

GSO's UNIT4 Coda Financials software choice trumps expectations, alternatives

UNIT4 Financial Solution Preferred Over Incumbent ERP Solution Even When Other “Was Free”;

Interoperability, Deep Accounting Strengths, Less Costly Change & Maintenance at Heart of Decision

Overview

The heart of most enterprise resource planning (ERP) software is most often the financial applications suite, where the standard accounting (general ledger, accounts payable, accounts receivable, etc.) functions are handled. In recent years, the importance of this suite has escalated, as combined global, competitive and economic changes have, in many cases, challenged the inherent capabilities of standard ERP accounting suites. These foundational accounting suite products are today at the center of many organizations' operational success.

For that reason, companies are increasingly relying on this collection of financial software applications to support a growing and changing array of reporting and analysis needs. UNIT4's Coda financial management software continues to set the benchmark for global companies with the twin requirements of supporting oft-changing technical interoperability, while performing more sophisticated accounting operations. Known for its focus on Businesses Living IN Change (BLINC)[™], UNIT4 is the leading software provider for organizations facing regulatory, operational, technical or organizational change.

The Need

In the world of 'Big ERP' software companies, versus best-of-breed providers, 'big' vendors trump 'little' in annual sales, but not always in effectiveness. This is especially true when the largest software vendors are often willing to give away additional software modules to prevent competitive intrusion. Software buyers doing their homework, however, often find that bypassing that short-term deal you seemingly can't refuse, often produces operational (and long-term financial) advantages.

This was the case with the GSO Credit Division (“GSO”) of New York City-based Blackstone Group, a leading global alternative asset manager, and provider of financial advisory services. While committed to standardizing corporate-wide on Oracle's enterprise software solutions for management company accounting, the GSO Group sought an international-supporting accounting software suite for its hedge fund and collateralized loan businesses. Encouraged by GSO's Management to consider the incumbent multi-billion-dollar ERP giant, the group's technology management did its due diligence – and opened the playing field to others as well. The UNIT4 Coda Financials solution, known among Chief Financial Officers and Chief Technology Officers globally as a highly sophisticated best-of-class option supporting business change on multiple levels, was selected.



G S O

CAPITAL PARTNERS

EMBRACING CHANGE

The Benefit

For some organizations, standard accounting applications attached to core ERP suites is enough to meet core business requirements. But for the rapidly-changing world of Hedge Fund accounting, the difference in requirements is substantial.

“Management company accounting and fund accounting are two very different areas,” explains Patrick Ochs, CTO, GSO. “Management company accounting is a lot flatter, while the level of detail required on the P&L (profit and loss) reports for funds accounting is far more substantial. Having a detailed level of accounting data at our fingertips, along with the audit trails, is critically important to us.”

Mr. Ochs outlines four core reasons why GSO selected the Coda Financials solution:

1. Coda's Advanced Multi-Currency Reporting Strengths.

With a large European business and extensive multi-currency roll-up needs, Coda provides GSO with GAAP currency translations performed at a deep, comprehensive level unparalleled in most ERP solutions. “This flexibility is key for us not only to calculate FX (foreign exchange rates) P&L accounting, but also to track an individual position level on a specific fund,” explains Mr. Ochs. “We have to be able to compare/calculate our actual investments, which is an area where most ERP accounting solutions fall short. The depth and detail of the Coda solution is extremely sophisticated, accurate and change-ready.”

2. Coda's Comprehensive System Interoperability.

While most ERP suites tout system interoperability between their own corporate modules, and offer rudimentary API's (application programming interfaces) to connect disparate solutions, a lot of capabilities (and sometimes even accuracies) can get lost in the translations. Coda Financials operates for many companies as the central corporate financial repository, due to its deep and change-supporting interoperability. “GSO provided Coda Financials with the dual challenge of working within our own proprietary (.NET-based) architecture that we have been developing over the past seven years, AND feeding fund accounting results into the Blackstone corporate ledger for consolidated reporting,” Mr. Ochs says. “We slotted Coda seamlessly into our existing architecture at the lowest level of detail, including all cash flows, daily accruals, valuations and trading movements.”

3. Coda's Rapid Deployment Model.

Many organizations these days have neither the IT resource bandwidth, surplus dollars, nor the luxury of an open-ended timeframe to undertake a multi-year software deployment project. Many others have proprietary (and critical) operational software that they want to continue to leverage. For these companies, Coda offers the best of all worlds. “We didn't want to spend years to put in a new accounting solution, we wanted to deliver results in months,” declares Mr. Ochs. “We benchmarked what was a huge and comprehensive project to implement 22 different entities with millions of entries, against a goal of a six-month maximum timeframe. Coda was installed and running in three months – half the time we had projected and a small fraction of what it likely would have involved implementing other vendor packages.”

4. Coda's Easy, Change-Supporting Maintenance.

Whether a software license is given away for “free” or not, shrewd CTO's know that, by far, the largest costs surrounding any software deployment are the ongoing maintenance and change fees – which often run 5-to-1, 10-to-1 or even higher. “Long-term cost of ownership was another critically important deciding factor in Coda's favor because change is a constant in the financial services world,” Mr. Ochs continues. “Just this year we acquired Harbourmaster Capital Management, a Dublin-based CLO Manager. We now have to add into Coda six additional entities that are multi-currency and were not part of the original implementation scope – and this will be seamless and fast due to the deep level of integration we were able to achieve with Coda.”

GSO executives add additionally that there is an intangible value to selecting Coda Financials that is hard to quantify, but apparent to UNIT4 customers like GSO that are operating at a rapid pace of business. “What I like best is their responsiveness – they always come through quickly when we call and the service is terrific. There is a level of personal service and dedication that is hard to find in business these days.”



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Patrick Ochs, Chief Technology Officer, GSO



About UNIT4 Business Software

UNIT4 Business Software is the North American subsidiary of UNIT4, a global business software and services company that creates, provides and supports software for Businesses Living IN Change – delivered via the cloud or on-premise. We offer solutions that help these fast-changing public, private, non-profit and higher education organizations embrace business change – simply, quickly and cost-effectively.

Our financial management software, UNIT4 Coda Financials, is ideal for businesses with fast-changing and mixed-application environments that pursue a best-of-class systems strategy. Acting as a financial information hub, Coda links key operational applications together for a no-compromise approach to real-time financial visibility, interoperability and control – across people, processes and systems.

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UNIT4 Business Software
1000 Elm Street, Suite 801
Manchester, NH 03101
USA

UNIT4 Business Software
201-4420 Chatterton Way
Victoria BC, V8X 5J2
Canada

T 1.888.247.3776

B blog.unit4software.com

E info@unit4software.com