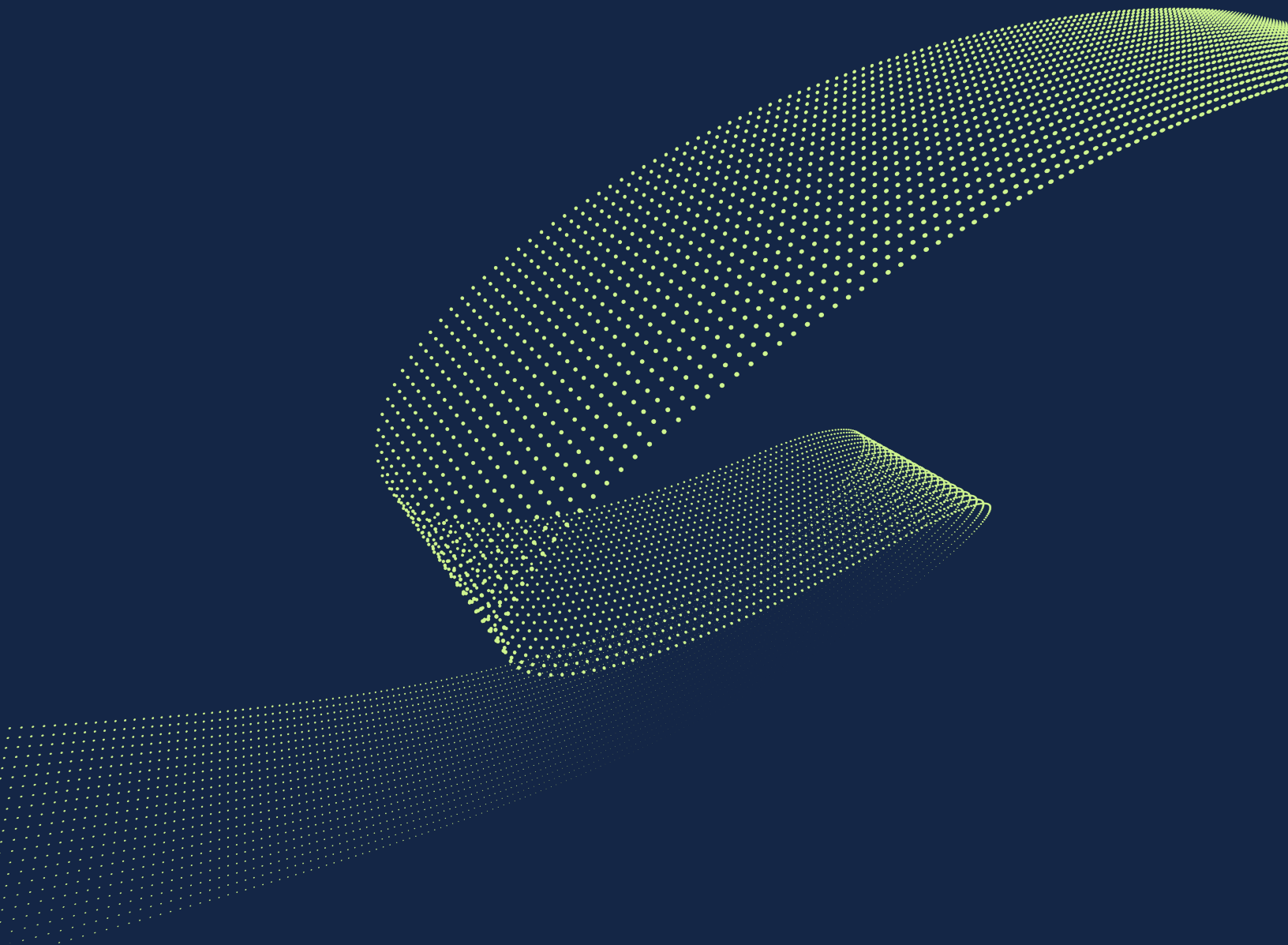


Citisoft



Outlook 2025

It's Time to Talk
About Transformation

It's Time to Talk About Transformation

By Paul Migliore, CEO and Tom Secaur, COO

Transformation Challenges

As we prepared to enter the new year, discussions of what 2025 may hold kept returning to an offhand comment by an investment management executive at a conference: “Why are these so difficult?” Few would be surprised to hear that he was referring to a transformation initiative. But in conversations centered on the year to come, it may surprise you to hear that this remark was heard over 10 years ago.

Whether large or small, transformations are difficult, and they have been for much longer than a decade. Although the challenge is well known, the world around it—especially technology—is changing, demanding that firms evolve or fall behind.

For over two years now, the investment management industry and much of the world beyond has been abuzz with talk of artificial intelligence and its potential. AI’s potential to revolutionize tasks ranging from drafting meeting notes and action items to refining complex predictive analytic models is tantalizing.

At the same time, we’re seeing the returns on years of persistent but less dramatic progress when it comes to financial technology. A decade’s advances in data storage and cloud software eventually brought us today’s array of impressively flexible, scalable, and easy-to-use cloud data solutions.

Yet, as technology has vaulted forward, the management of people and processes involved with large change programs has remained mostly the same. This is why the time is right to talk about our industry’s transformation challenges: The weight of legacy systems continues to grow, and stagnant, ineffective approaches to managing enterprise-level change are holding back the potential of today’s technology.

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There's No Substitute for Experience

The trouble with charting a better course for change is that most leaders are unlikely to experience more than one or two significant transformational change programs in their career (never mind the fact that they rarely want to go through another). As with any challenging task, the experience of having done it before and emerged with all the scars of lessons learned is perhaps the single most valuable contributor to further success.

