

## Cloud-based Operational Automation and Integration Solution for Investment Asset Managers and Firms



**Fouad Habboub**  
Chief Executive Officer

IKINDI Inc.  
www.ikindi.com

Contact:  
Jerry De Guzman  
+1 917 765-6322  
jerry.deguzman@ikindi.com

Interview conducted by:  
Lynn Fosse, Senior Editor  
CEOCFO Magazine

“Because this Middle Office function has grown organically within asset management firms with varying levels of data management automation erosion over time, and with no ‘out-of-the-box’ product available in the market for them to buy until The IKINDI KTier, this function has just continued to be ‘mended’ on a reactive basis within firms but never actually *solved*.” - Fouad Habboub

**CEOCFO:** *Mr. Habboub, what is IKINDI?*

**Mr. Habboub:** IKINDI is a FinTech software company that provides cloud based data management & data integration solutions for asset management companies to streamline and automate their operational workflows.

**CEOCFO:** *What is the state of the industry now? What are you able to offer with IKINDI that is better, cheaper, faster?*

**Mr. Habboub:** Asset management companies must have quality and timely investment data to be able to function properly. They always start out with good levels of Middle Office automation to support the flow of critical data but as their business changes and expands in range and complexity, which it invariably does, this automation begins to erode quite considerably. The impact of this erosion is carried within the Middle Office. Valuable Middle Office resources are used to shore up these automation shortfalls - uploading and downloading clunky data files, discovering a data problem too far down the line, requiring extensive manual overhead as volumes increase, adding costs and risks – all of this impacting the business. IKINDI has made a fundamental contribution to the industry. We have built a next-generation, intelligent investment data highway & data management solution in the cloud - The IKINDI KTier - which is a rules-based *Process* and *Data* hub that solves these operational issues in a dynamic, affordable and scalable way. IKINDI is the first company that is actually productizing operational automation for this critical investment management space.

**CEOCFO:** *Is it because it has been so hard to do or because no one has thought of it before, or the fact that the industry was just not ready?*

**Mr. Habboub:** It is actually because this is an area that asset management companies have always built in-house. Typically, the asset management firm would go out and buy their systems and spend time and money internally to *integrate* them. There has been no ‘out-of-the-box’ product solution in the market such as The IKINDI KTier. The best analogy I would use is 15 to 20 years ago if these asset managers wanted a trade order management system they would go ahead and start building one. Today nobody would do that because they can go and buy from a vendor for much less cost and ongoing investment. Therefore, the problem is an organic one. Once built in-house, firms were never able to maintain this level of Middle Office automation because a budget was never allocated to it specifically – the budget would fall between stools and operational automation optimization would erode naturally over time – again, quite significantly.

At IKINDI our innovation is really the *productizing* of this operational automation capability. What we bring to market is a product called The IKINDI KTier™ which is an intelligent investment data highway that allows asset management

companies to automate their operational processes with integrated reconciliations to ensure the data moves through their organization with the necessary validation, enrichment and controls needed to provide accuracy, quality and timeliness of critical data for the end-users. Good and timely portfolio management decision-making is wholly dependent on the quality and timeliness of the underlying data they receive. The IKINDI KTier gets this quality, validated data to them faster and at a much lower long-term cost for the firm than a typical in-house build that constantly needs manual intervention to keep it operational.

**CEOCFO: *Would you tell us about implementation?***

**Mr. Habboub:** We approach the implementation through iterative phases by functional areas & asset classes. We want to quickly address production operational pain points. The phases approach empowers our clients to help redeploy their high-value Middle Office operational resources to revenue-generating and risk management support activities such as performance attribution and risk analytics.

**CEOCFO: *What features do clients take advantage of the most and what might they overlook that you feel is important but just is not getting the traction?***

**Mr. Habboub:** Because this Middle Office function has grown organically within asset management firms with varying levels of data management automation erosion over time, and with no 'out-of-the-box' product available in the market for them to buy until The IKINDI KTier, this function has just continued to be 'mended' on a reactive basis within firms but never actually *solved*. Operational business flows are complex and kludgy at the best of times and firms don't address this issue as a targeted area to fix on a strategic proactive basis in its own right. Instead, the catalyst is a business driver that *forces* operational change upon them such as M&A activity, an operational outsourcing decision being made, a key legacy system being sunset such as Barclays POINT etc. In the meantime, they have a large and hidden operational cost and business risk that continues to deteriorate over time. Because there has been no product out there before The IKINDI KTier, clients have not thought to shop for a solution in this operational efficiency space. They deploy resources to deal with their data breaks with a continued reliance on manual intervention to keep the data clean and timely. Simply put, The IKINDI KTier transforms this area to an exception based operating environment.

