With the hindsight of the dot com shakeout, companies are focusing on the pragmatic application of Internet technology as a tool to improve existing core business functions. Organizations seek a well-defined, practical approach that delivers measurable results to the bottom line.

E-enabling a critical business process is proving a sensible way to tangibly measure the ability of Internet technology to add strategic and financial value to a firm. The goal of e-enablement is to leverage the Internet as a real-time distribution channel that gives key decision makers the power to quickly access, analyze and share rich data throughout the organization and take advantage of business opportunities. The Internet is a powerful resource for achieving an integrated solution across processes both within a company and with external partners. Successful integration with a company’s financial services provider and other significant business partners enables the development of an end-to-end solution and the realization of improved efficiency.

**eINVESTMENT: THE MEANS TO AN END-TO-END SOLUTION**

Effectively managing liquidity has a positive impact on working capital efficiency. The timing of investments can critically impact yields. This makes the active management of liquidity and the possibility of intra-day investing an attractive alternative to passive end-of-day investment management. Liquidity and investment management are therefore ideally suited to e-enablement and the real-time environment the Internet offers.

The new eInvestment suite of investment services offered by JPMorgan Treasury Services illustrates the practical application of the Internet in e-enabling a set of business processes to achieve an integrated business solution. JPMorgan offers treasurers and cash managers a broader choice of distribution channels by providing the ability to actively manage operating cash by using a range of liquidity and investment options in a secure, real-time Internet environment.

E-investment achieves integration on two fronts: by linking the ability to conduct transactional banking functions and asset management services across JPMorgan and combining the execution of the multiple tasks required to make informed investment decisions—from reviewing up-to-date market information and making investment choices to initiating the movement of funds to or from investment vehicles. In so doing, eInvestment provides a truly end-to-end solution that harnesses the Internet for greater efficiency across the full set of processes related to managing liquidity and investments.

**HOW eINVESTMENT WORKS**

JPMorgan’s eInvestment platform provides clients with a single portal through which they can access consolidated cash balance information for accounts held with JPMorgan Treasury Services and other financial institutions, consider a variety of investment alternatives, execute their investment choices and transfer the necessary funds. An information portal easily customized additionally provides up-to-date market information—including historical pricing of money market funds, short-term money market rates, proprietary research and yield curve data—to help treasurers and cash managers make informed decisions. In this way JPMorgan’s Internet portal combines timely and relevant information with value added services.

Clients can use cash concentration tools to aggregate their excess cash positions and then make investments. They can designate parameters for a variety of investment options as well as pooling and sweeping arrangements. For example, a client could conduct an online review of multiple accounts, invest the

The goal is to harness the Internet not only to deliver information, but also to support treasury in converting that information into knowledge.
partial balance of one account in a preferred instrument, pool the remaining accounts and sweep the positive net balance into an offshore investment vehicle.

After completing authentication, the user’s individual profile determines the level of system privileges allowed, including the functions and accounts to which access is permitted. The client must register correct security authentication for each transaction—this provides the highest level of security. If the user were to leave a computer terminal unattended, no one else could initiate a transaction. These features underscore the rigorous standards established for the portal, bringing a heightened level of security to the investment process.

SECURITY IS A KEY FEATURE
JPMorgan, as one of the world’s largest global financial institutions, meets the most stringent privacy and security standards. The Web portal, using JPMorgan’s existing global client access Internet hub, incorporates standard security processes to control all access during an online session.

Liquidity and investment management are ideally suited to e-enablement and the real-time environment the Internet offers.

ON THE HORIZON: HARNESSING THE POWER OF KNOWLEDGE
JPMorgan is already looking to future developments to again raise the bar on liquidity and investment management. JPMorgan will introduce intelligence modules and partner with technology providers to offer additional value-added services. Future plans also call for forecasting modules and portfolio management capabilities. The portal will provide information such as a portfolio’s performance, credit availability, outstandings, costs and risk factors. Advanced tools for data manipulation will also be available.

The goal is to harness the power of the Internet not only to deliver information, but also to support treasury in converting that information into knowledge. And that would create a powerful value proposition for clients seeking to better manage working capital and improve the bottom line.

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