In need of experience, this is when most organizations seek out the practiced expertise of consultants, but brace yourself for a bold claim (for a consultant at least)—the investment management industry needs fewer consultants.

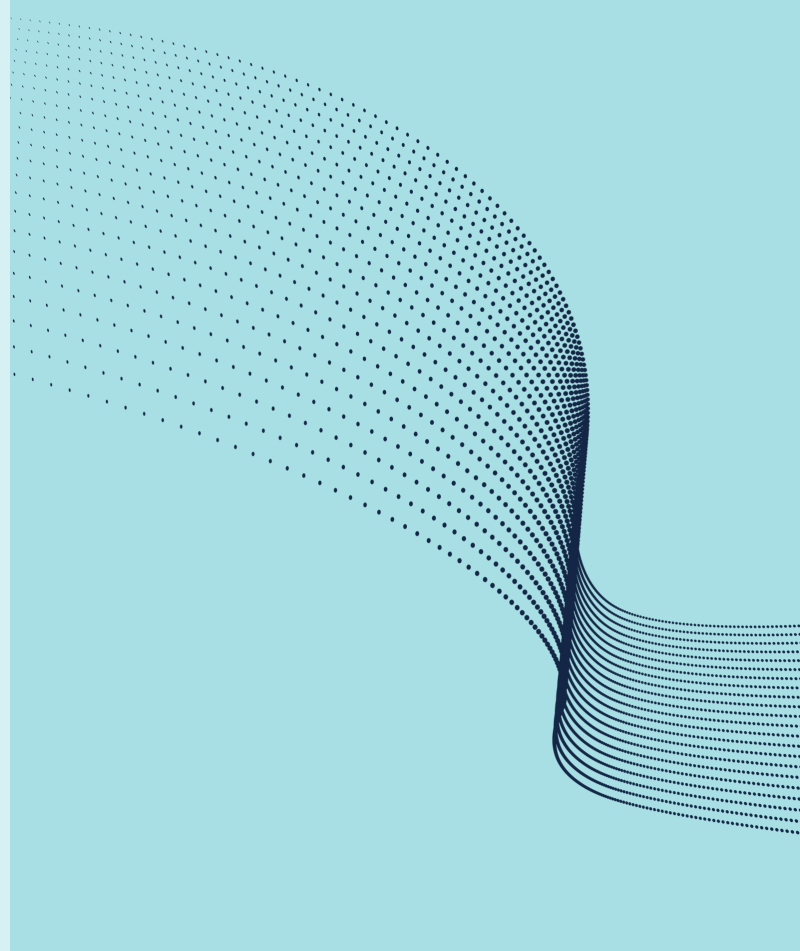
At present, initiatives are frequently staffed with dozens (or more). They're smart, they're hardworking, but look around and ask yourself: Are they experienced? Have they seen the good and bad consequences of their decisions five or 10 years down the line? Have they done this before?

Assessing the Current State of Transformation

We believe that getting better at transformation starts with bringing more experience into the conversation. Initiatives will still be challenging and costly, there will be unexpected issues and the need to iterate and evolve plans, but drastically extended timelines and bloated budgets should not be accepted as necessary to their success.

This year's Outlook explores change programs from four angles to see what lessons experience has delivered, what 2025 may have in store, and the possibilities of what comes after.

We'll begin by studying the continued pursuit of a total portfolio view, take a step back to look broadly at the potential for operations to be a driver of value, consider the market forces influencing change and what these shifts entail for delivering on client expectations, and finish by reflecting on at the evolution of investment data management to prepare for what comes next.



Conversation Starter, Not a Crystal Ball

Now in its 15th year, Citisoft's Outlook is an opportunity for us to look ahead at the themes that we believe will shape the next 12 months. While that goal remains the same, in 2025 we are taking a slightly new approach to laying out our landscape of the industry. In 2024, Citisoft debuted four practice areas—investments, operations, distribution, and data—to better demonstrate the scope of our institutional knowledge and areas where we support client success.

Outlook 2025 matches that structure with a section speaking to each practice area, while weaving the theme of transformation challenges—and the value of experience—through each. Rather than an in-depth discussion of each area, we want this to be the beginning of a year-long conversation that evolves with the inevitable twists and turns of the industry and broader world.

The Continued Pursuit of a Total Portfolio View

By Ben Keeler, Partner, North America, Head of the Investments Practice

The first of four perspectives on transformation challenges focuses on a much discussed but still challenging goal: the total portfolio view. In 2023, on the heels of the Citisoft Asset Owner Survey, we looked at the key factors for achieving a [consolidated view across portfolios](#), but the topic traces back further. Interchangeably called a whole portfolio, consolidated, or centralized view, the concept has been a frequent topic of conversation for at least a decade.

In many ways, the conversation around a total portfolio view mirrors talk around Outlook 2025's theme of transformation challenges—the industry has been talking about a comprehensive view of portfolio and associated risk analytics, inclusive of public and private assets for years, but a solution remains elusive. Heck, in that 2023 blog, we referred to a consolidated view as a “unicorn”.

Yet, we think 2025 will be a turning point. Progress over the past decade has been gradual, with asset owners initially leading the charge for a total portfolio view. Now, solution providers are stepping in, poised to deliver this capability to more organizationally complex asset managers.

Asset Management's Growing Desire for a Total Portfolio View

The earliest proponents of a consolidated view were asset owners, with a clear need thanks to their mix of public and private investments. The value for asset managers is a more recent development.

