Report On

An Analysis on the Business Process Outsourcing Procedure

Data-Path Ltd

Report Prepared By

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19104115

An internship report submitted to the BRAC Business School in partial fulfillment of the

requirements for the degree of Bachelor of Business Administration

BRAC Business School
Brac University
September 2023

Declaration

It is hereby declared that

1. The internship report submitted is my/our own original work while completing degree at Brac University.

2. The report does not contain material previously published or written by a third party, except where this is appropriately cited through full and accurate referencing.

3. The report does not contain material which has been accepted, or submitted, for any other degree or diploma at a university or other institution.

4. I/We have acknowledged all main sources of help.

Student's Full Name & Signature:

____

Tanjima Musharrot
19104115

Supervisor's Full Name & Signature:

____

Md. Mizanur Rahman, PHD
Associate Professor, BRAC Business School (BBS)
BRAC University

Letter of Transmittal

Md. Mizanur Rahman, PHD
Associate Professor
Brac Business School
BRAC University
KHA 224, Progati Sarani, Merul Badda, Dhaka 1212

Subject: Internship report submission on Analysis of Business Process Outsourcing of DataPath Ltd.

Dear Sir,

I am delighted to present my Internship Report on "BPO of Data-Path Ltd." as part of my Bachelor of Business Administration degree requirements. This report encapsulates the knowledge and experience I gained during my internship, particularly in the Business Process Outsourcing Department, which I consider one of the most important areas of the company.

I have made every effort to follow your guidelines while preparing this report. Your support has been crucial to my progress, and I sincerely appreciate your guidance.

Thank you for considering my report. I look forward to your feedback and support in completing my degree.

Sincerely yours,

____

Tanjima Musharrot
19104115
BRAC Business School
BRAC University
Date: December 01, 2024

Non-Disclosure Agreement

This agreement is established between Data-Path Ltd. and the undersigned student from BRAC University concerning the internship project. The student agrees to refrain from using any confidential information belonging to the company and to keep the details of the internship project confidential.

Acknowledgement

I would like to extend my heartfelt gratitude to my supervisor, Dr. MD. Mizanur Rahman, for his consistent support and guidance throughout the process of completing my internship report.

I also want to acknowledge my Team Leader,Sania Tasmin, for her continual direction during my internship. Additionally, I appreciate my Assistant Team Leader, Mosarrat Kabir, for sharing valuable information about American Retirement Plans.

I am also grateful to my colleagues, whose unwavering support and cooperation were essential to my experience, enabling me to gain invaluable professional insights and skills.

My 120 days at Data-Path Ltd. provided a unique opportunity to deepen my industry knowledge and reinforced my belief that learning is an endless pursuit.

Executive Summary

The report titled "An Analysis on the Business Process Outsourcing Procedure of Data-Path Ltd." presents the knowledge and skills I developed during my internship. It aims to detail the strategies and processes employed by Data-Path Ltd.'s plan processors and how the company conducts its international operations as a Third-Party Administrator (TPA).

This report is structured into three chapters. The first chapter provides an overview of my internship, including my roles and the challenges I faced. The second chapter focuses on Data-Path Ltd., offering insights into the company's industry and management practices. The third chapter outlines the report's objectives and discusses the regulatory bodies associated with the American Retirement Plan. It also explains the processing of retirement plans and the operational methods of TPA companies. This chapter includes my findings and recommendations regarding the identified issues, concluding the report. Overall, the document provides an overview of the 401(k) industry.

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List of Acronyms

Abbreviations	**Full Forms**
IRS	Internal Revenue Service
RK	Record keeping
BPO	Business Process Outsourcing
TPA	Third Party Administrator
HCE	Highly Compensated Employees
NHCE	Non-Highly Compensated Employees
ERISA	Employee Retirement Income Security Act
ACP	Average Contribution Percentage
ADP	Average Deferral Percentage

Chapter 1

Overview of Internship:

1.1 Student Information

Name: Tanjima Musharrot

ID: 19104115

Program: Bachelor Of Business Administration (BBA)

