



# Outsourcing

makes sense



OYSTER<sup>®</sup>  
CONSULTING, LLC

# Outsourcing

Deciding whether to outsource a role or hire an internal employee is an important step to ensuring your firm is compliant and using resources efficiently.

Look at your team and determine if they have the experience, knowledge, drive and leadership qualities to be effective.

*Prioritize your time and leverage the capabilities of Oyster Consulting's Outsource teams.*

*We can support the day-to-day operations across your firm, allowing you to spend valuable time investing and communicating with clients. Our multi-disciplined teams provide end-to-end service to give you a competitive advantage.*

- ✓ **Is your team working at capacity?**
- ✓ **Are projects taking longer than they should?**
- ✓ **Is internal development taking time away from tasks and projects?**
- ✓ **Do you have a high turn-over rate?**
- ✓ **Does your team need additional support or guidance from an industry expert until they are ready to manage on their own?**

*If you answered yes to any of these questions, outsourcing may be the solution for you.*







## Benefits of Outsourcing

**Access to Skilled Experts.** Outsourcing a position gives you access to a professional with experience working with other experts and other firms. They have insights about the industry that might be unavailable to you. Having someone objectively hold up a mirror to your firm can define areas for improvement.

**Project Support.** Additional projects can take your employees away from their current tasks. Outsourcing allows your team to stay focused and move the projects forward efficiently.

**Risk Management and Continuity.** In periods of high turnover, from attrition to vacations and family leave, having a skilled industry expert step in without requiring additional staff development or training saves time and allows your work to proceed in as streamlined a manner as possible.

**Innovative Ideas.** When your staff is working at capacity on day-to-day tasks, there is often little room for creativity and innovation. Outsourcing to professionals who have worked in a variety of firms can bring you fresh outlooks about your current processes and strategies.

**Cost Savings.** Outsourced professionals do not require benefits or supplies, and you aren't paying for downtime.

# When Outsourcing Makes Sense

You are searching for the right full-time employee but need someone in the chair immediately

You are training someone internally who has the license, but not the experience

Your business doesn't require a full-time position

You need a person with exceptional experience who can handle the complexity of your business model

You need an objective view and a wider perspective

Your firm is scaling up too fast

*When working with Oyster, you aren't just working with one consultant—you are working with the entire team, with access to the combined knowledge and skills of our associates.*





# Outsourced CCO


Outsourcing your CCO role provides your firm with a licensed, skilled professional who is ready to step in and keep your compliance program moving forward so you can focus on growing your firm.

Ideally, an outsourced CCO should be comfortable engaging with your firm's leaders and have the experience to manage your Compliance team in order to implement an effective compliance program.

When deciding whether or not to outsource your CCO role, consider resource availability, experience and interaction with regulators.

Oyster Consulting provides an outsourced professional who is right-sized for your organization – no more having to wonder if your candidates are qualified to meet the daily challenges of regulatory compliance for your firm.

# Outsourced FINOP



A strong FINOP is a vital component to protecting your firm. However, not all registered FINOPs have the appropriate experience to do the job effectively.

## What makes a strong FINOP?

**Background and experience working as a FINOP in a broker-dealer.** If your FINOP doesn't understand the entire firm or the business, it is difficult to be sure everything is covered.

**Ensuring proper documentation.** The FINOP must be able to document correctly that your firm has performed the proper procedures. Smaller firms may not be used to this level of documentation, while larger firms may need the extra manpower to ensure it is being done right.

**Proper custody of the firm's books and records.** The FINOP is also responsible for ensuring that the right books and records are maintained in the correct manner for the appropriate amount of time, and that they're easily accessible when they need to be.

**Asking questions.** A strong FINOP should always understand and question what is going on in the firm. Ideally, your FINOP should have access to someone with different experiences or more experience in the position.

**Staying current.** A strong FINOP keeps in touch with regulators and other industry leaders.



# Outsourced Trade Supervision Roles

Ensuring your firm's compliance program is robust and current with evolving regulatory requirements is important when it comes to protecting your firm's business and reputation.

FINRA Rule 3110 requires that each member firm establish and maintain a system to supervise the activities of each associated person that is reasonably designed to achieve compliance with applicable securities laws and regulations.

Under FINRA Rule 3120, broker-dealers are required to have in place a system of policies and procedures that annually test and verify firm supervisory controls procedures. Firms must also create or amend Written Supervisory Procedures identified as necessary by this testing.

