Commenting on the data, Baker notes: "This is unsurprising and

Of the remaining responses, 16 percent opted for control, 14 percent chose geography, and value and organisation were selected by 10 percent apiece. According to Baker, the responses
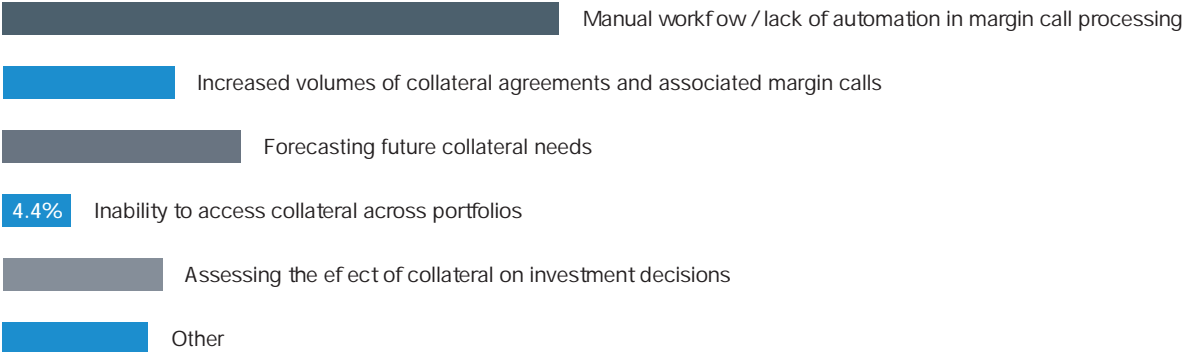
Manual workf ow / lack of automation in margin call processing

Increased volumes of collateral agreements and associated margin calls

Forecasting future collateral needs

4.4% Inability to access collateral across portfolios

Assessing the ef ect of collateral on investment decisions

Other

As it stands, according to the survey, 48 percent of responmdents currently access a vendor stack solution, while 33 percent build internally and 19 percent have trundled along with Excel-driven manual processes   .

"Overall, we would expect third-party vendors to have the slight edge in the market split," says Baker. "Going forward, manual-only processes will be simply unsustainable. Outsourcing will also see a decline, as we continue to hear many f rms express concern over lack of timeliness and control of data. I would also question whether in-house builds are truly scalable and cost-ef cient in the long run, and whether they are able to maintain and upgrade the technology in the same way a vendor can."

Beyond the initial need to f nd a solution to new market challenges, savvy businesses will also have a view to maintaining a wider strategy to ensure seamless processing of transactions throughout their systems. The danger of utilising a patchwork of in-house and outsourced systems is the creation of a network that is unable to communicate ef ectively.

SimCorp argues that pulling all collateral management processes under a single umbrella is the only way to ensure an ef cient workf ow.