

# Supporting you in outsourcing of IT and Bank Backoffice


December 2020

Many Banks and Financial Service Providers outsourced, or plan to outsource, their IT and Bank Backoffice Operations. The main drivers for this are: need to change the Core Banking System followed by acknowledging that outsourcing is the proper way to ‘reduce / control the costs’, to secure short and long term skills and to accommodate fast response to regulatory changes. However... many organization perform these tasks ‘once in a lifetime’ and meet suppliers ‘who do this for a living’; thus the expertise / experience balance is in favor of the suppliers.

## Typical prerequisites at the ‘bank side’

Sourcing strategy / supplier selection	Contracting & Renewals	Sourcing & Compliance
<ul style="list-style-type: none"> <li>Your business strategy includes sourcing and this is properly documented.</li> <li>Your sourcing decisions are documented and evidence a positive business case.</li> <li>You have process in place to control / correct the supplier relationship.</li> </ul>	<ul style="list-style-type: none"> <li>You have the appropriate skills and expertise to select, contract and renew your sourcing contracts.</li> <li>You have access to benchmarks.</li> </ul>	<ul style="list-style-type: none"> <li>All sourcing components are aligned with current and near currents rules</li> </ul>

## How can we support?

 <p><b>Sourcing strategy / supplier selection</b></p>	<p><b>Experience &amp; expertise:</b></p> <ul style="list-style-type: none"> <li>A team covering the entire sourcing life cycle.</li> <li>Experience and expertise deriving from managing leading Bank IT and Back Office Service providers.</li> <li>In the past five years we delivered successful sourcing contract engagements to 14 banks.</li> </ul> <p><b>Capabilities:</b></p> <ul style="list-style-type: none"> <li>Access to KPMG’s global capabilities in IT Advisory, Financial Services, Legal and Compliance.</li> </ul>
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## Reference and Benchmark Data Base

### Banks in Private Banking & Wealth Mgt.

- Selection of Core Banking Systems in Outsourced Mode
- Contracting & Negotiation of Outsourced IT and Back Office Services
- Renewals of IT & Back Office Outsourcing Contract with improved conditions for: pricing, contract duration / termination / liabilities
- Compliance Check Lists & gap closing
- Creation of Captive IT Service Company

### Universal Banks.

- Renewal of outsourcing contracts
- New IT Sourcing Contracts
- Compliance Check Lists & gap closing

### Financial Service providers

- Compliance Check Lists & gap closing



## Approach & Deliverables

### Experience & expertise:

- Sourcing Strategy
- Sourcing strategy of software & processes
- Opportunity analysis
- Vendor model (selection & approach)
- Business Case Challenge & Correction
- Compliance Check List and QA check
- Transition Strategy
- Legal issues, risks and reputational implications

### Solution Design and Implementation

- Evaluate, select, design and implement target solution
- Market consultation (RFI / RFP / Final Selection) and Supplier Selection
- Start-up banks, mergers & acquisitions
- Sourcing contract negotiations
- Transition & Transformation to new business model
- Regulatory changes: impact analysis and implementation
- Change and Project Management

### Optimization and Governance

- Run the bank optimization & industrialization
- Review of IT or business processes
- Standardization of processes & workflows
- Supplier review and portfolio balancing
- Outsourcing contract renegotiation, remediation
- Benchmarking
- Service Level Agreements
- Governance structure, organization, tools
- Service Performance Dashboard

## Your benefits

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- ✓ **Hands on (25+ years) experience:** by experts who were employed / managed at leading outsourcing firms in Switzerland.
- ✓ **Solution and Fees database:** including the most recent examples and benchmarks of solution / service fees / contract clauses and many compact and extensive RFI's and RFP's.
- ✓ **Fully independent of any software or sourcing provider:** we are one of the few truly independent consultants, we only advise the client side and none of the providers.
- ✓ **We advise on the 'what and on the how':** contrary to many consultants, who are capable to advise 'what to do' we advise on the 'what to do and what not to do, and more important, on how to do it.

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