## **Commonly outsourced Trade Supervision roles**

- Supervisory Principal
- Registered Options Principal
- Research Review Analyst/Supervisory Principal

Oyster's licensed Principals partner with our clients to serve as a long-term solution, fill short-term needs, or support an emerging Principal.

# Outsourced Supervisory Principal

*A strong Supervisory Principal should have expertise and experience in trading, risk management, operations, and regulatory compliance oversight.*



Supervision and risk management practices are essential to minimizing the overall risk profile of your firm. Regulatory mandates dictate strong governance and supervision of sales and trading activities.

Our Outsourced Supervisory Principals understand your concerns with best interest, suitability, and your fiduciary duty to serve your clients. Oyster will manage, monitor, and enforce internal and regulatory policies, identify trends, sales practice patterns, conflicts of interest, or issues that potentially pose a risk to the firm.

## **Leverage Outsourced**

**Principal reviews**  
**Trade surveillance**  
**Email reviews**  
**Trade review**  
**Sales activity**





## **Outsourced Registered Options Principal**

Our consultants ensure proper supervision of your firm's employees involved in the options trading process. Having an experienced Registered Options Principal for your firm helps mitigate the risks associated with clients' options trading.

Concentrate on doing what you do best, bolstered by a powerful team of industry experts focused on keeping you compliant.

*Having an experienced Trade Supervision Principal helps mitigate the risks associated with clients' options trading.*

## **Outsourced Supervising Principal – Research Review**

Our licensed experts can serve as your firm's outsourced Research Analyst, conduct Research Review, or sign off as a Supervisory Principal.

Oyster can help you establish policies and procedures that govern the level of contact between research analysts, investment bankers, and the public. We have the expertise to help you work with your firm's business leaders to develop strong policies around activities of research analysts, and supervisory procedures to document the controls.

# Outsourced COO

**New ideas**  
**Unbiased assessment**  
**Effective implementation**

A strong COO quickly evaluates and establishes efficient, effective processes to ensure your operations run smoothly, so you can do what you do best; grow your business.

Technology leaps, mergers, acquisitions and regulatory impacts are rapidly changing our industry. To stay competitive, your COO must have the experience necessary to adapt to various situations and implement strategies.

Oyster Consulting's outsourced COOs manage the day-to-day operations across your firm to meet budget, business and strategic goals.

Our COOs can support and manage system conversions, acquisitions and improvements to client experience.

## **Sample of outsourced COO services:**

Develop and implement operating policies

Performance measurement and reporting

Identify and manage third-party service providers

Assess existing systems, identify improvements

Assist with new fund set-up and structuring

Supervision of preparation of fund financial statements, fund audits and tax reporting

Operational due diligence reviews of external investment managers

Coordinate legal due diligence, documentation reviews and contract management

Assist with investor relations matters

Database management



# Project Management

Our Project Managers bring best practices and real-world industry experience and to every engagement.



## Project management is critical to successfully meeting your goals

When your firm has limited capacity to drive critical projects like integrations, systems/data conversions and strategic initiatives, it makes sense to supplement your existing team so projects run efficiently and without disrupting current processes.

Additional projects can take your employees away from their current tasks. Outsourcing to get projects done allows your team to stay focused and move the projects forward efficiently.

*Oyster's certified Project Management Professionals (PMPs) quickly and seamlessly work with your organization. Our teamwork, communications and change management skills deliver results.*

# Oyster Solutions

Governance, Risk and Compliance Software

Oyster Solutions provides a modern compliance platform by integrating data and incorporating automation across your organization, while creating a simple streamlined experience for users.

Data and workflows integrate seamlessly into one GRC platform. Oyster Solutions creates efficiency through integration with back-office platforms, clearing partners, regulatory bodies, mutual fund providers and other sources.