Major: Human Resources Management

1.2 Internship Information

1.2.1 Period, Company Name, Department/Division, Address

Period: May 15, 2023 to September 14, 2023

Company Name: Data Path Limited

Department/ Division: Business Process Outsourcing

Address: Ambon Complex, Amtoli, Mohakhali, Dhaka

1.2 Internship Information

1.2.2 Period, Company Name, Department/Division, Address

Name: Sania Tasmin

Position: Assistant Manager, Team DWC, Business Process Outsourcing

1.2.3 Job Scope – Job Description/Duties/Responsibilities

Upon joining Data-Path Ltd., I underwent training in *American Retirement Plan Fundamentals* to familiarize myself with the industry. The training spanned two weeks and was centered on the material covered in the book *Retirement Plan Fundamentals*. After completing all the prerequisites, I was designated to the **Business Process Outsourcing (BPO)** department. This department primarily supports patrons beyond July Business Services, distinguishing itself as most of its workforce is directly linked to July. Below is a summary of my role at Data-Path Ltd.:

- **Report Collection**:
  I gathered necessary documents from plan sponsors/clients for end of the year procedures, including:
    - Making Census of the employees
    - Investment reports
    - Previous year's Form 5500
    - Additional sponsor-related information
- **Plan Document Analysis and Specification Update**:
  I reviewed the plan document, which guides us for the further procedings. This involved ensuring participant eligibility and benefit determination, followed by updating specifications in ASC software based on the document's details.
- **Census Check & Import**:
  After updating the plan specifications, I prepared the employee census provided by the sponsor, cross-checked it against prior data, and resolved discrepancies by consulting the client. Logical checks were then performed to ensure that the compliance is done accordingly to the IRS rules.
- **Contribution Calculation**:
  I calculated employer contributions in accordance with IRS guidelines once the census data was successfully imported.
- **Compliance Testing**:
  Compliance testing was conducted, which included Actual Deferal percentage/Actual Contibution Percentage tests, general non-discrimination tests, and top-heavy tests to identify compensation levels among employees. These tests were completed using various softwares like relius.

- **Trust Accounting**:

  Trust accounting was prepared at the end of the year to provide an overview of the plan's financial activity, useful for clients, auditors, and government filings.
- **Valuation**:

  Post-reconciliation, I performed valuation by consolidating financial data from investment summaries, including profits, losses, and other charges, and imported it into ASC.
- **Government Filings**:

  I prepared forms such as 5500-SF/EZ, 8955-SSA, and 5558 for government compliance after completing the valuation process.

1.3 Internship Outcomes

1.3.1 Student's Contribution to the Company

My contributions were modest as I was an intern but it was impactful. I worked diligently on may ongoing projects, performing all the outlined tasks within the job scope. My superiors expressed satisfaction with the work.

1.3.2 Benefits to the Student

Being at Data-Path Ltd. significantly enhanced my knowledge and skills:

- **Understanding 401(k) Plans**: I gained comprehensive knowledge about administering 401(k) plans, a challenging yet rewarding task.
- **Excel Skills**: Working with advanced Excel functions was integral to my role, allowing me to improve efficiency and productivity.
- **Handling Pressure**: Tight deadlines aligned with US fiscal regulations improved my ability to manage stress and adapt under pressure.
- **Accountability**: I was directly responsible for my work, improving my accuracy and instilling a sense of ownership.
- **Time Management**: I developed punctuality and learned to meet deadlines, recognizing the cascading effects of delays on the team.

1.3.3 Challenges Faced

- **Work-Life Balance**: Balancing personal and professional commitments was challenging, as work consumed a significant portion of my time.
- **Comprehension of the American Retirement System**: Initially, understanding the US retirement system's complexity compared to the Bangladeshi pension system was difficult. However, training sessions helped clarify the distinctions.

1.3.4 Recommendations

- Improve the training program by refining its methods.
- Enhance internet connectivity for better efficiency and reduced frustrations.
- Strengthen recruitment strategies to attract ideal candidates and support expansion goals.

Chapter 2: Organization Overview

2.1 Introduction

This report explores the outsourcing industry, focusing on how RPF procedures are outsourced from the US to Bangladesh. The *Retirement Plan Fundamentals (RPF)* ensures financial stability for retired US citizens, with employers offering these benefits to encourage saving. the 401(k) Retirement Plan is considered a secured system, outsourced to third-party administrators (TPAs) for processing.

2.2 Overview of Data-Path Ltd.

2.2.1 Origin of Data-Path Ltd.

Data-Path Ltd. serves as the operational headquarters for July Business Services, a US-based TPA company. Established in 1994 by John Humphrey and Jim Hudson, July Business

Services manages over $6 billion in assets for more than 5,000 businesses.Founded in 2006 in Bangladesh the company has grown significantly, now supporting over 20 TPAs in addition to July Business Services.

