

# Partnership Is The Only Option

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**International Securities Services catches up with SmartStream's new CEO, Haytham Kaddoura.**

Three months into the era of Haytham Kaddoura as chief executive officer of SmartStream, the Dubai government-owned global provider of software and managed services in the financial industry, momentum is beginning to build for change and improvement.

Installed as CEO at the beginning of May to mastermind the continuance of its rapid growth, Haytham Kaddoura is acknowledged as the right man for the job at this challenging time.

The SmartStream board and principal investors agreed unanimously on his appointment to steer the company forward, running it imaginatively and efficiently with particular emphasis on the SmartStream Reference Data Utility (RDU).

Prior to his appointment as CEO, Haytham Kaddour joined SmartStream in 2007 as an adviser to the Board bringing nearly 20 years of experience in investment advisory, asset management, corporate restructuring, strategy formulation and execution for boards in prominent corporations across the GCC and the greater MENA region.

The creation of the first true industry-backed reference data utility is a cause for celebration, especially with the backing of three of the world's best known financial industry names: Goldman Sachs, Morgan Stanley and JP Morgan. That explicit backing takes the form of shared minority ownership of Reference Data Services Inc, the entity created by SmartStream and the culmination of five years of effort to build the utility. Working under the code name SPReD (security product reference data), the SmartStream RDU and its partners have now delivered a utility which occupies a unique space in the industry. The work involved has seen Smart Stream arguably do more than anyone else has done anywhere in the world, to standardise, streamline, cleanse, consolidate and enrich financial data. Financial Institutions had been looking for a new approach to managing their data, the poor quality of which had in effect contaminated the transaction chain; in addition, the trend since the financial crisis that hit the front pages in September 2008 with the collapse of Lehman Brothers for ever-increasing regulatory obligations had put processes under stress and budget constraints demanded that firms do more with less.

Individually, firms had been looking to efficiently execute on their data governance policies and were not willing to start again from scratch or persist with the practice of buying more data, knitting it together and adding new systems without any guarantee of results. SmartStream thus created the Reference Data Utility (RDU), delivering multiple benefits to multiple industry players.

The SmartStream RDU's core principles are threefold. One, it is a data solution not just a technology or people approach. The utility proactively mutualises the solutions to industry-wide problems through the application of best practice rules and processes. This delivers data of an assured quality, integrity and timeliness at a lower cost than any other solution and runs this process in accordance with customer standards.

Two, results are guaranteed and outputs are defined by the customer, which cover requirements from a technical and operational perspective that measure against quality, timelines and integration standards. These outputs are specified and protected by a client defined service level agreements (SLAs) incorporating not just utility processes but client-driven controls.

Three, flexibility is assured through the governance of SLAs, supported by the dynamic design of the utility-enabled technology and applied through a client focused operational framework. This allows customers to mitigate against the ever increasing cost of change.

Haytham Kaddoura has wasted little time in getting down to brass tacks, surveying everything that contributed to SmartStream's financial performance: the range of products, focussing on the bottom line, ebitda, accounting processes and global resources. "We needed to carry out a complete review and prepare for a major overhaul," he says. "What is good? Let us make it better. What is the future? Make sure we invest in it. How high is our quality? Let us make it higher still." He has so far split his time between New York, London, the APAC region and Dubai, from where he originates, speaking directly to as many of his new colleagues as humanly possible and quickly formulating a plan for SmartStream to adopt as its reworked strategy. Certain behind-the-scenes changes have been made already. More will come, making the company stronger, more responsive and more proactive, instituting and supporting processes and areas designed to enable it to deliver more of what people want and expect SmartStream to do.

An essential element in forging the future of SmartStream in a dynamic international environment is the empowerment of executive teams, pledges Haytham Kaddoura. "SmartStream is international, with 25 offices in 20 countries. They all need to be able to make the decisions necessary to meet client needs without constantly referring to the board of directors. We are committed to nothing less than changing the very mindset of the organisation and recreating the business."

“We need to deliver what our clients are asking for in the tightly knit partnerships we forge with them, to ensure that all our solutions are as good as they can be and deliver exactly in accordance with our manifesto promise to be a true partner.”

The emphasis on partnership is crucial, stresses Haytham Kaddoura. Partnership is not an option. Partnership is the only option. We can expect great things, he promises. The revolution has begun.