

# Winners' Circle: SmartStream Technologies

## Maintaining momentum

For the second year running, SmartStream Technologies wins the best reconciliation platform category at the WatersTechnology Asia Awards. We speak to Vincent Kilcoyne, executive vice president, global product management at SmartStream, to find out how the business stands out from its competitors in Asia, what enhancements the market can expect from its TLM Reconciliations Premium solution, and how it plans to continue to address the unique challenges that firms are facing in the region.

**Q** TLM Reconciliations Premium has won yet again at the WatersTechnology Asia Awards, following numerous other award successes in Europe and the US. What do you believe separates TLM Reconciliations Premium from other offerings in the reconciliations space?

**Vincent Kilcoyne, executive vice president, global product management at SmartStream Technologies:** At SmartStream, we find that our deep understanding of financial markets data is critical to be able to serve the emerging trends in the Asian market. You have to be able to process vast quantities of data and have robust processes and transparency around it. Crucially, you need to satisfy not only your internal control and compliance, but also external regulatory oversight. We have made significant investment in our organization and solutions to deliver this to financial institutions. More recently, we have begun to diversify to non-bank financial institutions, such as companies engaged in fintech, payment processing and telecoms.

**Q** Can you tell us about the specific challenges that financial institutions and non-bank financial institutions in Asia are facing in terms of reconciliations?

**Kilcoyne:** Many organizations in the financial markets in Asia have to contend with the three V's of data: volume, velocity and variety. The challenge for any institution is the consumption of that data, the ability to harness and onboard it into their systems, but above all to have a clear, controllable environment that satisfies both internal policies as well as regulators. We specialize in reconciliations for the financial markets domain, where it is not simply a case of matching one with one. It is much more complicated than that. You are matching many with many, one with many, many with one. At SmartStream we have a solid understanding of the ontology of the data, which is critical to address the sheer volume, velocity and variety of data that firms in Asia are dealing with.

**Q** What does SmartStream have planned in terms of new reconciliations functionality that it will be rolling out in the next 12 to 18 months?

**Kilcoyne:** When we look at the ways in which the market is evolving, some of the key challenges are the increased complexity and speed at which data is arriving at organizations. This is why we have invested in artificial intelligence (AI) and our new product, Affinity. Through Affinity we are able to analyze and onboard data to explain why it was processed, why it was matched and why it was reconciled with other data. This "explain functionality" is then made available

to end users, internal audit and regulators. That really makes it possible for us to take full responsibility and control over the lifecycle of the data. Firms are then able to drive efficiencies that can feed straight into the bottom line.

**Q** What specifically does Affinity allow users to do with respect to managing their reconciliations and how do businesses benefit from it?

**Kilcoyne:** When SmartStream started the development of its AI functionality, we recognized that a main goal was to improve the operational efficiency of organizations. In some cases, that is done by watching what people do. In others cases, it is done by observing what the data tells you. We have the ability to use our traditional technology to analyze the data according to rules that get us to a particular outcome. Then Affinity is used to see what the data is actually telling me—why has it recognized certain things and why have processes been matched against another dataset. This delivers benefits in terms of onboarding, innovation and recognizing previously unrecognized data. Affinity outperforms matching rates of anything else available in the market today. Client projects have been very successful and they are estimating at least 20% cost savings for their reconciliation business.

**Q** How do you see the reconciliations space in Asia develop over the coming years and how do you intend to keep your market leading position?

**Kilcoyne:** What's interesting about Asia is that we expect to see major growth in the number of non-bank financial institutions that are offering financial services. This in turn means there is going to be significant growth in the volume and velocity of data that is then potentially arriving at banks. A high quality in response, automation and exception management are going to be critical in identifying and managing fraudulent situations. We have always engineered our solutions to address the scale problem and to be able to serve organizations that process multiple millions of transactions every day. You can't process this in a batch manner; you need to consume and process it in real-time. This is exactly what we specialize in. [wt](https://www.waters-technology.com)



**Vincent Kilcoyne**  
SmartStream