2.2.2 Mission and Vision Statements

- **Vision**: Becoming the most accepted and reputed plan administrator of this industry.
- **Mission**: Providing unbiased, reliable retirement solutions tailored to business goals, encouraging savings for retirement.

2.2.3 Core Values

- Teamwork
- Creativity
- Accountability
- Communication
- Determination

2.2.4 Objectives

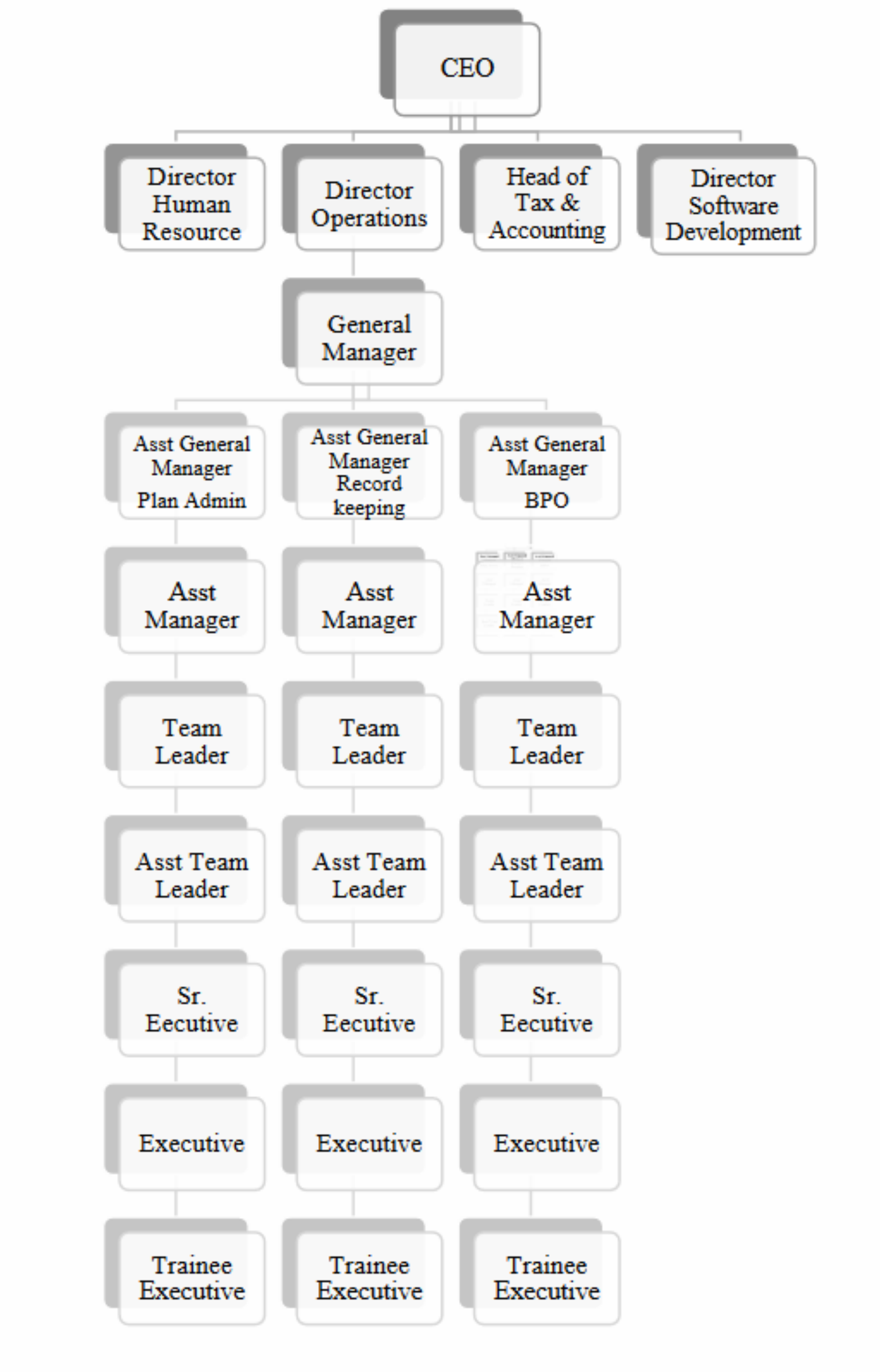
- Achieve self-sufficiency in the softwares used to process the plans. For example: Datair, Relius etc.
- Expand the client base from 20 to 30 TPA companies by 2025.

