

Registered investment advisor uses PORTIA's outsourcing services

Business challenges

In the mid 2000's, the client was outsourcing their middle-to-back office operations when their service provider exited the business. As a result, the client had a decision to make – should they find a new outsourcing provider or bring some or all of the work in-house? As they were already realizing the many benefits of outsourcing, they looked to find another provider. They chose PORTIA Outsourcing Services because:

Business expertise

Not only does PORTIA have extensive experience with outsourcing, but PORTIA also has depth and expertise across the entire asset management middle-to-back office. The services provided by PORTIA Outsourcing Services span the needs of the asset manager, from investment accounting and client reporting to complete facilities management including hosting and disaster recovery. Unlike many other outsourcing providers, PORTIA leverages its world-class software to power its outsourcing solutions, providing control over the technology and its advancement. The client felt strongly that investment technology is at the core of their business and recognized PORTIA's leadership in this space.

Leverage of existing solutions. PORTIA's outsourcing solution would not require the client to convert from their OMS since the integration could be maintained and hosted in PORTIA's data center. In addition, PORTIA Outsourcing Services manages systems to handle reconciliation, performance, website hosting and management reporting – all of which were key to the client's business requirements.

Flexibility

The client looked to alternative outsourcing solutions, such as banks, and found many were a "one-size fits all" solution, providing many services not needed by the client and making the offering cost prohibitive. The client needed a provider with a flexible solution that allowed them to choose the services they required. PORTIA worked with the client to understand their organizational structure, providing options and developing a solution to help.

Company

NY-based Registered Investment Advisor

SS&C product(s)

PORTIA Outsourcing Services including:

- Middle & Back Office Operations
- OMS and compliance hosting
- Portfolio accounting and performance measurement
- Reconciliation

Solution/results

A complete answer to middle-to-back office operations

The client fully utilizes all that PORTIA Outsourcing Services has to offer, allowing PORTIA's technical staff to handle all facilities management and PORTIA's operations staff to outsource components of their business processing to best fit their business model.

By working with PORTIA Outsourcing Services to host their technical infrastructure, the client minimized the risk associated with managing technology in-house. In this case, PORTIA Outsourcing Services handles disaster recovery, server management, database administration and infrastructure hosting (including automated workflow/batch management). This alleviated the need for the client to maintain staff to deal with issues associated with hosting their own application such as software upgrades, annual failover testing and 24x7 monitoring of all workflows. Outsourcing with PORTIA enabled the client to focus their staff on key business initiatives rather than technology management.

In addition to the technical expertise at PORTIA, the client also took advantage of business process outsourcing services offered. Key areas for outsourcing were:

- OMS and compliance hosting
- Portfolio accounting and performance measurement
- Reconciliation

OMS and compliance hosting

The PORTIA Outsourcing Operations team integrated the client's existing OMS and compliance monitoring system, eliminating interruptions during the migration. By hosting the third party system in its data center, PORTIA was able to simplify the initial migration and maintain a cohesive technology plan for the OMS and portfolio accounting system including remote access, backup, and disaster recovery while removing the need for technical staff at the client's site.

Portfolio accounting and performance measurement

As PORTIA utilizes its world-class accounting system to support its Outsourcing Services, the client can be assured its technology is a best of breed solution in the investment management industry. In addition to providing technology leadership, the PORTIA Outsourcing Services team is staffed with dedicated financial services industry experts with an average of 10 years back office

support experience across all components of middle-to-back office operations. In this case, the PORTIA team handles all aspects of the client's accounts, including more than 2,000 trades per day (on average), 1-2 new accounts per month (on average) and 10 new/revised securities per month (based on the client's average volumes). PORTIA Outsourcing Services also processes and manages all corporate action events, monitors pricing feeds and calculates and reports client-level and composite performance. The outsourcing staff's tenure and expertise give the client comfort that the team handling their operations understands their business and has the ability to handle their accounts with a quality of service exceeding their end-clients' expectations.

Reconciliation

The client contracted PORTIA Outsourcing Services to automate and service the reconciliation of their accounts with numerous custodians. PORTIA Outsourcing Services gathers holdings, transactions and cash data from custodians and reconciles it with the client's system of record. Operations staff communicate any "breaks" or exceptions to the client and provide detailed reports to assist in the correction. By focusing only on the exceptions, the client uses their resources to resolve issues as opposed to spending time identifying problems.

A true partnership is key

For five years, this New York based RIA has realized the following benefits from partnering with PORTIA Outsourcing Services:

Cost benefit

Saving time spent on basic transaction processing and managing technology, in addition to saving on the technology itself, made the outsourcing decision financially sound

Improved business focus

Outsourcing middle-to-back office functionality and its supporting technology allowed the client to focus on critical, strategic aspects of their business

Technology benefits

The client has derived all the benefit from leveraging the latest technology without having to plan, budget and implement IT projects.