

We need to . . .

## REVIEW OUR OPERATING MODEL & SYSTEMS

Our client is a leading provider of financial protection benefits in the United States and the United Kingdom. Its primary businesses include disability, life, accident and critical illness, dental and vision coverage, which help protect millions of working people and their families in the event of an illness or injury. They also provides stop-loss coverage to help self-insured employers protect against unanticipated medical costs.

In recent years, the firm's investment unit had witnessed an increasingly complex market and regulatory environment in the face of a decline in their staffing levels for IT and middle and back office support. Much of the support was centralized within the finance and technology departments. They were concerned that their operating model and systems were outdated.

Cutter Associates was retained to conduct a strategic review taking into consideration people, process, technology, and data. This engagement consisted of a current state assessment, future state recommendations, and roadmap.

## CUTTER SOLUTION

Cutter Associates began by conducting a review of the existing environment across both the equity and fixed income functions – looking at the technology, processes, data management, and organizational framework. We interviewed people across the organization from front to back-office to understand their pain points, manual processes, and bottlenecks.

Consideration was given to the fit of core investment systems (Research, OMS, Accounting, Risk and ALM). While there were a number of concerns raised, in Cutter's view, there were none that warranted the replacement of core applications. Many of the concerns were related to better data access and reporting. We presented a number of areas where the client should focus on improving the use and utilization of the vendor products they already had (Bloomberg and PAM) with an effort to eliminate the need for continued enhancements to in-house built applications.

In addition, Cutter advised on the staffing requirements that would be necessary to support a newly implemented, centralized, agile technology framework.

## CLIENT PROFILE

### Client Type:

Insurance Company

### Assets Under Management:

USD 11 billion

### Location:

United States & United Kingdom

### Cutter Practice:



Operational Strategy

We made several recommendations to allow the client to better utilize both vendor and in-house applications.

These included:

- Embracing a data strategy that would allow for end-user self-service delivery capability, reducing the reliance on IT resources.
- Reviewing the use of in-house proprietary applications with a view to using alternative vendor solutions if appropriate.
- Identifying six key processes where there were opportunities to streamline and rework processes to reduce manual tasks and increase efficiencies.
- Expanding the use of the existing portfolio management and accounting application functionality.
- Establishing an IT Governance structure.

The client was very pleased with the results of the engagement and is already making progress by tackling some quick hits and short-term projects before embarking on a longer term strategy project.