2.2.5 Major Collaborators:

Data-Path Ltd.'s partners/collaborators include Record Keepers (e.g., Mass Mutual, John Hancock) and TPAs who outsource their operations. These collaborations contribute to the company's success.

2.2.6 Organization Hierarchy

The organizational structure comprises general managers, assistant general managers, team leaders, and employees (senior executives, executives, junior executives, and trainees).



2.2.8 SWOT Analysis of Data-Path Ltd.

Strengths

1. **Industry Expertise**:
   As the pioneer of the RPF outsourcing sector in Bangladesh, Data-Path Ltd. has a significant first-mover advantage. The company has in-depth knowledge and experience in managing 401(k) retirement plans.
2. **Strong Partnership**:
   Collaboration with July Business Services, a well-established TPA in the U.S., ensures a steady workflow and credibility in the outsourcing industry.
3. **Comprehensive Service Portfolio**:
   Offering a wide range of services, from plan design and administration to compliance testing and tax filings, allows flexibility for clients to customize solutions.
4. **Cost Efficiency**:
   By operating in Bangladesh, the company leverages lower operational costs, making it an attractive option for U.S.-based TPAs looking for cost-effective solutions.
5. **Skilled Workforce**:
   Data-Path Ltd. invests in training interns and employees, creating a knowledgeable and skilled team adept at handling complex retirement plan operations.
6. **Technological Development**:
   Efforts to develop proprietary software for the RPF market will reduce dependency on third-party tools and create a competitive edge in service delivery.

Weaknesses

1. **Reliance on July Business Services**:
   Data path LTD's business heavily depends on July. SO if the partnership does not

work out, it may impose difficulties running the organization.

2. **Limited Market Presence**:

   The company's work process is concentrated within only TPA and US's niche markets. If nay changes occurs in the market, it may slow down the overall proceedings.

3. **Training-Dependent Workforce**:

   The company hire people as interns before hiring them full time and training the interns is time consuming and slows the work progress.

4. **Infrastructure Issues**:

   The work process of the organization hugely depends on stable network system and IT department, which reduces the efficiency.

5.

Opportunities

1. **Expanding Client Base**:

   Outsourcing people from Bangladesh is a new trend in the US and it makes it easier for the organization to expand the business.

2. **Rising Outsourcing Demand**:

   Outsourcing is cost efficient and it offers growth in untapped market.

3. **Technological Advancement**:

   As the company has developed it's own softwares, it may attract clients and enhance the outlook of the overall business.

4. **Diverse Service Expansion**:

   Adding new financial services and operating in other administrative areas can diversify the business.

Threats

1. **Competition**:

   The entry of the organization Fin Source, a competitor Data-Path Ltd. which is founded by the former employees of the organization poses a challenge to keep a hold of the market leadership.

2. **Technological Substitutes**:

As the company is being more and more dependant of softwares, manual work processes seem to decrease day by day.

3. **Regulatory Changes**:

   If the US retirement plan rules and regulation go through any change, it will hamper the overall work process of Data path.

4. **Economic Fluctuations**:

   Recessions or inflations which occur time to time, may lead to reduced demand of outsourcing services.

5. **Data Security Concerns**:

   As the organization contains a lot of sensitive data of the clients, it is exposed to potential cybersecurity threats if any kind of data breach happens.

Chapter 3

3.1.1 Background

The BPO department at Data-path Ltd. is the company's most significant and central department. It is directly linked to July Business Services. This department provides outsourcing services to July and other Third-Party Administrators in the USA. American retirement plans are complicated to process and businesses in the U.S. often perceive this as both tough and expensive to regulize a dedicated department or manage retirement plans productively. As a result, they hire July, the mother organization of Data-path Ltd., as a TPA to look after the process. As the process is complicated, the outsourcing operations at July Business Services are challenging to execute, and training new employees is equally difficult. Both trainers and trainees face significant learning challenges when it comes to retirement plans. The main purpose of BPO is to provide a wide range of services for its clients, including plan administration, setup, review, and document preparation. To deliver the assistance, each team collaborates with different TPAs. The BPO sector is one of the most important one in the company, with an increasing number of third party clients.

