Outsourcing mid-to-back office investment operations helps firms face the future

More and more firms are advancing their business operations and technology infrastructure as a source of growth and competitive advantage. Through effective outsourcing partnerships, these firms access premium technology and operational expertise that takes on work so they can focus on top-line growth.

~60% of companies have existing outsourcing relationships*

30% of companies are looking to outsource additional processes*

What are the key criteria you consider when looking to outsource parts of your business?*

* Waters Technology 2020 survey of 110 global firms

> **50% of CFOs say that their teams lack the right skills mix to meet evolving business needs.**

— PwC's Workforce of the Future: the competing forces shaping 2030

5 benefits of outsourcing middle-to-back office financial operations

1	2	3	4	5
Gain	**Abandon**	**Reduce**	**Meet**	**Access**
EFFICIENCIES AND SCALABILITY	EXISTING SOLUTIONS AND CLUNKY SYSTEMS	TOTAL COST OF OWNERSHIP (TCO)	CLIENT AND REGULATORY DEMANDS	EXPERTISE AND SKILLS

Hosting operational software and infrastructure is a first step
(but the three main hosting options are not equal)

On-premise software installation
requires in-house data centers and IT staff for software administration

Full-service hosting installations
provide an off-site data center and the IT staff to implement and maintain it

Third-party "cloud" installations
provide server space to host the solution, which in-house IT staff would need to implement

SS&C offers full outsourcing as well as outsourcing services across five competencies

SS&C works with you to deliver outstanding full-service hosting and outsourcing

We conduct workflow analysis and develop a customized solution for each client's specific requirements to suit your business strategy, needs and budget.

We build operational procedures around automation workflows for the variety of data sources and formats involved.

We do the groundwork to understand file layouts
- Build import and load processes
- conduct file format transformations
- configure a robust workflow customized for each client

Our processes fit clients' needs, not the other way around

Outsourcing in practice a typical daily routine

Overnight:

The Hosting team manages the batch processing of data feeds from our market data service and other data sources, checking interfaces and monitoring activity to make sure files are received, and to track down any missing ones.

8:30 am local time:

Outsourcing operations team investigates price issues on the client's behalf and ensure files were correctly processed.

1:00 pm local time:

Reconciliation completes - a significant task that saves a client from needing full-time staff on hand to do the work. The Outsourcing team may also run performance reports using our performance management and attribution service during the day, as requested.

5:00 pm local time:

Outsourcing operations team ensures that all trades processed by the client throughout the day are updated in the client accounting system, and resolves gaps.

6:00 am local time:

Clients are sent key start-of-day control reports (price variance, missing or stale prices) generated via batch processing automation. Custodial files received overnight via our third-party data collection and management service are loaded into our investment data reconciliation service.

10:00 am local time:

Outsourcing team researches exceptions from the reconciliation process and works on any client ad hoc requests, updates, extracts, etc. The team investigates reconciliation breaks (when records between two systems don't match) and fixes what it can – or contacts the client if client data, which we do not alter, needs fixing.

Late afternoon:

Outsourcing provides the client updated cash and transactions reports, along with any other end-of-day reports that are part of the client's process.

Periodic:

The Outsourcing operations team may also handle monthly and quarterly projects, such as using our client communication and reporting service to produce statements - running the whole report-generation process, from system set up and file ingestion to report delivery.

Proven, comprehensive outsourcing services from SS&C*

- **Providing outsourcing services to the middle-to-back office for 25+ years.**
- **Dedicated operations team of 2+ resources** per client, depending on client size, providing customized services
- **5,000+** automation tasks run and managed on behalf of clients daily
- **Reconciliations handled** daily on over **4.6M** holdings
- Accounting platform processing services across over **100,000** client accounts
- **3,000** inbound files processed daily, on average; more than **45,000** files exchanged daily
- **35,000+** monthly reports and **300,000** quarterly reports produced
- **0** business process interruptions occurred in 2020, despite COVID-19

* Source: SS&C Institutional & Investment Management Operational Services

SS&C Outsourcing Services: Beyond hosting
Download Whitepaper

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