When it comes to investments, traditional asset managers are looking more and more like pensions,

insurers, and other asset owners. [From 2003 to 2023, multi-asset investment AUM increased more than 8x](#), driven in large part by growing private investment portfolios, today, sometimes rivaling the size of their public equity counterparts. The growth of private assets and multi-asset strategies brings with it the need to view risk and analytics across asset classes.

Yet, beyond the asset-driven need, a total portfolio view was a good fit for asset owners in large part because they generally have a clear picture of organizational investment mandates. Asset managers, on the other hand, often have a larger set of investment leaders.

Implementing a new system or platform is never about technology alone, but the scope of whole portfolio solutions emphasizes the importance of a holistic view of investments. The business change from an asset-class to centralized view must bring with it important considerations regarding organizational structure.

Adapting the Total Portfolio View for Asset Managers

At asset management firms, the aggregation of information often brings with it the question, “Whose consolidated view are we trying to serve?” The C-suite is eager for consolidated data and enhanced oversight, but portfolio managers, risk, and compliance are likely to have different expectations around the view that is provided.

Though their diversity of asset classes and appetite for alternatives are now similar to asset owners, the important organizational piece of the puzzle remains

distinct for traditional asset managers. This is not to say that the consolidated view is not a fit for asset management, but rather that successful execution requires an understanding of the organizational considerations that extend beyond a solution provider's platform.

This distinction means that, for asset managers, the whole portfolio view will be asked to meet the needs of a more diverse set of internal investment leaders and teams. In addition to the rolled-up, holistic view(s), the solution needs the ability to slice and dice for hierarchical views by product type, geographic region, and sector, for example. Anyone that has lived through transformations at diverse, global investment managers understands how hard it can be to gain consensus on these basic data elements.

Ultimately, even if the solution is a perfect fit for the business and is implemented flawlessly, the consolidated view will fall short on value if the firm does not consider the needs of all stakeholders and potential impacts on oversight and decision making.

Catching the Total Portfolio View Unicorn in 2025

All these challenges in mind, we'd be remiss to not return to our core message, as discussed in the Outlook 2025 introduction—experience matters.

In this case, many lessons learned from front-, middle-, and back-office transformations can be applied to both planning and delivering total portfolio view initiatives. Even more similar are the complex, phased transformation initiatives required

for front-to-back solutions. Across initiatives, experience with private and alternative assets is essential to total portfolio view success because of their unique complexity, which is only magnified when combining with public assets.

A consolidated view across portfolios is finally attainable, but that's not to say it's easy. In 2025, experience is key to starting down the path toward success. Knowledge gained from past transformation successes and failures endows future initiatives with the understanding that success requires consideration of not only technology but also—and more importantly—the people and processes that make each firm unique.

As with all transformations, it's imperative to integrate a holistic perspective from the early stages, long before arriving at solution implementation. Experience across asset management functions is invaluable to strategically addressing the complexity and nuance introduced when you have a diverse set of stakeholders. Without a well-conceived plan, it's likely that down the line, investment leaders hear their firm has achieved a consolidated view and wonder, "For whom?"

Due to the organizational implications and overall complexity of this approach, an operational transformation to deliver a total portfolio view could look a lot like the long-delayed, far-overbudget, frustrating initiatives experienced by many in the industry. To avoid that fate in 2025, bolster your pursuit of a consolidated view with the holistic perspective and insights that only experience can deliver.



Operations Practice

Realizing the Value-Driven Operating Model

By John Clark, Partner, North America, Head of the Operations Practice

In 2025, the asset management industry is facing a challenging combination of advancing client expectations and operational demands:

- New and alternative asset classes are no longer for institutional investors only.
- Clients increasingly expect any technology they encounter to be intuitive, flexible, and fast, driven by tech experiences in their personal lives.
- Cost pressure is driving an emphasis on operational efficiency—in opposition to the forces asking more of operating models.

At the heart of this ‘do more with less’ trio lies a common goal: transforming operational models from functional backbones into strategic enablers of value.

These forces didn’t suddenly appear when the calendar turned over but, in line with our theme of transformation challenges, the growing urgency to adequately address them makes this year an inflection point. Whether managing the growth of private markets or supporting an expanding suite of ETFs, operational models must evolve to address both immediate challenges and long-term strategic goals.

By adopting this broader perspective, the specific transformation objectives discussed elsewhere in Outlook 2025—such as achieving a whole-portfolio view or employing cloud data solutions—become part of a unified vision that is the focus of this section: turning operations into a source of competitive advantage and value creation



Tailor Operations to Add Value and Build Trust

Delivering value begins with understanding and addressing client needs—with ‘clients’ including front-office stakeholders, client services/support, and end investors. For operations, this means focusing on outputs that are accurate, timely, and tailored to the specific requirements of these stakeholders.

Take, for example, the rapid growth of private market investments. Private markets have grown rapidly in recent years, [now representing over \\$12 trillion in global AUM](#). As allocations are expected to [expand over the next three years](#), teams face new challenges in areas like valuation, GP data sourcing, liquidity management, and cash flow forecasting. These are critical components of engagement with front-office ‘clients’, directly influencing trust and transparency.

Similarly, [the continued influx of ETFs introduces operational complexities](#). While the design and management of ETFs is primarily an investment team’s responsibility, operational teams face challenges such as maintaining dual operating models—one for ETFs and another for private assets, for instance—that must converge for certain activities but remain distinct for others. Additionally, firms may need to expand relationships with existing partners or explore new vendor relationships, such as ETF order takers, transfer agents, market makers, and distributors. Though ETFs are only one example of the evolving investment landscape, tailoring operations to their presence is increasingly vital, with [inflows surpassing \\$1 trillion in 2024](#).