## Sample of Benefits

Automated compliance calendar

Risk Assessment tool

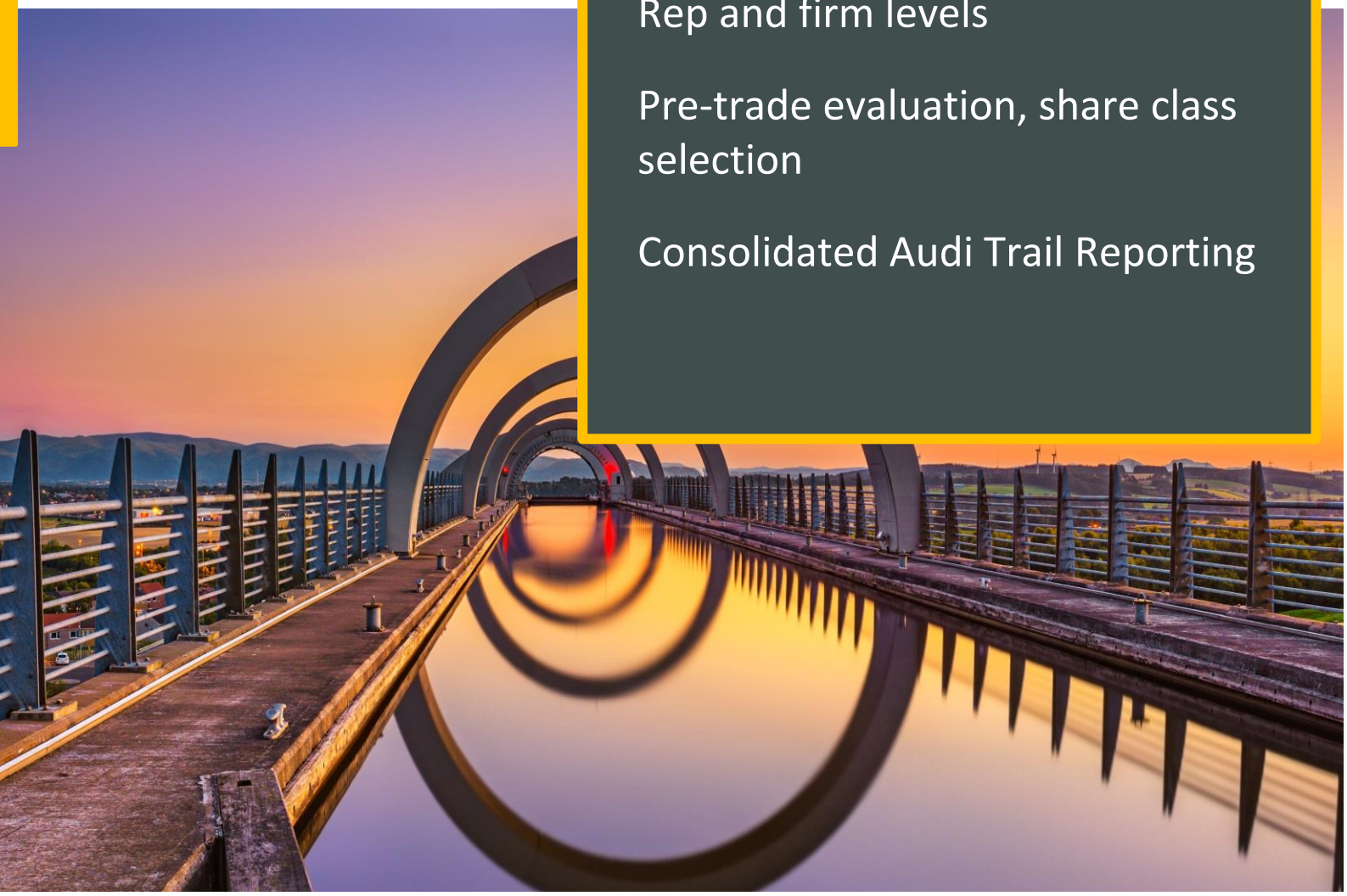
Integrated policies, procedures, regulations and activities

Monitor client and employee trade activity

See activity at household, account, Rep and firm levels

Pre-trade evaluation, share class selection

Consolidated Audi Trail Reporting





## WE CREATE SIMPLICITY IN A COMPLEX ENVIRONMENT

At Oyster, we simplify strategic projects, testing and compliance by breaking them into manageable parts, then guide you through the project, start-to-finish.

Our experts share their industry experience and provide the technical know-how, putting guidance into action.

Let Oyster help you define your goals and how to get there. From strategy to execution, Oyster Consulting keeps your firm ready for the future while excelling in the present.

“Oyster took away the guess work, providing us with a strategy that led to value.”

*-President and CEO,  
National Broker Dealer*

