### 2 Executive Summary

- Objective: Transform the IT capabilities within the equity portfolio management group by improving operational efficiency, building business resilience, enhancing security, and restoring trust in IT through value-driven service delivery.
- Key Priorities: Organizational restructuring, adoption of Agile practices, business continuity planning, error reduction in financial data feeds, vendor contract optimization, global alignment, Charles River IMS implementation, and IT security enhancements.
- Expected Outcomes: Increased operational efficiency, strengthened IT-business alignment, improved data integrity, and enhanced security.

# IT Organizational Restructuring and Right-Sizing

- Goal: Reorganize and optimize staff for maximum productivity and alignment with business needs. • Action Plan: Conduct a skills gap analysis, reorganize teams to streamline workflows, and adjust staffing levels based
- on identified needs. • Timeline: Months 1-6.
- Financial Analysis: Estimated savings of 15-20% in operational costs through optimized staffing and role realignment. Potential upfront consulting costs for analysis (~\$100K) with projected ROI within the first year. • Metrics for Success: Improved project delivery times, reduced personnel costs, and enhanced alignment with
- business priorities.

# Implement Kanban for Agile Delivery and IT-Business Alignment

trust. • Action Plan: Train IT teams in Kanban principles, establish Kanban boards, and implement a feedback loop with

• Goal: Transition from Waterfall to a Kanban-based Agile framework to enable incremental delivery and build business

- business stakeholders for continuous improvements. • Timeline: Months 3-12 for full Kanban adoption and process refinement.
- Financial Analysis: Initial investment in Agile coaching and training (~\$75K). Expected reduction in project cycle time

by 25% and improved project success rates with faster feedback and adjustments.

- Metrics for Success: Reduction in project cycle times, positive feedback from business stakeholders, and increased
- project success rates.

## Develop Business Continuity Plan (BCP) for Portfolio Management

• Action Plan: Establish a secondary location, equip it with essential IT infrastructure, and create relocation protocols for traders and portfolio managers.

• Goal: Ensure uninterrupted trading and portfolio management in case of disruptions.

- Timeline: Months 1-12 for setup and testing; ongoing for regular drills.
- includes avoidance of potential revenue losses during downtime and compliance with regulatory standards.

Financial and Bloomberg.

Optimization

ROI within the first contract cycle.

project success rates globally.

and user training.

strategies.

data protection.

satisfaction with the new system.

Belgium and Australia

quality.

• Metrics for Success: Successful relocation drills, compliance with regulatory requirements, and minimum downtime during actual disruptions.

• Financial Analysis: Estimated setup costs \$500K for secondary location with annual maintenance of \$75K. ROI

### Financial Feeds • Goal: Use Six Sigma methodology to identify and reduce errors in financial data feeds from providers like Thomson

Apply Six Sigma for Error Reduction in

- Action Plan: Map current processes, conduct root cause analysis on data errors, and implement targeted improvements. • Timeline: Months 6-18 for process mapping, analysis, and improvements.
- Financial Analysis: Initial investment in Six Sigma training and process reengineering (\$150K). Expected reduction in financial data errors by 30%, reducing manual reconciliation efforts and mitigating financial risk.

• Metrics for Success: Reduced error rate in financial feeds, lower manual reconciliation costs, and improved data

#### • Goal: Enhance vendor management through direct involvement in negotiations and contract renewals. • Action Plan: Review existing contracts, identify opportunities for renegotiation, and implement cost-effective terms in vendor agreements.

Vendor Negotiation and Contract

- Timeline: Ongoing, with major contract reviews scheduled in months 1-6 and periodic updates. • Financial Analysis: Potential cost savings of 10-15% through renegotiation and bundled service agreements. Estimated

• Metrics for Success: Improved vendor contract terms, cost savings, and enhanced service delivery from vendors.

#### • Goal: Ensure consistency in PMO processes across regions to support software development, integration, and support. • Action Plan: Conduct PMO process reviews with international teams, standardize processes, and establish a global project management framework. • Timeline: Months 6-18, with bi-annual alignment sessions.

Global PMO Process Alignment with

• Metrics for Success: Consistent PMO processes across regions, reduced project delays, and higher project alignment with global objectives.

• Financial Analysis: Upfront investment in travel and workshops (\$100K), offset by improved process efficiency and

Implement Charles River Investment Management System (IMS) Project

• Action Plan: Manage the implementation project, coordinate with stakeholders, and oversee the setup, customization,

• Financial Analysis: Total project cost is estimated at \$1.2M, with anticipated efficiency gains and improved data integration, leading to long-term ROI. • Metrics for Success: On-time and on-budget implementation, improved portfolio management efficiency, and user

• Goal: Deploy Charles River IMS to enhance portfolio management capabilities.

• Timeline: 18 months for full implementation, including testing and training.

- Comprehensive IT Security Review and
- Remediation
  - Action Plan: Perform a security audit, prioritize findings based on risk, and implement required security enhancements. • Timeline: Months 3-12 for review, with ongoing remediation and monitoring.

• Goal: Conduct a thorough security review of IT and data processes, identify vulnerabilities, and implement remediation

• Financial Analysis: Estimated cost of ~\$200K for the security audit and an additional \$150K for remediation efforts. Expected reduction in risk exposure by 40% and avoidance of potential security breaches.

• Metrics for Success: Reduced number of security vulnerabilities, compliance with security standards, and enhanced

## Financial Analysis Summary and ROI Projection

• Total Projected Costs: ~\$3.5M over two years for all initiatives.

operational resilience, data accuracy, and IT-business alignment.

• Projected Cost Savings and Avoided Losses: ~\$2M annually from right-sizing, vendor negotiations, and error reduction.

• Projected ROI Timeline: Expected to achieve cost recovery within 3-4 years, with additional long-term value in

### • Year 1 Focus: Organizational restructuring, BCP planning, Kanban adoption, and initial stages of Charles River IMS

Timeline Overview

- Year 2 Focus: Completion of Charles River IMS, Six Sigma for data feeds, global PMO alignment, and continued IT security enhancements.
- implementation.

### Key Performance Indicators (KPIs)

- Staff Efficiency: Improved productivity and reduced operational costs.
- Project Cycle Time: 25% reduction in delivery times with Kanban. • Data Accuracy: 30% error reduction in financial data feeds.
- Vendor Savings: 10-15% savings from contract negotiations.

• System Security: 40% reduction in identified vulnerabilities.