



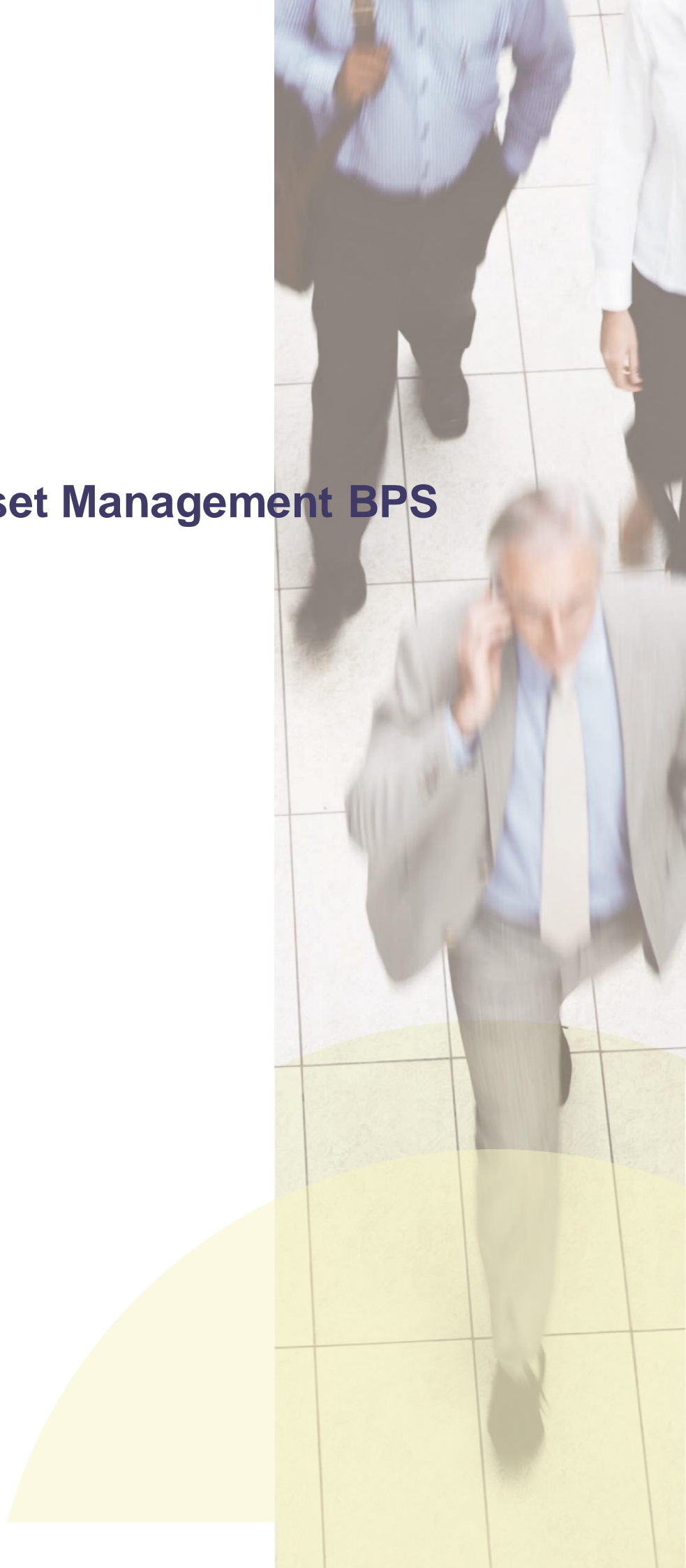
Xchanging Wealth and Asset Management BPS

Vendor Assessment
Report Summary

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by Andy Efstathiou
Director
NelsonHall

10 pages





Who Is This Vendor Assessment For?

NelsonHall's Wealth and Asset Management BPS Vendor Assessment for Xchanging is a comprehensive assessment of Xchanging's wealth and asset management BPS offerings and capabilities, designed for:

- Sourcing managers monitoring the capabilities of existing suppliers of capital market process outsourcing and identifying vendor suitability for wealth and asset management BPS RFPs
- Vendor marketing, sales and business managers looking to benchmark themselves against their peers
- Financial analysts and investors specializing in the support services sector.