3.1.2 Objective

The purpose of the report is to deliver a deeper knowledge of the fundamentals of American retirement plans and the outsourcing industry. Specific objectives include:

- Gaining a comprehensive knowledge of the company's retirement plan proceedures.
- Understanding the functions of 401(k).
- Exploring how TPA organizations operate.
- Understanding the process and review of retirement plans.

3.1.3 Significance

This topic is important because it may affect the new entrants in Bangladesh's industry. The report provides insights into the US 401(k) plan procedures. It also explains how TPA companies operate in Bangladesh. The research further delves into how Data-path Ltd. manages and processes retirement plans. Insights from Data-path employees, their experiences, and guidance on retirement plans contributed to the development of this report. The study also covers current U.S. retirement plan regulations.

3.2 Methodology

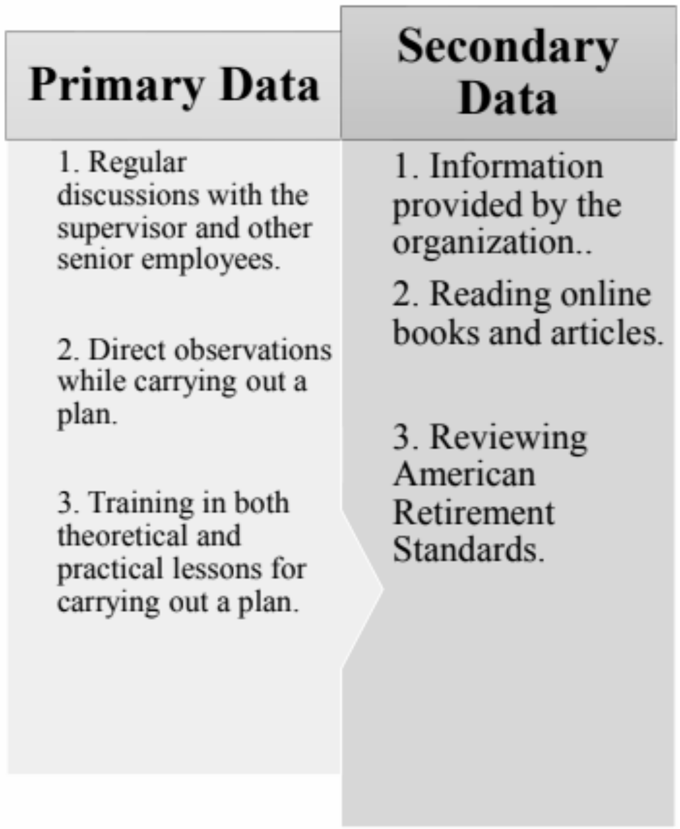


Figure 3: Source of Data

3.3 Analysis

3.3.1 American Retirement Plan

In America, employee benefits play a critical role in the overall costing of a company. Few benefits, like paid holiday leaves, are entirely funded by employers, while others are shared between employers and employees. The "Employee Retirement Income Security Act of 1974" (ERISA) was put into action on September 2, 1974, laying down a complicated legal framework to protect employees, particularly retirees. ERISA is considered the cornerstone of regulations governing employee benefit plans in the U.S. It established a detailed system for managing almost all types of employee benefit plans, and its influence extends to modern legislation on employee benefits. ERISA covers both the previous law of 1974 and its evolving rules.

Generally, retirement plans in the U.S. are divided into two main categories:

- **Welfare Benefit Plans**
- **Pension Benefit Plans**

Within pension benefit plans, there are two distinct types:

1. **Defined Benefit Plan**
2. **Defined Contribution Plan**

Defined Benefit Plan

A Defined Benefit Plan guarantees participants a fixed amount of income upon reaching retirement age, unlike a Defined Contribution Plan, where the amount depends on contributions and investment performance. In a Defined Benefit Plan, the employer is responsible for ensuring the retirement income, which is paid out in installments after retirement. The plan does not hold actual funds in an account but operates based on a bond or agreement to ensure payment to retirees.

Defined Contribution Plan

The more common retirement plan in the U.S. today is the Defined Contribution Plan. In this plan, both the employee and employer contribute a fixed amount to a personal account. The funds in the account are invested and may grow, but the participant assumes the investment risk. For example, in a Defined Contribution Plan, if an employee contributes $500, and the employer adds $250, plus $400 in investment gains, the total balance at the end of the year would be $1,150. This type of plan shifts the investment risk to the employee, as there is no guaranteed return.