**CEOCFO: *Who is using purchasing the solution and at what point?***

**Mr. Habboub:** The IKINDI KTier data management solution is typically purchased by the Head of Operations, Head of IT or Head of Data Management – whomever has responsibility for the operational infrastructure and data quality. The main users of the data are the Portfolio Managers, Performance Analytics & Attribution, Risk Management, Compliance and Finance departments.

**CEOCFO: *Are there regulatory issues that you might fall under?***

**Mr. Habboub:** Regulatory requirements reside with the client in being able to produce accurate data on which they report. The IKINDI KTier helps them achieve this more quickly, more accurately and in a scalable/affordable way that can also support their business-wide enterprise reporting capabilities beyond particular asset classes.

**CEOCFO: *How do you insure security?***

**Mr. Habboub:** We operate in the cloud using the same type of security as that used by retail banks. We continue to see increasing market migration towards the cloud. Operating within the cloud, clients have specific requirements around data segregation & access - all of which we comply with.

**CEOCFO: *What is your geographic range today?***

**Mr. Habboub:** We have offices in North America and Europe, with additional support from India. Because of this, our time-zone coverage allows us to provide global support.

**CEOCFO: *How do you garner attention?***

**Mr. Habboub:** This is a very topical question for us! We appointed a Boston based firm - Revenue Architects - this year to work with us to roll out a comprehensive online marketing presence. This has already helped us attract significant inward attention and interest through blogs, media interviews, white papers, online materials, insights and specialist conference participation which highlights the IKINDI KTier *off-the-shelf* solution as opposed to firms having to build this in-house and then struggle with it. Bloomberg's acquisition of Barclays POINT and the critical value The IKINDI KTier can play in the migration from POINT to PORT and/or other solutions, is also a very timely business driver that is creating a lot of interest from key firms and strategic alliances – we refer to this as *The POINT Imperative* – a time-limited industry driver that is causing firms to consider their operational data management flow environment in a critical way. Our marketing initiatives are beginning to gain significant traction from key players in the market.

**CEOCFO: *Are you funded for the steps you would like to take? Are you seeking partnerships or investment?***

**Mr. Habboub:** We have been purposely self-funded in the past. However, we are now opening up discussions with a number of partnership and investor opportunities and look forward to forging strategic alliances to help distribute The

IKINDI KTier as well as inward strategic investment to help us expand our client base to meet this gap in the market with a productized, scalable solution.

**CEOCFO: *What has changed in your approach over time as more and more people have used your product?***

**Mr. Habboub:** We began as a consulting company with a specialist data management tool that helped our consultants. We always believed in the vision of the cloud and its security and scalability - never wanting to deploy The IKINDI KTier on an individual basis. We have invested heavily in our product over the years – making it more user-friendly, with more 'out-of-the-box' adaptors (such as Barclays POINT and Bloomberg PORT). We have developed The IKINDI KTier so that it can empower our Client's operational environment regardless of the mix of systems they select within their own infrastructure. The IKINDI KTier is system-agnostic. The scalability of KTier across multiple asset classes, and to serve multiple business users has been at the core of our thinking so that The IKINDI KTier forces a disciplined rules-based *process* around how the data is managed and integrated while providing a robust data hub to allow for speed and diversity of asset types, data sources and data destinations. This has resulted in us changing our direction to becoming a commoditized product company with a particular immediate focus on data management and integration solutions for Fixed Income, Real Estate Investments, Middle Office Outsourcing, Middle Office streamlining – buy vs build, and providing a framework for business-wide Enterprise reporting.

Our clients continue to identify new ways in which The IKINDI KTier can be deployed to improve their level of efficiency and to deploy key Middle Office resources from operational to analytical value-added activities.

**CEOCFO: *Put it all together for our readers. Why choose IKINDI?***

**Mr. Habboub:** Strategic investment into the Middle Office in its own right has been neglected in the industry as it has fallen between departmental silos/budgets and as there has been no off-the-shelf software solution available in this space. The IKINDI KTier has changed all that and firms should take this opportunity to see how easily, quickly and affordably they could vastly improve their operational data management and integration flows in support of their Front Office and Risk Management departments.