Key Findings & Highlights

This NelsonHall assessment analyzes Xchanging's offerings and capabilities in wealth and asset management services. Xchanging is one of a number of wealth and asset management services companies analyzed in NelsonHall's comprehensive industry analysis programs.

Overview

Xchanging entered the wealth and asset (W&A) BPS business in 2004 with the purchase of a 51% share in European Transaction Bank, a subsidiary of Deutsche Bank, which delivers operations services to its parent. The intention was to improve operating efficiency and sell additional services to other banks in the German and European markets. In May 2014, Deutsche Bank bought Xchanging's ownership in the joint venture; part of the processing services were returned to Deutsche Bank ownership, while the remainder continue to be delivered by Xchanging.

Delivery Capabilities

Xchanging W&A BPS delivers services from eight delivery centers to support clients around the globe. Details of the centers are as follows:

- Hof and Frankfurt, Germany
- Milan, Italy
- Gurgaon, Shimoga, Chennai, and Bangalore, India
- U.K.

Xchanging's W&A BPS operations began with the acquisition of three key components:

Xchanging India Securities Processing

In the late 1990s, Deutsche Bank (DB) set up a transaction bank with 3k employees. Services provided included transaction processing, mailroom, and printing. By 2000, DB separated the unit into an independent company with the purpose of acquiring other banks as clients, to share overheads. After five years, only two clients had joined and profit targets were not being met.

FDB (Fondsdepot Bank)

FDB's operations were started in 1993 to provide investment account operations support to its parent (GKS). In 2003, the operations division of GKS was separated out as an independent business, offering retail portfolio management and administration services to asset managers. As part of several consolidations, Allianz Global Investors (AGI) acquired and ran the business.

Xchanging Italy

Xchanging Italy operations started in 2001, under the name Kedrios, formed from the operations activities of its parent company SIA (Interbank Company for Automation). Kedrios was founded to develop and deliver ISO 9000 compliant solutions and services for the financial services industry in Europe. In 2007, SIA merged with SSB (Society for Banking Services) to form SIA/SSB, which focuses primarily on payments systems and services.

Target Markets

Xchanging' primary targets for W&A BPS are wealth managers headquartered in Germany, Italy, and the U.K.

Xchanging has W&A BPS clients in Germany and Italy

Strategic Direction

Xchanging has grown its financial services business by pursuing a large operations acquisition strategy, which provided it with scale operations within specific countries. The challenge has been to restructure these scale operations to stop financial losses from legacy operations structures, and to implement efficient processing. Once operating efficiencies have been implemented, Xchanging has had to go out and attract new clients to the operations platform, to share overhead burdens.

Today, Xchanging has established market scale within its chosen markets of Germany and Italy. It now needs to rationalize its operations ("create one transactions bank") within its delivery, and deliver that capability across multiple markets. This means:

- Consolidating transactions operations: operationally sharing delivery of transactions services across Xchanging India Securities Processing (securities processing business) and Xchanging Italy, and cross-selling their clients (where appropriate) to FDB, and vice versa
- Expanding market delivery: expanding capital markets services to adjacent countries in central Europe, and to subsidiary operations in U.K, and eventually Asia
- Delivering horizontal services to existing clients: both IT services from India and Xchanging Italy, and SCM/procurement BPO services from Xchanging itself.

Contents

1.	Background
2.	Revenue Summary
3.	Key Offerings
4.	Delivery Capabilities & Partnerships
5.	Target Markets
6.	Strategic Direction
7.	Strengths & Challenges
	7.1 Strengths
	7.2 Challenges
8.	Outlook

Scope of the Report

The report provides a comprehensive and objective analysis of Xchanging's wealth and asset management BPS offerings, capabilities, and market and financial strength, including:

- Identification of the company's strategy, emphases and new developments
- Analysis of the company's strengths, weaknesses and outlook
- Revenue estimates
- Analysis of the profile of the company's customer base including the company's targeting strategy and examples of current contracts
- Analysis of the company's offerings and key service components
- Analysis of the company's delivery organization including the location of delivery locations.

Report Length

10 pages

Report Author

Andy Efstathiou

andy.efstathiou@nelson-hall.com

Wealth and Asset Management BPS Vendor Assessments Also Available for:

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