3.3.2 American Governing Bodies

401(k) plan is a famous savings plan after retirement in the U.S., offering tax advantages for employees. Three key U.S. governing bodies regulate retirement pension policies:

- **IRS**: The Internal Revenue Service (IRS) oversees tax regulations related to employer and employee contributions to retirement funds. It audits various reports, including

taxation and compensation documents.

- **DOL**: The Department of Labor (DOL) is responsible for ensuring the welfare of workers. It enforces laws that covers all the compensations, hours worked,workplace safety and health.
- **ASPAA**: The American Society of Pension Professionals & Actuaries (ASPAA) is the main authority for pension policy. It establishes compliance guidelines regarding eligibility, vesting, and discrimination and audits reports such as investment summaries and plan valuations.

3.3.3 Categories of Defined Contribution Plans

Defined contribution plans are of many kinds, each designed to fulfill the requirements of different clients. In these plans, each participant has an individual account, and the amount deposited is defined by the specific plan. Unlike a defined benefit plan, there is no guaranteed retirement income, so the individual bears the investment risk. Some key types of defined contribution plans include:

- **General 401(k) Plan**

  The most common type of plan, also known as a salary deferral plan, involves contributions from employees, often through elective deferrals. In 2021, employees can contribute up to 100% of their salary or $19,500 per year. Contributions may be pre-tax, and taxes are deferred until withdrawal. For employees over 50, there is a catch-up contribution of an additional $6,500. Employers may match employee contributions based on a set formula, contributing a percentage of the employee's salary.
- **Matching Contribution**

  In this case, the employer matches the employee's contribution up to a certain limit. For instance, an employer might match 10% of the employee's salary, providing an additional benefit. These contributions are based on specific eligibility requirements.
- **Non-Elective Contribution**

  This type of contribution is made by the employer regardless of employee participation. Employers can provide a definite amount or a partial amount which will be deducted from the salary.

However, this type is often subject to non-discrimination tests to ensure fairness across all employees.

- **Profit Sharing Plan**

  In this plan, employees get a share from the company's profits. The employer can either allocate a predetermined sum based on employee compensation or distribute a percentage of profits to employees. Participation depends on the company's financial performance.

- **Safe Harbor Plan**

  A Safe Harbor Plan is similar to a 401(k) plan but with simplified matching contributions. Employees receive 100% vested contributions, meaning they are immediately entitled to the funds. Safe Harbor plans are exempt from some nondiscrimination tests because they provide clear benefits to employees. The three types of Safe Harbor contributions include:

  1. **Safe Harbor Basic Match**: A formula that matches 100% of the initial 3% of compensation and 50% of the next 2%.
  2. **Safe Harbor Enhanced Match**: Offers more flexibility in determining the provided amount.
  3. **Safe Harbor 3% Non-Elective**: Provides a 3% contribution to all eligible employees, regardless of whether they make any deferrals.

3.3.4 How the 401(k) Plan Works?

The 401(k) plan, a common employer-sponsored retirement plan in the U.S., operates by allowing eligible employees to contribute a portion of their salary to a retirement account. However, employees are not automatically eligible to participate. They must first meet certain requirements set by the employer, while adhering to regulations from the Department of Labor (DOL) and the Internal Revenue Service (IRS). Generally, eligibility is considered upon three factors: age, hours worked, and the type of group to which they belong within the company. While the specifics may vary, they must comply with IRS rules. Once eligible, employees can start contributing to the plan, which will be put into use as the employees prefer.

Nevertheless,all contributions are not accessible for withdrawal. Employee contributions are always fully vested (i.e., the employee owns them), but employer contributions are subject to vesting schedules. Vesting refers to the process by which employees gradually gain ownership of employer-contributed funds over time. For example, if an employee's account contains $60,000, of which $35,000 is contributed by the employer, he/she might need to work for a specified number of years to fully own the employer's $35,000 contribution. The IRS regulates these vesting schedules to ensure they are fair.

