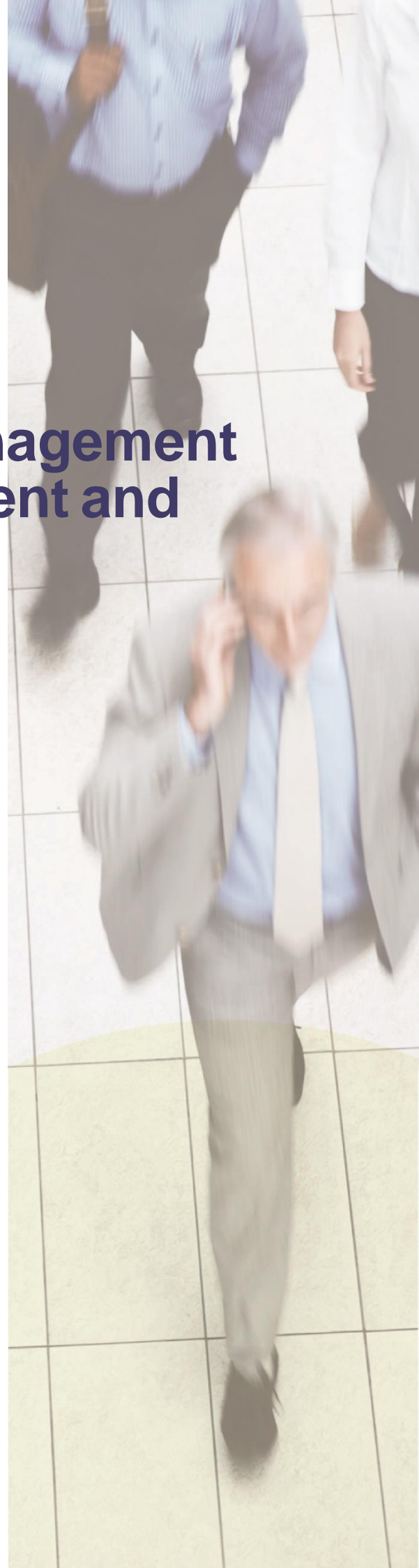




# Wealth and Asset Management BPS Market Assessment and Forecast

Market Analysis  
Abstract

February 2016  
[research.nelsonhall.com](http://research.nelsonhall.com)





## Who Is This Report For?

NelsonHall's "Wealth and Asset Management BPS Market Assessment and Forecast" report is a comprehensive market assessment report designed for:

- Sourcing managers investigating sourcing developments within the retail banking, capital markets, and financial industry
- Vendor marketing, sales and business managers developing strategies to target service opportunities within the retail banking, capital markets, and financial industry
- Financial analysts and investors specializing in the retail banking, capital markets, and financial sector.

## Scope of the Report

The report analyzes the global market for Wealth and Asset Management BPS services and addresses the following questions:

- What is the current and future market for Wealth and Asset Management BPS services?
- What is the size and growth of the Wealth and Asset Management BPS market by market segment?
- Within Wealth and Asset Management BPS services, which processes are emerging strongly?
- What are the market segments for Wealth and Asset Management BPS services and their characteristics? What are the drivers, benefits, and inhibitors for each segment? What are vendor capabilities by segment?
- What technologies and platforms are being utilized and what are the implications by market segment?
- What are the vendor challenges and critical success factors by market segment?
- How are vendors positioned within each Wealth and Asset Management BPS market segment?
- Additional topics include contract lengths; pricing models; partnerships; acquisitions; delivery center locations and the use of offshoring; and vendor targeting by client size, geography, and industry.



## Key Findings & Highlights

W&A BPS is a mature business with high tier one adoption and low mid/small tier adoption. Current adoption is from global banks, with single tower BPS engagements. Vendors are delivering elemental processes focused on compliance and fund administration (asset/liability valuation/performance), from offshore centers.

The W&A BPS market is led by its oldest market, North America, which accounts for ~40% of client spend. Europe is just as large, with ~40% of client spend. ROW is moving rapidly from an emerging to established market status in W&A BPS.

The W&A BPS market is established in mature markets, especially the U.S., and U.K.

The primary client profile is:

- Current: tier 1 banks (wealth division) and mutual fund networks remain the primary adopters
- Current: support for single product line (e.g. fund administration, portfolio management, compliance) remains primary service bundle
- Future: mature markets: small/startup wealth managers. Emerging markets: regional bank trust departments, wealth managers
- Future tier 1 banks: support for expanded channel initiatives and conversion to customer-centric management

Clients are buying service bundles including:

- Manual review, remediation, and analysis of assets/liabilities and entities (customers, counterparties)
- Process optimization to improve efficiency, accuracy, and meet deadlines
- Emerging: processes: increasing data/transaction support, compliance support, and support for independent asset managers (direct and via industry service vendors). No areas are declining, as W&A BPS is underpenetrated
- Emerging: process bundles: will remain single process W&A BPS service bundles in tier one, and multi-tower in lower tiers
- Emerging: BPaaS: for all managers to share overhead costs (especially for compliance) and apply best practices.

Vendors have tended to focus on individual country markets for their services, primarily the U.S. However, globally offshore and nearshore delivery still dominates in the W&A BPS market, with >60% of service provider employees based in India. However, onshore delivery locations are an important part of this market.

The leading vendor selection criteria are domain or sector expertise, knowledge of the client's business, process transformation and change management capability, ITS capabilities, and the ability to achieve a strategic partnership with the client organization (to date demonstrated by existing work with other BPS for the client).

## Contents

- 
1. Changing Shape of Wealth and Asset Management BPS Services

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  2. Buy-side Requirements

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  3. Market Size and Growth

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  4. Vendor Market Shares

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  5. Vendor Offerings & Targeting

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  6. Vendor Challenges and Success Factors

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  7. Appendix A: Service Definitions

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  8. Appendix B: Vendor Details

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  9. Appendix C: Key Regulations

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## Report Length

83 pages, consisting of 6 chapters and 3 Appendices

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