At the core of these complexities is the need for operational models that can flex and scale in response to new asset classes, while staying aligned to the overarching goals of providing tailored solutions that generate value and build trust across all stakeholder groups.

Operational Agility and Market Dynamics

Operational agility has long been a guiding principle for firms, and it remains central to navigating the road ahead. In 2025 we see agility, or the ability to adapt swiftly, as a prerequisite for firms looking to manage the complexities of new asset classes, evolving regulatory demands, and advancing technologies effectively.

Consider the advent of tokenized funds. Although tokenization is unlikely to impact the US market in 2025, the EU is making more progress, with Bank of England Governor Andrew Bailey recently stating that [“the BoE \[is\] continuing to prepare for a retail CBDC \[central bank digital currency\].”](#)

Acknowledging the uncertain and varied timeframes to deliver value, they hold the promise of real-time settlement, fractional ownership, and enhanced liquidity—and with that, innovation in client solutions. Yet, adoption takes time, with [projections based on the rise of ETFs suggesting it could take five more years for tokenized funds to total just 1% of global AUM](#). This is likely because they introduce significant operational complexities. Firms seeking expansion in this area will need to adapt their systems to handle real-time matching and ensure compliance across multiple regulatory jurisdictions.

Agility also requires a tailored approach to operational design, reflecting the size and complexity of each organization. Larger asset managers may prioritize scalability to manage growing volumes and diversification, while smaller firms might focus on nimbleness to quickly adopt new strategies. Regardless of size, the ability to anticipate and respond to market shifts will be the defining factor of operational success in 2025.

Enhance Efficiency Through Technology and Collaboration

Efficiency remains a cornerstone of operational success, but the path to achieving it has become more challenging. Due to the growing market demands discussed earlier, cost-cutting alone is insufficient; instead, some firms are focusing on leveraging technology and fostering collaboration to drive meaningful efficiencies.

Automation is a key enabler. Tasks such as reconciliations and reporting, which have traditionally been manual and error-prone, can or have the potential to be streamlined using robotics, machine learning, and in some cases artificial intelligence.

Collaboration is equally critical. Breaking down silos within and between operations, technology, and front-office teams creates opportunities for innovation and cost savings. Consolidated functional platforms—for instance allow firms to centralize matching, settlements and reconciliation, pricing, valuation, and NAV production—will streamline operations and enhance efficiency across the organization.

This year, we expect transformation initiatives to focus not just on deploying technology but on embedding it into a culture of continuous improvement, encouraging teams to identify inefficiencies and propose innovative solutions.

Align Teams to Transform Service-Based Operational Functions

As bespoke solutions to investment strategies become the norm, the limitations of siloed operational functions are increasingly apparent. Firms must reimagine their operating structures to foster cross-functional collaboration.

A continuous innovation mindset is critical. Teams who are empowered to question existing processes and explore innovative solutions can drive transformation from within. For example, small-to-mid-sized asset managers could benefit from establishing shared services teams tasked with rethinking workflows to reduce duplication of processes.

By focusing on collaboration between operational teams and change functions, as well as motivating these staff to innovate, such initiatives have the potential to deliver value by significantly reducing reporting times, improving internal communication, and driving operational excellence.

Strategic partnerships with both service providers and software vendors also play a role. As firms reassess the balance between in-house operations and outsourced services, they must consider how to optimize costs without compromising control over core capabilities.

Collaborating with service providers, for instance, can unlock efficiencies while allowing internal teams to focus on value-adding activities. However, for such partnerships to succeed, service providers and software vendors must be seen as an extension of the in-house team. This requires transparency, proactive engagement, and effective communication to build trust and foster a long-standing relationship.

It's also worth considering the impact of managed services—most software vendors today offer some form of managed service for different aspects of their platform. This option can further streamline operations but requires an additional level of careful collaboration while introducing new considerations around vendor dependency and resource allocation.

Designing to Deliver Value, Flexibility, and Scale

Ultimately, the success of any operating model is measured by its ability to deliver value to its stakeholders. This goes beyond operational efficiency to encompass transparency, responsiveness, and the capacity to support advancing front-to-back demands.

This push to meet increasingly diverse client needs while simultaneously reducing cost is core to the transformation challenges theme of this year's Outlook. Today's solution implementations are much more than swapping out one part for an upgrade, and operational transformation is never as simple

as the pursuit of a singular objective. The sum is greater than the parts and because of that, a holistic understanding of the investment lifecycle is vital.

The era of operating models that merely tactically deliver is giving way to those that strategically enable. At the heart of this shift, core standardization remains essential. It provides the foundation for the flexibility and scalability needed to navigate the challenges of tomorrow—whether driven by regulatory changes, market disruptions, or evolving client expectations.

By standardizing core operational areas, firms can build the agility required to deliver bespoke solutions—tailored to the needs of the front office or end clients—achieving a balance that supports the demands of 2025 as well as future challenges..

Building Asset Management Capabilities for the Modern Investor

By David Higgins, Managing Partner, EMEA,
Head of the Distribution Practice

As we enter 2025, firms are tasked with laying the foundational building blocks for a more efficient, client-centric operating model—ultimately, transforming operations into a strategic enabler of value, as discussed in the previous section. Much of this change begins in the retail space, where innovations are driven by growing client demands for seamless, technology-enabled experiences.

