

Case Study

Firstsource helps major custody bank create global efficiencies – Alternate delivery hub set up in 90 days



Background

A major U.S. custody bank wanted to de-risk their operations, expand global footprint for 24/7 operations.

The Solution

Firstsource rapidly deployed large scale operational infrastructure, institutionalized recruitment, training and retention and executed the migration plan for seamless transfer of different custody operations processes.

Key Benefits

The bank's operations center was set up in less than 90 days, and then significantly ramped up over a period of 3 years. The bank was able to leverage global talent and "follow the sun" advantage, enabling 24/7 service to its clients.

► Background

The client, one of the world's largest custodial management firms, controls assets of over \$3 trillion and administers over \$650 billion in accounts. The bank wanted to expand their global operational footprint by establishing delivery centers in addition to their North America and European presence. This was done to:

- Reduce operational risk by diversifying across multiple geographies
- Expand their delivery to provide 24x7 processing
- Leverage the efficiencies of global talent

The bank needed an experienced partner to execute this strategic business goal of establishing a new global operations center.

Firstsource was selected as the partner based on its credentials and successful track record. The new center delivers complex, high quality services in the custody operations processes covering - portfolio valuation and reconciliations, settlements, billing support and performance audits.

► The Challenge

The client's internal assessments indicated that operational limitations were due to a shortage of regional operational hubs - 1 each in Europe and North America. This resulted in:

- An incomplete "follow the sun" strategy, limiting the ability to provide continuous 24x7 service
- Increased Business Continuity Planning (BCP) budgets and resource allocation as operational hubs were in expensive geographies
- Challenges in recruitment, training and creating strong operations teams

The business need was for an additional operational hub in a different time zone from existing centers and afford lower costs. The management team of the client was challenged by lack of experience in such large scale migrations, of complex processes and local recruitment and training expertise.

► The Solution

Firstsource was selected based on its ability to seamlessly transfer knowledge, leverage best practices of large scale infrastructure deployment

and institutionalize recruitment, retention and training while ensuring the end customer felt no impact. Firstsource was also favored for its understanding of the client's business environment and processes.

Firstsource created a dedicated team comprising senior management, relationship management personnel, project managers, facilities experts, human resources and subject matter experts. The goal was to set up a dedicated operational hub in India within 6 months and select deliverables included:

- Selecting a final location for the operational hub
- Creating a project/program plan
- Processes for procurement
- Recruitment of key personnel and standardization of global policies in line with local practices
- Prioritizing business processes in the order they would begin operations
- Training delivery
- Creating a knowledge repository, desktop procedures for the various process where none existed

Firstsource leveraged its project management expertise and deployed proprietary transition methodology i-Kit[®]. The entire project time line was divided into independent, measurable solution components and assigned to appropriate business owners from Firstsource. These business owners included the HR leader, Technology Architect, and Subject Matter Experts (SMEs). All solution components were linked to a Service Level Agreement.

This rigorous tracking and management system ensured all project components were completed on schedule.

The Benefits

Firstsource's effective project management, proven migration methodologies and clear metrics delivered tangible benefits:

- **Facility Set up**
The new center became operational in 90 days, exceeding the client's stated business

goals. A joint management approach with Firstsource was implemented for the rapid procurement, installation and commission of equipment and infrastructure. This win-win approach allowed both companies to achieve the best value available

- **Operations**
SMEs provided support for IT systems implementation and training. Creation of a comprehensive knowledge repository helped institutionalizing training
- **Human Resources**
Best practices in recruiting and HR programs enabled operations to begin with skilled and qualified employees. Firstsource was able to recruit superior talent, train and deploy them due to which the client operation ramped up significantly in less than 3 years timeframe
- **Migration**
Firstsource executed a transition plan that mitigated risks and maximized efficiency. Prior to commissioning the center, the client's processes were analyzed and mapped. This ensured a smooth launch by providing the migration team the reference points to establish the needed training, support and infrastructure

Firstsource (NSE: FSL, BSE: 532809, Reuters: FISO.BO, Bloomberg: FSOL@IN) is a global provider of BPO (business process outsourcing) services headquartered in India. Firstsource provides customized business process management to global leaders in the Banking & Financial Services, Telecom & Media and Healthcare sectors. Its clients include Fortune 500 Financial Services, Telecommunications and Healthcare companies. Firstsource has a global delivery model with operations in India, US, UK, Argentina and Philippines. (www.firstsource.com)