The IRS also mandates that Third-Party Administrators (TPAs) evaluate retirement plans annually to ensure employers are not abusing them. Several compliance tests needs to be completed and passed so that the plan to qualify for tax benefits:

- **Top-Heavy Test**: Ensures that plan assets are not disproportionately allocated to key employees (5% share holders or officers). If key employees' credits go above 60%, it is a "top-heavy" plan.
- **Ratio Percentage Test**: This test ensures the plan benefits non-highly compensated employees (NHCEs) as much as it benefits highly compensated employees (HCEs). The provided benefits to Non Highly employees must be at least 70% of overall benefits for all participants.
- **Average Benefit Test**: This test is used if the Ratio Percentage Test is not passed. It adjusts the threshold for smaller companies with fewer employees, which may have a higher concentration of HCEs.
- **ADP and ACP Tests (Non-Discrimination Tests)**: These tests make sure that the HCEs' contributions do not exceed certain limits, preventing HCEs from disproportionately contributing to their 401(k) accounts. If a plan fails these tests, the employer may either make additional contributions to the NHCEs or request refunds of excess contributions made by HCEs.

Safe Harbor Plans, which automatically ensure 100% vesting of employer contributions for NHCEs, are not included in a few nondiscrimination tests.

3.3.5 Plan proceedings:

To set up a 401(k) plan, a plan administrator requires certain documents and information, including:

- Employee census (a list of employees)
- Financial record or it's synopsis.
- A previous year's Form 5500 (a report required by the IRS)
- Additional details about the plan sponsor

When designing a 401(k) plan, various laws, regulations, and the needs of both the employer and employees must be considered. The plan needs to be created in a way, so that it passes all required discrimination tests, ensuring fairness for all employees while optimizing the plan for the employer's benefit. Factors such as the type of contributions and employee eligibility are important during the design phase.

To implement the plan, the following steps are typically taken:

1. **Plan Setup**: The initial phase of the plan. It works as a structure.
2. **Census Checking and Import**: All the employee data are collected and processed for the contribution calculation.
3. **Logical Test Check**: It makes sure that the plan goes well with all necessary tests
4. **Contribution Calculations**: It determines whether or not the exact amounts are being contributed by employees and employers.
5. **Financial Data Import**: The relevant financial data are imported for the plan process.
6. **Reconciliation**: It ensures that all the data of the plan aligns perfectly.
7. **Trust Accounting**: The funds within the plan are managed properly to make sure they are correctly allocated and implemented.
8. **5500 Form Submission**: Filling up the form 5500 and filing it for the IRS as it needs to be submitted for each processed plan.

The mentioned steps make sure that the plan is properly processed and compliant with all the legal proceedings.

3.3.6 How The TPAs Are maintaining Their Business in Bangladesh?

Third-Party Administrators (TPA) for 401(k) plans are the companies that have the expertise in managing the operational and compliance aspects of retirement plans. In the case of U.S. 401(k) plans, TPAs ensure that the plan goes well with federal regulations.

- Updating the documents for the plan
- Creating financial statements
- Distributing plan materials
- Ensuring compliance with the previously set limits of contributions
- Making a draft for loan documents
- Making the necessary reports for IRS.

One of the most prominent examples of a TPA involved in 401(k) plan management is *July Business Service*. The organization partners with *Data-Path Ltd.* in Bangladesh to provide necessary support for U.S.-based 401(k) retirement plans. Many U.S. organizations think it is expensive to manage their own retirement plan administration departments, so outsourcing to TPAs like *July Business Services* and its partner *Data-Path Ltd.* offers a practical solution. *July Business Services* manages only the primary functions,. *Data-Path Ltd.* provides the all administrative service which makes sure that the operations are going smoothly.

Now a days, Bangladesh has become one of the most attractive countries for outsourcing. As it has low labor costs and a strong workforce, it is considered a great destination for conducting outsourcing services. According to the Oxford Internet Institute, Bangladesh has exceeded China's record as the world's second-largest provider of online labor. This has made Bangladesh a distinguish country in the outsourcing sector. Over 1,500 outsourcing firms are currently operating in the country. As a result, companies like *Data-Path Ltd.* are well-positioned and continuously providing all the necessary administrative support for international firms, especially in the retirement planning industry.

3.3.7 Discoveries from Data-Path Ltd.'s BPO department:

There are a lot of challenges that have emerged in front of Data Path while conducting its services.