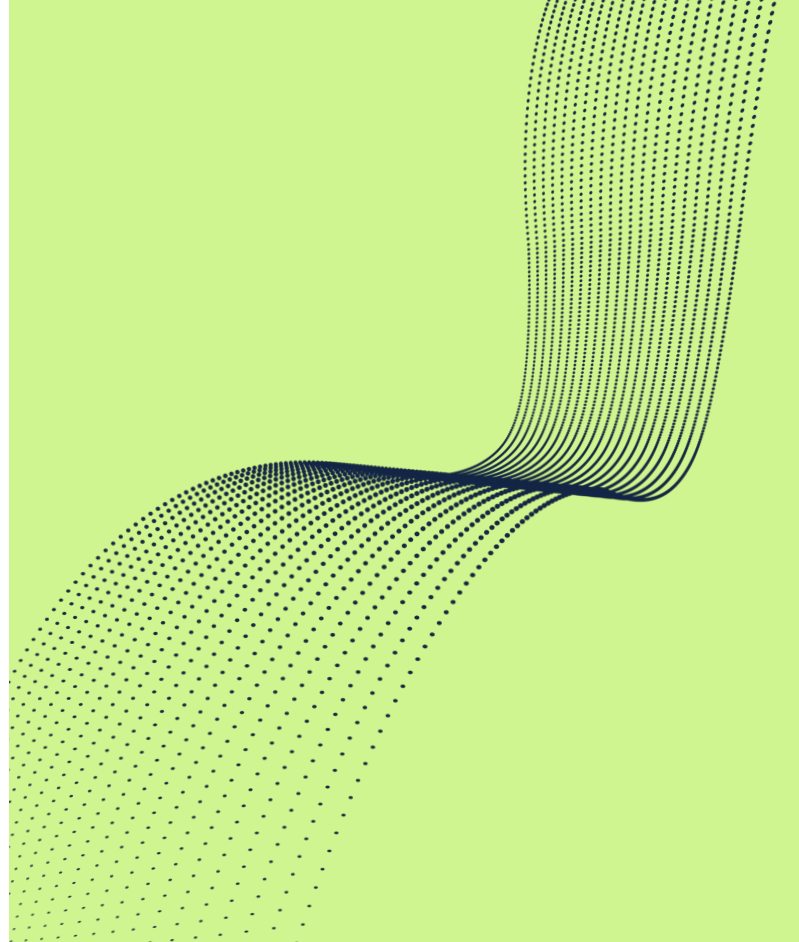
While initially focused on investor experiences and outcomes, these trends inevitably impact the institutional market, reshaping expectations for efficiency, personalization, and transparency across the industry. Addressing immediate cost pressures while preparing for these shifts will determine the success of transformation initiatives for distribution and beyond.

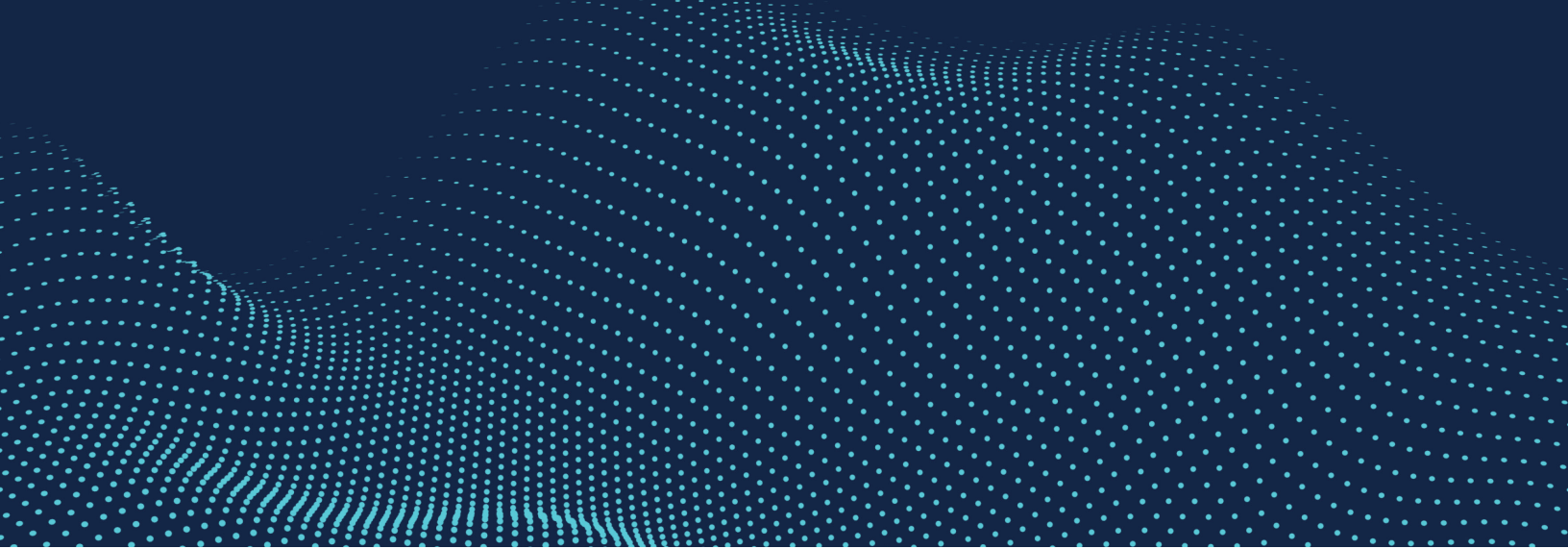
The ongoing generational wealth transfer, [where trillions are expected to pass between generations in the coming years](#), further exacerbates this need. Asset managers must balance the needs of their current clients with the expectations of a new, experience-driven generation of investors.

These individuals demand a seamless, intuitive investment experience—and many are willing to look outside traditional firms to find them. Those who fail to accommodate these demands risk losing AUM. In 2025, firms can begin setting the groundwork by enhancing their client journeys and investing in technologies that support a more client-centered experience.

