

# Global tier 1 bank transforms operations to fuel long-term growth



## KEY TAKEAWAYS

### TRANSFORMING OPERATIONS

Broadridge offered the client complete full-time support with stringent SLAs around each function, and contractual liability for operational errors. Proprietary tools allowed Broadridge to measure, monitor, and report on a wide range of operational metrics for complete performance transparency.

### MITIGATING RISK

Risk was mitigated by strong operational controls: all processes were well documented at the procedural level, and the impact of key personnel loss was eliminated throughout the operation.

### EXPANDING SUCCESS FOR GROWTH OPERATIONS

Given the success of the U.S. operations, the client has expanded the scope to include technology and operations outsourcing for their global brokerage operations. This client is well positioned to tackle new opportunities and manage volume swings with confidence, speed and efficiency—paving the way for long-term growth.

### CONTACT US FOR MORE INFORMATION

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### TACKLING COMPLEX GLOBAL CHALLENGES

In the aftermath of the financial crisis, government regulations added cost and complexity to bank processes. Leading firms looked first towards technology as the way to improve margins. This Tier 1 bank is one of many that relies on the Broadridge Technology platform for post trade processing.

But technology is no longer the limiting factor. Market seasonality, staff attrition and capital requirements add pressure to already stressed processes. Post-trade processing is one area where scale, automation and experience can make a dramatic difference.

By outsourcing non-differentiating functions, this client could future-proof their business, linking costs to volumes and service levels. As a trusted outsourcing operation for 30 broker-dealers, Broadridge provided the expertise, best practices and flexibility they needed to reduce costs, mitigate risks and eliminate unnecessary capital and resource investment.

### ACHIEVING A COMPETITIVE ADVANTAGE

Given the highly technical and sensitive nature of these operations—including the exposure to financial and regulatory risk—it was critical to choose a provider who could process complex, high-volume trades and reconciliations with speed and accuracy. They selected Broadridge Financial Services Business Process Outsourcing to handle post-trade processing for their institutional broker-dealer in the U.S.

### CORE BENEFITS

- Outsourcing non-differentiating functions helped future-proof their business, link costs to volumes and service levels
- Significant cost savings and increased straight-through processing rates
- Freed up operating capital, reduced risk and enhanced service
- No impact to the customer experience or organizational stability

## CASE STUDY

Broadridge's innovative, outcomes-based Business Process Outsourcing model aligns technology, personnel and workflows to achieve operational excellence. This approach provides an enhanced client experience and significant cost savings, resulting in a strong competitive advantage. Deployed in less than six months, this integrated solution achieved cost mutualization quickly by combining experienced staff, best practices, and award-winning technology.

Broadridge now supports all of the client's U.S. domestic equity and fixed income post-trade processing, including regulatory accounting and compliance, clearance and settlement, tax operations as well as government settlements and stock loan operations. A comprehensive governance and control model, developed under SEC and FINRA scrutiny, establishes ongoing oversight policies that give the client, auditors and regulators confidence that investors' interests are never compromised.

### TRANSFORMING THEIR OPERATIONS

Broadridge offered the client complete, follow-the-sun support with stringent SLAs around each function, and contractual liability for operational errors. Proprietary tools allowed Broadridge to measure, monitor, and report on a wide range of operational metrics for complete performance transparency.

Risk was mitigated by strong operational controls: all processes were well documented at the procedural level, and the impact of key personnel loss was eliminated throughout the operation.

With a deep domain expertise, Broadridge easily provided additional support in times of high transaction volume. The team completed the transition from in-house operations to full Business Process Outsourcing quickly, with no impact to the customer experience or organizational stability. Ongoing investments in infrastructure ensure superior performance and scalability.

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](https://broadridge.com)



Currently Broadridge Business Process Outsourcing oversees 30 broker dealers with more than 19 million customer accounts, with over \$600 billion in assets and ~2 million daily trades. The team settles nearly \$11 trillion in assets every month and the clients account for 20% of the daily US institutional fixed income trade volume.

**Given the success, the client is now outsourcing technology and operations for their global brokerage operations.**

### RESULTS

With Broadridge Business Process Outsourcing, this global firm realized significant cost savings and increased straight-through processing rates within the initial contract year. In addition to freeing up operating capital, they reduced risk and enhanced service. Specific benefits include:

- 100% reduction in aged options security number exceptions
- 90% reduction in aged P&S day-breaks
- 50% reduction in aged dividends receivable values
- 40% reduction in average daily count of Stock Loan DTC custody breaks
- 24% reduction in average equity T+2 trade breaks

The client upgraded from Broadridge technology to a full BPO solution in less than six months, and many of their staff were transitioned to Broadridge. Today, this client is well positioned to tackle new opportunities and manage volume swings with confidence, speed and efficiency—paving the way for long-term growth.



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