

Client Profile

The client is a global financial institution with a corporate headquarters in Europe and technology strategy driven from the U.S. As a global, multi-asset class broker/dealer, the firm has over two dozen offices serving markets worldwide. Asset classes include fixed income/rates, FX, equities and indexes, and commodities including softs, metals and energy.

Major lines of business include:

- Execution
- Clearing
- Prime Brokerage
- Research



Situation / Problem

The Global Executive Committee saw the potential business gains offered by Cloud Computing. Determining realistic ROI scenarios was complicated by the significant change in operating and technology models. While the promise of Cloud Computing was alluring, the specific path to benefits realization proved elusive.

Actionable Strategies was engaged to help the client develop a strategy and high-level plan. The focus was to yield specific business results while avoiding potential pitfalls. This multi-year effort targeted gaining initial results as a foundation for migration to the Cloud.

Approach / Solution

Actionable Strategies applied proven approaches to rapidly formulate a business plan for increasing operating performance by using cloud computing

Strategy

The first activity was Strategy Mapping which created a technology strategy aligned to the business strategy driven by the Executive Committee. This resulted in a two-pronged global technology strategy to reduce costs and unify collaboration technologies. A four phase implementation was developed with targeted benefits realization after six months.

Execution and Financial Models

Cost optimization benefits were delivered in three stages, each of which also delivered greater business capabilities and functionality for stakeholders.

- Migration of messaging and collaboration platforms and applications to public Cloud
- Consolidation of desktop and user infrastructure to a private Cloud
- Optimization of core infrastructure and front-office services using a hybrid Cloud

Using both cash flow and accrual based models, positive ROI was demonstrated at each stage. The iterations also back-loaded the highest technology and implementation risk profiles later in the program.

Risk Management

As a regulated broker/dealer, the client had a number of unique regulatory and compliance concerns to address in all of the markets where they participated, but a single global strategy was required.

By applying risk management frameworks applicable to extending processes to third parties, Actionable Strategies was able to quickly navigate the compliance and regulatory issues visible at the most senior levels. Similarly, by framing operational models in the context of well-understood vendor relationships, Actionable Strategies facilitated understanding and adoption of the new models.

Benefits

Application of a strategic framework enabled the client to rapidly generate a business case and begin execution. Supporting information from previous engagements, analyst relationships and client interviews provided executives with empirical as well as anecdotal evidence of the validity of the strategy.

“Actionable Strategies partnered with us to synthesize a crisp business case from a large set of global business considerations. We used their planning framework to define a strategic roadmap that encompassed an aligned business and technology model. They brought a knowledge of financial services and depth of technical experience that enabled us to work effectively together”, said Stephen Davy, CIO of the client organization.