



Consulting for the Financial Industry

CASE STUDY

Talent. Teamwork. Trust.



During a bank merger, a processing division is successfully integrated with help from VMS

The integration of a securities processing division saves \$25 million

Customer Challenge

One of the biggest challenges of any merger is bringing together different corporate cultures to focus on one common goal. When two major financial firms in New York City were merging, they needed a reliable and experienced partner who could help plan and execute the integration of one of their securities processing divisions — a partner who could manage the entire merger and get both firms to work as one team.

Redundant systems, processes, and data needed to be integrated or retired. People from both firms and their expectations had to be managed. Fixed deadlines had to be met. Furthermore, leadership and management were needed in every aspect of the project to ensure efficient, accurate, and successful conversions.

VMS Solution

VMS has a proven track record with merger & integration projects, plus a staff of experts that can step right into complex projects. VMS provided 15 people for this integration project, including project managers, technology experts, quality assurance testers, and business analysts

The VMS team provided project planning, managed work-stream teams from both banks, and developed and executed processes to combine facilities, technologies, people, processes, and data. The project ran for 18 months — from planning to final conversion — with all CUSIPs and accounts converted remarkably in a 10-month timeframe.

VMS consultants performed the following:

- Developed a process for determining which systems survive and which get retired, in order to eliminate duplication and gain operational efficiency.
- Designed an orderly methodology for conversions (advancing from simple to more complex and accounting for blackout periods) to keep project risks low and stay on schedule.

Executive Summary

Challenge

- Integrate or eliminate systems, data, processes, and departments
- Meet established deadline

VMS Solution

- Conversion playbook of more than 500 tasks
- Management of work teams from both banks
- Command center managing conversions
- Soft copy documentation on all test cases reviewed for audit review

Results

- 4,000 CUSIPs and 14 million investor accounts successfully converted
- More than \$25 million in cost savings
- Standardization of business processes and procedures



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- Designed a conversion playbook of more than 500 tasks that defined owners, deliverables and schedules, along with processes to ensure completion and communicate with executives. This playbook was used as the guide to convert 4,000 CUSIPs and 14 million investor accounts.
- Managed teams that worked on conversion, fulfillment, revenue billing, employee plans, financial services, and other departments in this line of business. VMS provided leadership for the 10- to 12-person teams responsible for merging the departments from both banks.
- Managed a command center to orchestrate weekend conversion processes, including communication with team members and support for all conversion tasks.
- Presented and participated in monthly steering committee meetings with the bank's CEO, COO, CIO, and head of integration. VMS met with senior management on a weekly basis to provide project updates and status.

Customer Benefits

Cost savings. The integrated division of the merged bank saved \$25 million through the elimination of duplicate technology systems and facilities.

Time savings. 4,000 CUSIPs and 14 million accounts were successfully converted within pre-determined deadlines. The division was the first in its parent company to complete the integration—18 months ahead of the original three-year timeline.

Standardization of business processes and procedures. Following the project, the conversion playbook became an asset belonging to the bank to follow in the future, preserving and advancing organizational knowledge while eliminating the need to re-create processes.

About VMS

Founded in 2002, VMS, LLC (Virtual Management Solutions) offers a specialized portfolio of consulting services for financial services firms worldwide. We are owned and operated by an executive team with a reputation for excellence and integrity in the financial services industry. Because of our exclusive focus on financial services and dedication to personal service, we are able to work with clients quickly and expertly to deliver technology requirements, business models, and management practices, as well as complete project management—from planning and methodology, to execution, staffing, documentation, quality assurance testing, and training.

For more information, visit www.vmsconsulting.com.
Email info@vmsconsulting.com
or call 201-460-1610.

VMS, LLC
99 Wall Street – suite 763
New York, NY 10005