

July 2009

Volume 6
Issue 7

Download Report

Download your copy of the white paper, "**Leveraging Outsourced Payments Product Management**" NOW!

Fiserv is pleased to provide complimentary, value added knowledge resources that contribute to stronger consulting engagements.

In the Press

Fiserv Case-Shiller Home Price Insights: Housing Affordability Being Restored In Many Markets, Pool of Buyers Increasing

Fiserv, Inc released an analysis of home price trends in more than 375 U.S. markets based on the Fiserv Case-Shiller® Home Price Index, which is owned and generated by Fiserv, and data from FHFA, the Federal Housing Finance Agency.

[Read more](#)

A Changing Payments Landscape: Facilitating the Need for Viable Outsourcing Options

An industry-wide convergence of payment transaction types and the continuing migration from paper to electronic payments processing have financial institutions of all sizes reevaluating their overall payments processing strategy. As the payments landscape continues to evolve, banks will work to protect overall profitability by seeking strategies that deliver stronger cost controls, utilize more efficient processing and technology resources, and promote higher customer retention. Outsourcing many of the functions in the payments life cycle will be a viable strategy moving forward.

Industry Resource

The Fiserv-authored white paper "[Leveraging Outsourced Payments Product Management](#)," thoroughly addresses this evolving payments landscape, specifically how it is affecting payment management decisions for banks today. The paper points out that responding to payments industry changes has required a significant investment, in both dollars and manpower. Banks are now challenged with balancing customer expectations for faster funds availability and lower fees with the cost of having to manage simultaneous paper and image-based processes to support both electronic and paper check payment options.

The Fiserv-authored product paper "[A Profitability Enhancing Option for Mid-Tier and Large Financial Institutions](#)" points to similar challenges in the area of ACH processing: reducing operating costs, safeguarding customer relationships and maximizing revenue potential for the institution. The paper explains that with current conditions driving a decline in credit products, payments now represent an even larger share of overall bank revenue, and protecting that income has become mission critical. Maintaining in-house processing, however, is a constant challenge, as banks must continually allocate mainframe costs for ACH processing, estimate future hardware usage based on fluctuating volumes and forecast related expenses.

Both Fiserv industry papers point to outsourcing as a sound strategy for acquiring the needed expertise to manage payments convergence. In terms of overall payments management, outsourcing portions of the payments product management function is fast becoming a preferred strategy model for institutions of all sizes. Outsourcing the ACH processing function offers true advantages for banks as well. Banks can realize immediate operational and IT cost savings from the elimination of ACH mainframe expense, software

Fiserv Survey Shows Online Banking Growing, Now Used by Four of Five Online Households

Fiserv, Inc. announced that more than two million U.S. households adopted online banking and bill payment during the last year, according to a recent consumer survey. A total of 69.7 million households, representing four out of five households with Internet access, now use online banking services, primarily to access balance and account history and transfer money between accounts.

[Read more](#)

Loan Servicing Platform from Fiserv Meets New "Making Home Affordable Loan Modification" Requirements

Fiserv, Inc. announced its Loan Servicing Platform, with extensive loan modification and loss mitigation features, is fully compatible with new guidelines from the U.S. Treasury Department on home loan modifications.

[Read more](#)

[For more news](#)

maintenance and upgrade costs. In addition, migrating to a predictable, volume-based cost model makes it easier for financial institutions to estimate how changing volumes will impact per-unit costs.

Effective outsourcing involves finding the right provider with the right approach and a proven track record of success—one that acts as a virtual extension of the bank's staff by accelerating the profitable execution of the bank's overall payments strategy.

Fiserv Resource

Payments Performance Management from Fiserv offers institutions thought leadership and payments business expertise to help define payments strategy and maximize profitability.

The Payments Performance Management team can help preserve and accelerate payments profitability through a greater understanding of a bank's unique payments business. Using advanced modeling tools and industry-leading subject matter expertise, cost reduction and revenue growth strategies are developed and tailored to each bank's individual objectives.

Payments Performance Management offers comprehensive services in these specific areas of focus: Profitability, Revenue Retention and Expansion, Payments Risk Management, Alternative Deposits and Capture Strategies, Payments Clearing and Back-Office Transformation.

ACH Outsourcing from Fiserv provides mid-tier and larger financial institutions with options to deploy a variable-cost ACH processing model that leverages PEP+™ software, the preferred in-house solution for a majority of the top 100 ACH participants originating and receiving ACH payments.

For financial institutions already using PEP+, ACH Outsourcing provides the opportunity to redirect resources dedicated to hardware and software maintenance in order to concentrate on customers and revenue generation. For other institutions that have been unable to deploy PEP+ due to cost or staffing constraints, ACH Outsourcing offers a way to leverage the nation's leading ACH platform.

ACH Outsourcing offers three outsourcing models, including:

Hosted Software Outsourcing Model: This model shifts primarily fixed in-house costs for data processing and storage to a variable per-unit cost, where ACH processing is migrated to a Fiserv data center—and hosted on a Fiserv mainframe.

Application Service Provider (ASP) Outsourcing Model: In addition to shifting costs for hardware use, the ASP model also enables financial institutions to offset software and IT staffing costs. All ACH processing, running all the cycles, processing end of day, balancing and reconciliation, and software implementations and upgrades are handled by Fiserv.

Business Process Outsourcing (BPO) Model: In this turnkey solution, Fiserv acts as a virtual extension of the financial institution—providing complete management of the PEP+ software as well as day-to-day processing, exceptions/return handling, help desk and risk management.

Upcoming Events

Fiserv is attending these upcoming trade shows:

[CBA Home Equity](#)

September 13, 2009
Hollywood, FL

[Sibos 2009](#)

September 14, 2009
Hong Kong, China

[More events](#)

For more information about Payments Performance Management consulting services or ACH Outsourcing from Fiserv, please contact Eve Nimkar at 678-375-4577, or by e-mail at eve.nimkar@fiserv.com

Subscriber Information

[Subscribe](#) to this newsletter to receive monthly updates on industry issues, access thoughtful insight on industry trends, and learn about Fiserv solutions and services.

For more information on the Fiserv Consultant Relations Program, please contact:

Lola Brin
Corporate SVP
Consultant Relations
303-688-4968 lola.brin@fiserv.com
brin@fiserv.com

For more information on Fiserv solutions and services, please e-mail getsolutions@fiserv.com

[Forward this newsletter to a colleague](#)

Fiserv

255 Fiserv Drive
Brookfield, WI 53008
262-879-5000
800-872-7882
getsolutions@fiserv.com
<http://www.fiserv.com/>

Information provided to the Consultant Relations Program at Fiserv is confidential, proprietary, and only accessed by Fiserv professionals. Fiserv does not disclose this information outside the Company.

We respect your privacy. Every attempt is made to only offer information that may be of value to you or your clients. Please review the [Fiserv Privacy Statement](#). If you do not wish to receive this newsletter from us in the future, you may "[opt-out](#)" of receiving future distributions.

Fiserv is a registered trademark of Fiserv, Inc. Other products referenced in this material may be trademarks or registered trademarks of their respective companies.

© Copyright 2009 Fiserv, Inc. All rights reserved.