While future advancements like digitization and tokenization hold the potential to transform asset ownership, liquidity management, and operational transparency, asset managers face more pressing challenges today. The immediate priority is to simplify processes and address inefficiencies within their operations.

At the same time, they must also focus on delivering a more customized and frictionless experience to meet evolving client expectations. Striking the right balance between tackling current pain points and laying the foundation for long-term innovation will be critical to long-term success.





Addressing Onboarding Challenges

Pain Points in Onboarding and Client Servicing

Onboarding remains a significant friction point for asset managers, with many still relying on lengthy, manual processes that sit at odds with customer expectations for speed and simplicity. Though they play an essential role, anti-money laundering (AML) and know-your-customer (KYC) checks frequently contain manual workflows, further compounding client frustrations and straining operational capacity.

In 2025, asset managers should have an eye on evaluating the efficiency of their onboarding processes working to identify bottlenecks and seeking to understand how to implement automation that streamlines workflows.

Improving Client Experience and Operational Efficiency

To meet modern investor expectations, firms should prioritise reducing the administrative burden associated with onboarding and adopt a client-first approach. This includes embracing automation for AML and KYC.

Historically on the institutional side, clients with significant investments have dictated when, how, and what data is delivered to them, often preferring data to be 'pushed' rather than accessed on-demand. However, self-service portals—backed by secure, intuitive technology—can empower end investors to manage their accounts with ease. These (often long-sought) efforts not only enhance the client experience today but also provide the groundwork

for more personalized services in the future, like tailored reporting and single-client views (SCVs).

Optimizing Internal Governance

The opportunity for efficiency gains is not limited to client-facing processes. Internal governance, risk management, and data mastery are also frequent sources of inefficiency, with many in these areas arising from misalignment between operational realities and strategic goals.

In 2025, firms must focus on embedding scalable solutions that not only address current challenges but can also anticipate the demands of evolving client expectations. Achieving this requires a clear, comprehensive understanding of existing processes, pinpointing inefficiencies and their root causes. By centralizing governance tasks through digital platforms, asset managers can streamline compliance tracking, reporting, and oversight, setting the stage for greater agility in future transformations.

A Long-Term Vision: Tokenisation and Beyond

Seamlessness, Customisation, and the Client Experience

The future of client experience for end investors will be characterized by seamless, timely, and deeply customised interactions. Traditional distribution models, with paperwork-heavy processes and prolonged cycles, are increasingly at odds with modern investor expectations. Every day, investors grow more accustomed to the simplicity and speed of digital platforms in other sectors and now expect the same standards from their investment providers.

Transparency, seamless interactions, and near real-time updates are no longer optional—they should be considered baseline expectations.

In 2025, the focus should be on building the digital infrastructure for future growth. Firms must rethink their client journeys, refining digital-first ecosystems. The vision for the future is a frictionless, limited-click investment experience where access routes are simplified, and transparency is maximized.

Leveraging Emerging Technologies

Emerging technologies are paving the way for a transformative shift in fund distribution capabilities. While blockchain represents a cutting-edge future state bringing unprecedented transparency and security to transactions, as well as enabling seamless interoperability between platforms, modular distribution platforms provide practical solutions for today's challenges, enabling firms to adapt quickly to market changes, roll out new products efficiently, and deliver personalised experiences.

Tokenisation, in contrast, offers a significant long-term opportunity to transition toward direct-to-consumer models. By facilitating fractional ownership and reducing barriers to entry, it could democratise access to traditionally illiquid asset classes, such as private equity or infrastructure.

However, realising this vision requires addressing regulatory alignment, interoperability, and market education. Asset managers can start preparing by testing tokenised solutions, collaborating with fintechs, or participating in regulatory sandboxes, such as The Bank of England's Digital Securities Sandbox. By taking these steps, firms can work to understand how future developments may impact their operations.

Modern Product Design

Addressing Cost Pressures and Customisation

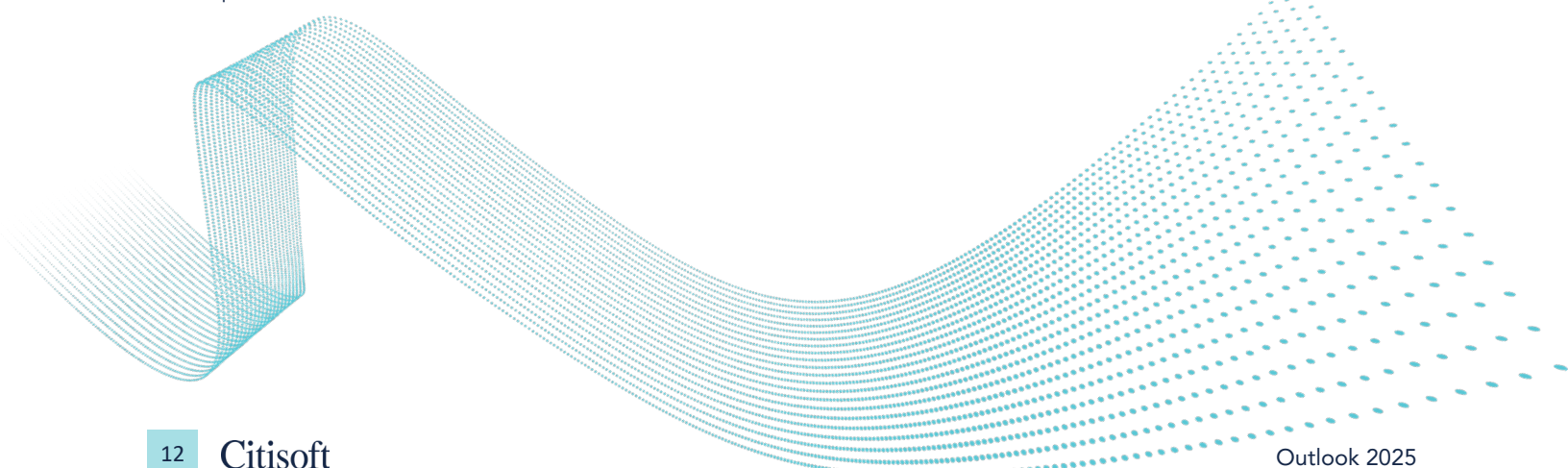
Delivering customised solutions at scale remains a significant challenge for asset managers. Investors increasingly seek tailored portfolios and granular reporting, but meeting these demands often comes with high transaction costs and margin pressures. As firms grapple with financial constraints, scalable, cost-effective models will be essential.