- **Lackings in the Training Program**: The training program of *Data-Path Ltd.* is not effective as it lacks of detailed handouts which makes it hard for new employees to understand key concepts.
- **A small number of QKA-Certified Employees**: Data Path has a limited number of employees who holds the Qualified 401(k) Administrator (QKA) certification. This certification is a very important part of the retirement industry in terms of gaining client trust.
- **Communication gap**: There are communication gap between *July Business Services* and *Data-Path Ltd.* as these two entities work in different time zone. It eventually leads to inefficiencies.
- **Network Connectivity Issues**: The electricity power supply gets turned off frequently due to load shedding. It leads to issues with internet connections and server speed, causing inefficiency.
- **Fewer number of Leaders and Reviewers**: There are notsufficient leaders or senior reviewers in the organization and it impacts the workflow. As the employees are mostly interns and newly hired, right amount of leaders are required to guide and educate them of the process.
- **Continuous Changes in Rules**: The 401(k) plan rules and regulations get changed time to time and it makes it difficult for employees to stay updated
- **Dependency on U.S. Economy**: *Data-Path Ltd.*'s business is solely dependant on the U.S. retirement industry and the economic stability of the U.S. If the U.S. economy every experience a significant downturn, the whole operation of Data Path will be slowed down.

3.4 Recommendations

As Data path faces or can face several challenges based on different situations, some recommendations are given below:

1. **Developing the Training Process**: The current training process are not helpful enough as they contain long theoretical sessions. Also, there are no properly made handouts to understand the session properly and study at home. The trainings can be more structured. Like they can include 5-7 days of theoretical training with comprehensive materials. Then they can add 10 days of practical, hands-on training. Additionally, handouts can be provided which will include steps for plans' proceedings. It would help new employees to understand the work properly.
2. **Increasing the Number of QKA-Certified Employees**: To develop the credibility and trust with clients, *Data-Path Ltd.* needs to encourage employees to go for the QKA certification exams. As having more QKA professionals will make sure that the work are getting done in a proper manner
3. **Meetings with Clients**: In order to enhance the communication, weekly meetings with clients should be done in a regular manner. By doing this, the instructions will be clearer and the team can understand the work in a more structured manner.This would help minimize errors and eventually improve work efficiency.
4. **Consultation regarding Server and Connectivity Issues**: The company needs to invest in improving server infrastructure and try to resolve the internet connectivity issues. Addressing these technical challenges will increase productivity and prevent work disruptions It will lead to faster work progress.
5. **Appointing the proper candidates**: The recruitment process should be more developed. It should focus on hiring individuals who are capable of handling pressure, especially during busy seasons. When the right people are placed in the right positions, the efficiency will be increased and employee turnover will be reduced.

If Data path addresses these issues and work on them, it can definitely make things work in a much better way. The productivity can be increased and the company reputation too.

3.5 Summary

Bangladesh is becoming a key player in the outsourcing industry day after day and *Data-Path Ltd.* holds a distinctive position in this sector. When it comes to providing services for U.S.-based Third-Party Administrators (TPAs) managing 401(k) plans, Data path is one of the best companies out there. Though there are many outsourcing industries in Bangladesh but the kind of services Data Path provides are rare in this country. It gives the company a unique advantage and a promising future. As the need of outsourcing grows in the U.S. TPAs, Bangladesh has a potential to stand out among various different nations. Data Path already took its place in the retirement industry and it is developing more and more. Many outsourcing industries in Bangladesh takes Data Path as an example and it shows how much further the company has come.

The American retirement benefit system encourages people to save for their retirement. This paper provides an in-depth understanding of how retirement plans are processed in the U.S. and how much important the TPA's are in this industry. It also provides insight into the operational processes of these TPAs, as well as challenges faced by companies like *Data-Path Ltd.* in managing such complex systems.

The recommendations made in this paper are intended to improve the internship experience and work environment at *Data-Path Ltd.*, and, if implemented, could help the company foster greater business growth and efficiency. From a personal perspective, my internship at *Data-Path Ltd.* has been a transformative experience, enhancing my understanding of finance, especially in comparison to the academic knowledge I gained. I had not been familiar with American retirement funds or the specific accounting practices they involve prior to this internship, but the experience has significantly broadened my knowledge.

Overall, *Data-Path Ltd.*'s success as a TPA outsourcing partner can be attributed to its ability to handle the complexities of U.S. retirement plans. The internship provided invaluable hands-on experience, and I am grateful for the opportunity to have worked with such a dedicated team at *Data-Path Ltd.*.

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