

We need to . . .

REVIEW THE INVESTMENT OPERATIONS FRAMEWORK

Our client, a State Treasury, manages nearly USD 90 billion in assets for several state agencies. The organization had significant gaps and risks in their infrastructure including the people, processes, and technology to support these investments.

The firm sought Cutter's expertise to perform an Investment Operations review, arrive at a target operating model that would best meet their requirements, select the vendor solutions, develop an implementation roadmap, and provide assistance implementing the solution.

CUTTER SOLUTION

In the first phase Cutter performed a current state assessment. We identified gaps, risks, and opportunity for improvement using our standard Cutter assessment framework and Cutter Benchmarking collateral (Operational Costs and Allocation of Resources survey) to present peer firm comparisons concerning staffing levels across functional areas.

In phase two, Cutter designed a target operating model, leveraging leading industry practices for the use of technology, data management, and workflow, that would remove the gaps and risks in their existing environment. We then developed a roadmap, identifying discrete project initiatives and milestones, with high-level timelines, costs, and resource requirements.

In the third phase of the engagement, we conducted a detailed fit assessment of the options identified in the target operating model. These were further refined to two finalists.

Cutter then facilitated an evaluation of the options; work included defining the evaluation criteria, developing a detailed list of demo scenarios, facilitating demonstrations and subsequent site visits, making a final recommendation on the solution, reworking the roadmap, and resource requirements for implementation and on-going maintenance. Cutter further assisted the client in contract negotiations.

CLIENT PROFILE

Client Type:

Public Fund

Assets Under Management:

USD 90 billion

Location:

North America

Cutter Practice:



Public Funds



Implementation

Finally, Cutter provided assistance in implementing the preferred solution, providing project management, detailed business requirements, testing, and deployment support.

In the first phase, in a span of five weeks the client was able to get an objective and expert assessment of their entire investment operations function across all divisions. A key component of the assessment, comparing staffing levels to industry averages, revealed that the agency was significantly understaffed across the board. Cutter provided empirical benchmarking data that supported the case for increased resourcing.

In the second phase, the client was able to get a target technology and operational solution to meet their investment objectives. Additionally, they were able to understand resource projections and high-level costs of investments that they could present to the state legislative sessions for approval.

At the end of the project, the firm was able to get an objective recommendation that set them on course for a transformative change that enables them to meet their long term goals. With the implementation of the new system solution, they are positioned to transition more smoothly into a "Business as Usual" operating mode.