Technology will play a pivotal role in bridging this gap. Beyond 2025, AI-driven portfolio optimisation, blockchain-enabled investing, individualised reporting, and integrated digital ecosystems hold the potential to help firms deliver customised solutions without compromising on efficiency. The aim is to balance investor choice with operational sustainability—a challenge that will define the next phase of industry transformation.

Realising the Client-Centric Operating Model

Driven by an evolving image of the modern investor, 2025 must be the year our industry interrogates their operating models and begins bridging the gap between today's challenges and tomorrow's possibilities. By prioritizing simplification, embracing digital innovation, and laying the groundwork for greater automation, firms can redefine their approach to meeting evolving investor needs.

This year holds significant opportunity for distribution—but only for those willing to invest in building these foundations. By doing so, firms can enhance their relevance to existing clients, strengthen operational resilience, and build the foundation for long-lasting relationships with the investors of tomorrow.



Lessons from the Past—and the Future of Investment Data and Operations

By David Bates, Managing Partner, North America, Head of the Data Practice

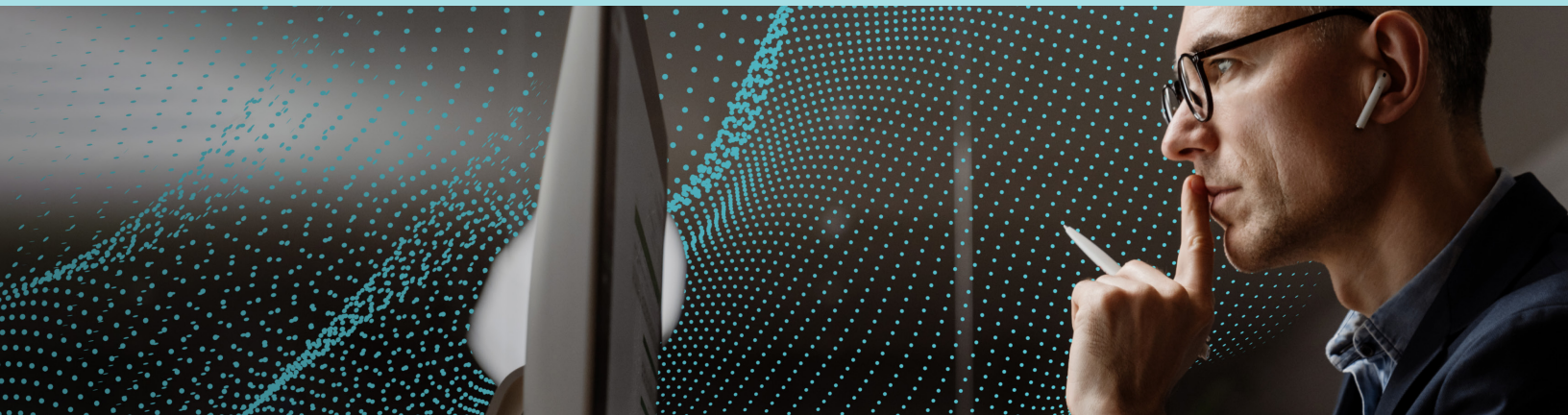
For the final section of Outlook 2025, we look at data, which at once provides an excellent example of how far investment operations transformation has come while also teasing the thrilling potential of what's still to come. We chose to conclude this year's Outlook with data because of its presence in all areas of the investment organization, giving it a foundational role in investments, operations, and distribution initiatives.

Putting information to use has always been core to the investment management industry, but now more than ever, data is truly the lifeblood of any decision-making process. You can't tackle a problem without understanding the underlying data. In fact, when you look at financial services, in place of physical widgets, the countless financial products available are really packets of data.

The Growing Language of Data

While data has been a topic of conversation for decades, if you look at Google Trend's search data for the past 20 years as a proxy for interest in topics, you'll see 'data' continuously climbing toward its current level. More intriguingly, terms like 'data governance' and 'data analytics' went from infrequent use 15 years ago to their current peaks largely thanks to a dramatic increase in use over the past three to five years.

Data has always been valuable, but technology has rapidly expanded the horizon of what we can do with data and along with that, the depth with which we organize and discuss our data.



Cloud Data Solutions' Journey to Delivering Business Value

A prime example of the journey data and technology have taken to today's value-driving state can be found by looking at cloud data solutions. After the initial promise of efficiency, scalability, and cost savings that came with private cloud SaaS solutions in the early 2000s, Snowflake, Databricks, Google BigQuery, and Amazon Redshift's ubiquity in recent data conversations feels like a promise finally fulfilled.

