

NeMa Europe 2016: The Evolution of the Network Manager

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4th July 2016

NeMa 2016 in Dubrovnik demonstrated a signal change in its agenda. Past topics like 'what is the role of a Network Manager?' were replaced by 'is risk our main priority?' and 'how do we handle the burden of regulation?' The conference adds value in sharing ideas among Network Management teams and now addresses the different challenges that face the Industry.

Important industry issues such as information security, risk and liability, asset segregation and contingency Networks were discussed on day 1 and developed during the main conference. There was a more positive reaction from attendees about the improved value of the whole event.

With forgivable bias, these would be the main takeaways that we would highlight from Dubrovnik:

- “Sustainability of coverage is definitely about technology”
- If the role of a Network Manager has progressed through Risk into handling Regulation, it naturally means that Network Managers need more data, more quickly
- The key challenge facing Network Managers is to make the necessary changes quickly; knowledge transfer and business continuity can only be achieved using clever technology
- Proper management of Regulation and Risk has become a threat in itself: Network Management traditional BAU suffers as a consequence.

Big themes included Information Security: “it’s all about the data”....and Asset Safety. Transparency for the Regulators is key; and with a good system, if Investor security is a Custodian’s priority, then Information Security is the Bank’s priority:

- The use of multiple internal systems is still widespread, increasing operational risk; running an efficient operation, without sacrificing responsibilities, is achievable: use a good, integrated and preferably 'single' system
- It is a waste of time and money using multiple small tool-sets as a hedge against system security being compromised; can internally-provisioned IT ‘part-solutions’ ever provide true data security?
- In a contingency situation, the user must re-start activity as soon as possible; a quick migration and continuity of service are priorities best serviced by a dedicated NM platform
- Most attendees run some sort of contingent Network; whether a hot, warm or cold contingent Network, it is possible to avoid additional overhead if this is done efficiently

- Segregated or Omnibus? With a good system, either way, you can preserve transparency (“keep a record of your value pools”)
- How to pick up obscure invoice expenses that are increasingly being charged? Very difficult using spreadsheets
- Real-time Liquidity Management (RTLTM)/intra-day LM is an increasing concern for Network Managers; the starting point is a proper account database which can link into an RTLTM platform, in turn heightening the influence and relevance of Network Managers
- Critically, RTLTM is potentially a massive cost-saving; these savings can be passed on, because the overall costs of maintaining your Capital cushion will be (much) lower
- Network’s essential value is that it organises all this information, so it needs doing well: if Regulation “keeps Network Managers in business” then keep the Regulators happy.

Our conclusion is that MYRIAD is extremely well placed to address the challenges thrown up by NeMa. Visibility and transparency are the answers to many of the concerns raised in the forum, and these concepts are invaluable assets in a world of information overload.