

Investit Identifies the Top 5 Challenges Facing IT Infrastructure Outsourcing

15 September 2009, London. Smaller investment managers are increasingly outsourcing their IT infrastructure needs to third parties but managing and monitoring the process can be challenging. Suppliers may be good at providing the infrastructure but they often do not grasp the inner workings of investment managers' operations. Investit, a leading investment management consultancy, has identified the major obstacles that firms face and has launched a service that offers practical solutions to manage the procedure more effectively.

Simon Stratford, Principal, Systems Practice, said, "One of the biggest challenges is getting the outsourcing agreement to work more effectively. Expectations may not be met and there can be a big difference between what investment managers thought they bought and what they received."

"One of the problems is that the provider is offering a generic solution and does not fully understand the investment manager's business. For example, as an investment manager's requirements change, such as to support new regulation, they may need to upgrade their applications; the supplier might not understand what the regulations mean to the business and the IT infrastructure needed to support them. The service that we are offering helps investment managers not only translate their needs in a more efficient manner but also provides day-to-day management to ensure that their requirements are being met."

According to **Ian Yuill**, who recently joined Investit and has 20 years experience in investment management systems, the top five IT infrastructure concerns for smaller investment managers addressed by the Investit service are:

1. Governance – the firm's ability to select, implement, operate and manage their infrastructure IT services.
2. Key-person risk – avoiding the dependence on one or more individuals for technical understanding and knowledge.
3. The management of IT strategy for future upgrades and implementations to support growing business needs – making sure the service is fit for purpose.
4. Project delivery – the coordination, planning and framework for managing both infrastructure and business-system change.
5. Ensuring value – making sure the supply model offers the best value for the firm.

Investit's IT Infrastructure services leverage our vast experience of IT management and consultancy. Investit, which started life as an IT consultancy, has almost 12 years of experience in helping clients navigate through the complexity of IT. Integral to the service is the IT Value Survey, the leading review and analysis of the value of investment in IT in the investment management industry, which looks in detail at the spend and effectiveness of investment management companies' IT departments.

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About Investit:

Investit was founded in 1998 to provide advice and research services to the investment management industry. We offer a unique range of services, from front to back office, and draw from five specialist consultancy practices: Investment, Client, Performance, Operations and Systems. Investit People supports our consultancy with specialist recruitment services. Investit Intelligence provides detailed research services, allowing investment managers to improve their knowledge of the market and respond positively and profitably to change. Investit Benchmark completes the offering with a range of market-leading benchmarking services. For more information, go to www.investit.com.

For further information:

Simon Stratford
Principal, Systems
+44 (0)20 7933 9900
simon.stratford@investit.com

Sarah Wheatley
+44 (0)20 7933 9900
sarah.wheatley@investit.com