These leading solutions are an all-the-more compelling case study because they haven't wowed with flashy, futuristic functionality or AI-enabled insights. Instead, their success has been built on ease of use, flexibility, and scalability.

Over the course of 10 to 20 years, it wasn't an epoch defining innovation—though we will discuss AI shortly—that leveled up the value of data but rather for data technology to better meet the average user's needs and abilities. Of course, there is a great deal of advanced technology behind modern cloud data solutions' streamlined user interfaces, but their appeal is driven by intuitive use.

Keeping it Simple and Embracing Iteration

What lessons can we glean from cloud data solutions' long journey to deliver value? First, the importance of intuitive functionality offers compelling proof that it's best to not chase flashy technology. More often, value is delivered with technology that aligns well with people and processes, targeting a clear, value-driving use case.

Second, though it is easier said than done, the willingness to repeatedly embrace or at least explore technology transformation has paid dividends for many firms. Simplifying the varied steps, the organizations that moved to SaaS data warehouses were one step closer to private cloud data lakes, which have in turn evolved into the data lakehouses that enable modern data mesh architecture. On the other hand, the firms that shied away from incremental change are now struggling under the weight of legacy technology and face a more challenging road to modernization.

The Impact of AI on Data and Technology

In the process of deciding where to focus for Outlook 2025, we repeatedly ran into a conundrum—what do

we do with AI? Since Chat GPT's debut in late 2022, artificial intelligence has broken into the mainstream with terms like 'gen AI' and 'LLMs' popping up with increasing frequency in work conversations. Yet, when it comes to the application of AI in investment management for significant business value, we're not there today and we don't think 2025 will be the year we get there.

That said, AI strikes us as too important and far too intriguing to not discuss. When considering the short-term potential, pragmatism is paramount. Drawn to the possibilities, many organizations built massive lists of AI use cases, eventually refining down to a much smaller set of practical applications. In line with a sound data strategy (check out our [Data Management Fundamentals](#) [whitepaper](#) for more on that), today's AI use cases should be grounded in business value. Otherwise, they stand the risk of becoming costly distractions rather than the value-driving transformations first imagined.

This is where an unexpected pairing arises. When firms think about what they want to do with AI, and in turn what's needed to accomplish that, they'll often run into a few common hurdles: the data isn't clean, they don't know where to get the right data from, the data isn't defined. Solutions to those obstacles are found in data governance. So, as we talk about the vast potential of AI, we believe that notoriously unexciting data governance concepts are the key to unlocking that potential both in the near- and long-term.

It's About More Than Data and Technology

Talk of data strategy and data governance leads us back to the theme of Outlook 2025: transformation challenges and the value of experience in navigating them. Whether your data transformation is focused on implementing a new cloud data warehouse or exploring how to set the stage for AI use, experience drives success.

That's because tracing AI, for example, back to governance and strategy demonstrates that data transformation is almost always about more than technology alone. To realize business value and do so efficiently, it's essential to also understand the people and processes that combine with data and technology to produce insight.

You Don't Get Fired for Hiring IBM

By Paul Migliore, CEO and Tom Secaur, COO

It's a phrase not only offered for decades as wisdom to err on the side of mature business partners but also thoroughly argued against as a shelter for the change averse who let transformation pass them by. As it often is, the truth is somewhere in between, but both perspectives on this idiom are helpful when thinking about large-scale transformations and the consultants frequently enlisted to support their exploration, planning, and delivery.

On the one hand, the value of the 'Big 4' is well understood. Their size brings with it deep institutional knowledge and the ability to support a wide range of business areas. They also offer the useful capacity to scale up resources for projects that need many hands. As highlighted by the 'hiring IBM' saying, there is also legitimate value in their hard-earned reputation and the stability that it belies.

On the other hand, the value of specialized consultants—like Citisoft—is often underappreciated. Domain-specific consultants don't offer the same wide-ranging industry coverage as the Big 4, but the tradeoff brings us back to Outlook's message around experience. While the largest professional service firms have extensive breadth and deep institutional knowledge, the specialized players stand out when we look at domain expertise and the amount of experience each consultant brings. That reflects the invaluable knowledge of the individuals you're working with every day. At Citisoft, our consultants average over 20 years of industry experience.

As discussed throughout Outlook 2025, understanding and successfully navigating change initiatives' complex networks of people, processes, and technology benefits greatly from experience. Further, to realize its full value, the experience needs to be involved not in monthly or even weekly update meetings but daily, maintaining focus and driving persistent progress toward the targeted business value.

How Experienced are Your Consultants?

Today, change initiatives are commonly staffed with large teams of consultants who are, on average, early in their careers. We believe one key to addressing the pervasive transformation challenges is to shift the balance to include more experience.

This year has the makings of an inflection point for the investment management industry. The firms that do not at least begin to lay out their path toward modernization are at risk of dramatically falling behind due to the leaps and bounds we're seeing with financial technology.

Transformation will always be complex, but we shouldn't accept that initiatives will be delayed and overbudget. It's time for a new approach. If you're interested in exploring what Citisoft's experience can bring to your [investments](#), [operations](#), [distribution](#), and [data](#) initiatives we would love to hear from you.

About Citisoft

Since 1986, we've solved complex technology and operations challenges for the investment management industry. With a team of over 100 dedicated consultants in North America and EMEA, we're committed to working with asset managers and asset servicers globally on projects of every scope. From guiding complete business transformation programs to on-the-ground delivery, our team is equipped to fulfill any strategic or tactical need.

To learn more about our Advisory and Delivery Services, contact us at insights@citisoft.com or visit us at www.citisoft.com.

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