that all data is correct. In the end, it all comes down to the reliability of the data," Joost concludes.

Text: Danielle Gruijs
Photography: Kees-Jan Bakker Photography

### MORE INFORMATION?
Would you like to know more about optimizing the consolidation and reporting processes in your organization? Please contact Andres Nederhoed at andreas.nederhoed@finext.nl or 070- 300 3000.

## ABOUT FINEXT PERFORMANCE MANAGEMENT

We believe that simplicity really works. Simplicity brings speed, improves business and creates agile organizations. With consulting, implementation and support services Finext Performance Management helps organizations to effectively use software solutions for consolidation, disclosure management, planning, cost management and dashboarding.

By creating trust, building connections and thinking out of the box we help finance professionals to return to the essence of their field. Our approach makes effective steering, with reliable figures in clear dashboards and reports, achievable for every organization.

finext
performance management