



Compushare Compass

Financial Direction You Can Count On

January 2009

We've updated The Compass to compliment our new website design!

See what else is new by **visiting us** on the web.

Meet Experts of The Compass at the Following Events:

2009 Calendar of Events

05|03 PCBB Executive Management Conference, San Francisco, CA

05|13 TBA Annual Convention & Exposition, San Antonio, TX

05|31 WIB Annual CFO, Investments & Operational Risk Conference, San Francisco, CA

06|21 FMS Finance & Accounting Forum, Keystone, CO

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» The Compass, January 2009 - **Download** (PDF)

» The Compass - **Archives**

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education@compushare.com

Your Bailout Plan – Simple Solutions to Reduce Costs

by **Michael Barrack**
Vice President, Client Services
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Facing today's raging economic headwinds, companies are challenged to manage costs in order to ride out the volatile current and stay competitive. Industry failures monopolize the daily headlines and our country's banking backbone was the first to capture the unwilling spotlight. The December 75 point basis reduction in the fed funds rate will force further margin compression and mandate increased expense management on the part of financial institutions. When will the winds shift? Those intending to simply hunker down and ride out the storm may not be here tomorrow.

Compushare has seen the effects of the economic slump taking its toll on the financial services industry we serve. In response, we've challenged ourselves to enact immediate proactive cost cutting measures to ensure that we can continue to provide outstanding service at competitive rates. By implementing several expense management initiatives, we've been able to control costs and minimize operating expenses, allowing us to maintain our competitive pricing model.

We've seen big, immediate results by making some straightforward choices. The company minimized travel expenses by paying more attention and being smarter, utilizing various Internet-based bidding sites and other online tools. Annualized, these travel savings exceed \$100,000, and those clients who pay travel expenses will see reduction in those expenses accordingly. We have also begun implementing a voice over internet protocol (VoIP) phone systems across all of our locations, which will result in annual savings of over \$50,000 in telecommunications costs. And our dedicated employees have risen to the challenge, willingly foregoing some cultural comforts, such as our annual holiday bash, for the promise of a better, stronger tomorrow. A momentary pause en route to better times.

A company is only as healthy as the clients it serves. We're working diligently with our Technology Management Program clients (CTM) to uncover areas where expenses can be better managed, minimized or diminished altogether. We're extremely mindful of areas where *all* financial institutions can control costs and we urge our clients to rise to the challenge by asking the question – *How can we save money; how can Compushare help?*

Working with our CTM clients, we are aligning IT strategy to the institution's overall strategy, but we are seeing that a big impact can be generated in the most mundane of areas. Before the financial institution makes that next cutting edge technology investment, it must first stop the bleeding that's occurring in the bare bones areas of business operations.

Consider Your Electrical Costs

Do you think twice when leaving your computer powered on when you leave the office? Multiply that by all of the desktops and systems in your branches and administrative departments and that's a lot of electricity flowing through on a nightly basis. Wake-On technology allows your employees to power down at close of business. Essentially, systems will "wake-on" need for patches and virus signature updates. Some of our larger clients will be saving substantial utility costs when the program is fully implemented. No matter the size of your institution, number of branches or employees, you can benefit from this technology and it makes you all the more "greener" as well.

Consider Your Telecommunications Costs

Many institutions continue to add telecomm costs over time but fail to look back at data and voice lines that are no longer needed. Through a Telecomm Review, we've been looking at what legacy phone lines can be eliminated for our clients. Every institution can cut fat in telecomm expenses.

Consider Your Hardware and Operating Systems Costs

Many if not all institutions have outdated hardware and operating systems. High support costs bog down the bank. Compushare's Technology Refresh Program helps clients to not only save money, but also to manage predictable costs and updates over time.

Consider Your Email Costs

How much does your institution spend on email? Don't forget to factor in spam and virus, data storage and backup, encryption, remote access, mobility, content filtering, and Exchange and Outlook licensing costs. Can you accurately pinpoint the total amount your institution spends on email each month? Compushare is helping clients to relieve the burden of unnecessary expenses, as well as the intensive effort required to *manage* all those aspects mentioned above. Uptime, availability, compliance, support, and expert response and recovery are all delivered through Compushare's Total Message Management hosted email and compliance solution. Total Message Management delivers a reduction in the total cost of ownership and alleviates the burden of carrying in-house systems and multiple vendors.

TAKE ACTION

Customers need to find trust in their financial institutions again. Regulators are cracking the whip. Interest rates have been pushed to virtually nothing. Numerous large banks have faltered presenting an opportunity to rise up and take full advantage of their missteps. Opportunity is great if we change our view of circumstances. The economy has dealt the cards but we control how we play our hand. Companies lie in wait for a bailout plan from the government. *Take steps to bail yourself out.* The country is waiting to see what the first 100 days of our new president elect have in store for us. How will he help us? *How will we help ourselves?*

Compushare is actively helping our clients get on track, stay on track and find the track to a strong and performing future. We are eager to assist *all* of our clients through similar consulting services; in fact we strongly encourage our clients to engage with Compushare for the continued health of your institution, strength of your future, and recovery of the industry. As the experts in Information Technology, Information Security and compliance within the financial services industry, Compushare can help your institution assess areas for cost reduction through consultative cost management engagements. All it takes is a determination to shape your own today and tomorrow, and a simple decision to reach out and strike up the discussion.