



# Health Care Organization Transforms Ops to Support Sophisticated Investment Strategy

Citisoft



# The Challenge

Our client, one of the leading health care organizations in the US, was seeking to transform its corporate investment team into a sophisticated asset manager with world-class investment management capabilities. Transforming from an asset owner to asset manager with leading-edge internal capabilities required investments talent, prompting the client to assemble a high-quality team to manage the firm's growing investment portfolio.

The investment team brought a wealth of experience and strong investment ideas to the table, enabling the portfolio to deliver solid results and continue to support the mission of the broader organization. However, the investments team quickly realized that legacy technology and the existing operating and data environment models (which relied on external managers, and lacked a true IBOR) prevented the client from fully executing its holistic, risk-aware investment strategy.

The move to internalize and enhance the firm's investment management capabilities required more than just an influx of investment talent; it would also require a new approach to operations, technology, and data management.

The client initiated a strategic program focused on building a world-class operations and technology platform to provide the functionality, scalability, and robust data management capabilities required to support its growing portfolio and evolving approach.

# The Project

The client engaged Citisoft to conduct a strategic assessment of its entire investment management operating model, including the front, middle, and back offices, as well as data management and governance.

We partnered with the client to clarify and document its strategic vision, undertake a current state assessment, and design a future state operating model and architecture that would enable the client to successfully transition from asset owner to sophisticated asset manager.

## **Citisoft recommended a future state operating and technology model that included the following key transformations:**

- Implementation of a CRM system to support more robust oversight of legacy external managers and service providers

- Implementation of a risk and analytics platform to support the evolution of the firm's investment strategies
- Re-configuration and increased utilization of the client's existing order management and compliance engine
- Introduction of an outsourced middle office and custody service provider, allowing for a true IBOR for the consolidated portfolio and trusted data for corporate financial reporting
- Introduction of an internal operations function to support the front office and manage the service provider

Based on the recommended future state model, we developed a transformation roadmap, which detailed the plan to deliver the desired future state.

## The Result

The client was receptive to Citisoft's recommendations from the strategic assessment, and immediately engaged us to execute on the transformation roadmap. We continued to act in advisory, program management, and business analysis roles. The first phase of the transition was the selection of the appropriate solutions to support the identified transformation requirements.

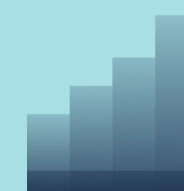
### Citisoft facilitated the selection of the following solutions:



CRM—Backstop



Middle office, accounting, and custody—Northern Trust



Risk and analytics—  
Barclays POINT

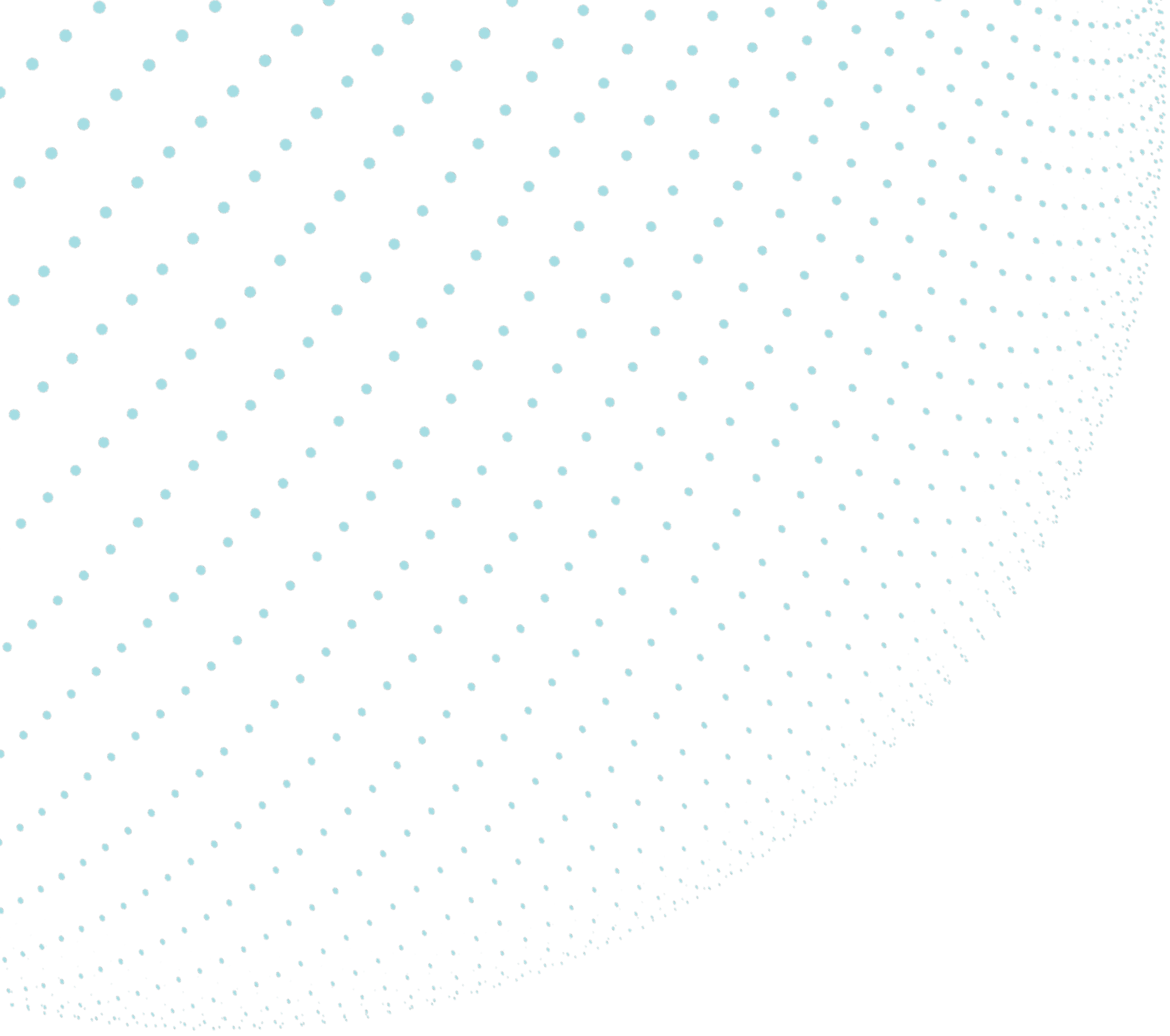


Internal investment operations/  
service provider oversight—  
developed operating model  
and assisted in staffing



Order management/  
compliance—Bloomberg AIM





## Once solutions were selected, Citisoft led the implementation program efforts across the front, middle, and back offices.

We were proud to collaborate on the execution of the transformation roadmap, which was successfully completed on time and on budget. Citisoft's experience and expertise partnering with clients on projects of similar scope and complexity resulted in a seamless transition, from the strategic assessment through the implementation of the target operating and technology model.

With the future state operating and technology model in place, the client has been able to mitigate operational risk, move a high percentage of investment management in-house, and fully execute its desired risk-aware investment management strategies.

