FONDOS O'ROURKE & ASOCIADOS

OPERATING A NEW FINANCIAL BUSINESS BETTER WITH THE RIGHT FOUNDATION

QUICK FACTS

Industry
Financial service providers

Revenue
US$585,000

Employees
35

Headquarters
Guadalajara, Mexico

Web Site
www.oafondos.com.mx

SAP® Solutions and Services
Implementing the SAP® ERP, SAP Deposits Management, and SAP Treasury and Risk Management applications

Implementation Partner
Deloitte Consulting

At its inception Fondos O'Rourke & Asociados S.A. de C.V. chose the SAP® ERP application as the basis for its mutual funds distribution business, the SAP Treasury and Risk Management application for control and management of financial instruments, and the SAP Deposits Management application for core banking. This software helped the company recover its investment within 1 year through cost savings, cash control, and especially revenue increases.

Key Challenges

- Attain the scalability required to support rapid growth
- Achieve integrated support for all back-office and core banking activities
- Provide the flexibility needed to accommodate the changes that continually occur in the dynamic financial services industry

Why SAP Was Selected

- Scalability to support the exponential growth that Fondos O'Rourke & Asociados S.A. de C.V. (O&A) expects
- Support for best practices
- Experience in the financial services sector
- Reputation for customer service and long-term relationship building

Implementation Best Practices

- Enjoyed senior management support and commitment to implementation success
- Applied O&A staff's experience of over 30 years in designing business processes
- Engaged partner eager to incorporate O&A's business knowledge into the solution
- Used ASAP methodology

Low Total Cost of Ownership

- Implemented both applications in just 6 months – record time
- Achieved high degree of data validation, integrity, and reliability
- Experienced 24x7 availability

Financial and Strategic Benefits

- Recovered investment in 1 year through cost savings and revenue growth
- Achieved rapid growth in customer base and the scalability needed for much more
- Automated business processes and standardized exception handling
- Increased transparency, credibility, and prestige in the marketplace by providing added value and enhanced service to customers
- Eliminated need for overtime
- Prepared for international expansion via multicurrency functionality

Operational Benefits

Key Performance Indicator	Impact
Availability of single unique view of customers	99%*
On-the-spot completion of deposit processing	100%*
Time to define products and parameters	From months to weeks*
Manual processes (back-office and core banking)	-70%
Time to open new accounts	10 minutes*

* Improvements introduced by the SAP® Deposits Management application

O&A
Fondos de Inversión / Investment Funds

"I was convinced that solid financial services systems can build the foundation for exponential growth and did not hesitate to bet on an investment in SAP software."

Federico Rangel, President, Fondos O'Rourke & Asociados S.A. de C.V.

www.sap.com/contactsap

Fondos O'Rourke & Asociados S.A. de C.V. (O&A) is a vibrant young financial services company serving Mexico. O&A combines a complete portfolio of investment products for individuals – mutual funds, real estate, and insurance – with personalized service. Though only a few years old, it was formed by experts with over 30 years of experience in financial services.

SAP® Software from Day One

O&A decided early to base its business on SAP® software. The firm aimed to grow rapidly and knew that scalable SAP applications would provide the right foundation. O&A also wanted to take advantage of the decades of financial services experience built into SAP software to create automated, highly efficient processes for running the business. Simple and efficient processes, the firm knew, would save costs, control cash, and support customer service excellence.

With its partner Deloitte Consulting, O&A began by implementing the SAP ERP and SAP Treasury and Risk Management applications to support back-office and treasury areas for funds management, allowing operations to begin. To go to market, the team followed immediately with the SAP Deposits Management application for core banking needs. The implementations were finished in just six months – a record for companies of its type in Mexico. A big reason for this success was commitment at senior executive levels.

Perfect Combination of SAP Solutions for a Financial Services Company

SAP ERP provided a strong basis for back-office operations and, together with SAP Treasury and Risk Management and SAP Deposits Management, helps O&A differentiate itself. The software eliminated manual processes; sped up report generation by 30%; cut the cost of opening new accounts by 12% and the time required to 10 minutes; enabled definition of new products in weeks instead of months; and eliminated the need for overtime. With customer information readily available, all deposits are completely processed at transaction time.

Company managers have confidence in the integrity of the administrative, financial, treasury, and customer information managed by SAP software. "In our treasury area, we have a great deal of control and structure, plus audit trails that help us mitigate risk," says Alejandra Altamirano, O&A's treasurer.

Through analysis O&A gleans insight for fully informed decision making. Software users at the company enjoy streamlined processes and can use their skills best to satisfy customers' needs and build long-term relationships. O&A creates drill-down balance statements for customers for viewing the profitability of every investment in their life plan. Alberto Ramos, O&A's CIO, is continually optimizing the look and feel of the firm's Web site. Because of all this attention to customer service, O&A has grown its customer base to 1,400 and is on track to double within a year.

The fast influx of customers has contributed handsomely to O&A's revenue stream, while process efficiency has allowed it to minimize costs. Combined, these factors allowed the company to fully recoup its investment in SAP software within 12 months.

New Products Under the Same Software Umbrella

Now that SAP software is deployed for funds management, O&A has turned its attention to the insurance side of its business and expects that it too will be fully supported within six months. "As we continue our growth we plan to offer new kinds of financial products to fill the needs of our customers and stay at the forefront of the market," foresees Héctor Cordova, O&A's CEO. "You can be sure that they too will fall under the same umbrella, since our SAP software is proving beneficial in so many ways," adds Federico Rangel, the company president

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