

Reducing costs and optimizing operations with a modern technology platform

KEY TAKEAWAYS

CONSOLIDATED TECHNOLOGY AND OPERATIONS

In Broadridge, the firm found a solution for both its post-trade processing technology needs and operations management.

SMOOTH TRANSITION

By bringing in Broadridge Financial Services Business Process Outsourcing, the firm optimized savings and reduced risk during its conversion to Broadridge's technology platform.

SHARED VALUE

A shared platform allowed the firm to reduce regulatory costs significantly. Broadridge business process outsourcing team members have in-depth experience and industry knowledge and can provide industry advocacy, ongoing insights and best practices.

Through Broadridge business process outsourcing, our client mutualized the costs of keeping up with regulatory changes, leading to significant savings.

CONTACT US FOR MORE INFORMATION

+1 800 353 0103

COSTLY CHALLENGES

When a global financial services firm needed to upgrade aging proprietary technology for its U.S. business, it realized the costs to do so would be excessive and not an optimal use of capital. Instead, the firm sought capable technology providers to replace its technology platform. Rather than bring in multiple vendors to replace its equities and listed options platform, the firm chose a single partner, Broadridge, because of its proven technology platform and business process outsourcing offering. Broadridge managed the costs associated with operations support for the firm's post-trade processing while positioning the firm for future growth.

A NEED FOR INNOVATION

As a U.S. primary dealer and a top-five dealer in the mortgage backed securities market, the firm had been using Broadridge's fixed income solution supported by in-house operations staff for post-trade processing. For its U.S. equity and non-dollar business, the firm was using a proprietary mainframe platform, which was aging and needed to be upgraded. Due to attrition, the group could no longer support the outdated system with in-house experts and decided not to invest further in the platform. Also, the implementation of the T+2 settlement cycle loomed on the horizon. This significant change would impact the industry and was the catalyst for the firm's exploration of new technology solutions.

CORE BENEFITS

- Savings on technology and operations costs
- A broad set of technology and operations solutions from a single source
- Savings through mutualization of regulatory costs
- Network value derived from innovation that can be shared among all network participants
- Scalable, high-volume processing

CASE STUDY

The firm recognized regulatory changes could be costly for those not on a mutualized platform and it could end up spending \$15 million to \$20 million annually maintaining in-house technology to remain compliant. Broadridge offered a shared technology platform that would greatly reduce costs associated with regulatory changes. Through the platform, the firm could benefit from mutualizing costs and remain in step with the latest regulatory changes and industry initiatives.

The customizable, shared technology platform provides scalability, reduced complexity and faster transaction cycle times. In addition, clients derive network value from the large number of clients leveraging the platform.

BUSINESS PROCESS OUTSOURCING SOLUTION

In addition to using the equities post-trade processing technology platform, the firm chose Broadridge business process outsourcing for its equities and fixed income post-trade operations.

This allowed the firm to reduce fixed costs related to staffing and gain key benefits, including a U.S.-based supervisory model that leverages a “follow the sun” operating model.

Broadridge’s expertise in business process outsourcing includes leadership with more than 30 years of industry experience, multiple industry registrations and active participation in multiple industry committees.

OPTIMIZING OPERATIONS

To accelerate savings and reduce risk, Broadridge business process outsourcing took over the fixed income post-trade operations before the firm converted to the new equities platform and went live within six months of signing the contract.

Broadridge, a global Fintech leader with over \$4 billion in revenues and part of the S&P 500® Index, provides communications, technology, data and analytics. We help drive business transformation for our clients with solutions for enriching client engagement, navigating risk, optimizing efficiency and generating revenue growth.

broadridge.com



© 2020 Broadridge Financial Solutions, Inc., Broadridge and the Broadridge logo are registered trademarks of Broadridge Financial Solutions, Inc.

CM_00022_CS_20

For the firm’s equities and non-dollar business processing, the Broadridge team quickly learned the firm’s proprietary platform and effectively took over responsibilities for day-to-day operations. The team then helped ensure a successful equities technology platform conversion.

Broadridge took on the responsibilities of approximately 80 operations staff members at the firm. It added to its growing ranks of industry professionals from multiple clients by hiring 12 of the firm’s employees. This brought in experienced operations professionals who knew the firm’s culture and understood the front-to-back-end processes, smoothing the operations transition. The firm was able to reallocate its remaining staff. The business process outsourcing team helped the firm set up and train the supervisory team to oversee Broadridge business process outsourcing operations.

A SETUP DESIGNED FOR GROWTH

Through the transformation, the firm shifted from its in-house technology and fixed-cost staffing model to Broadridge’s variable-cost model. By using Broadridge business process outsourcing, the firm improved processes, elevated service level agreements, and gained economies of scale to reduce risk and costs. The firm also benefited from best practices and mutualized costs from Broadridge’s vast network.

**Broadridge is regulated by FINRA,
which reduces overall risk for clients.**



Broadridge®

Ready for Next

Communications
Technology
Data and Analytics