



CASE STUDY

ESTABLISH A NEW PROFIT CENTER OR PREPARE TO MERGE?

TRANSFORM

Consolidation Readiness Assessment Provides Critical Answers

THE BUSINESS CHALLENGE

Our client faced a significant strategic decision after the most urgent period of the financial crisis had passed: If regulators pursued consolidation as part of financial reform, where would the client stand in terms of readiness and comparative strength – would they acquire or be acquired? How could they best strengthen their position proactively? Or should they instead pursue development of another profit center, as some stakeholders proposed, by providing retail technology services to other organizations? The client's board and **leadership needed a clear understanding of IT's readiness for each path and a recommendation for moving forward.**

AGSI'S HIGH-LEVERAGE SOLUTION

Using proprietary assessment instruments, on-the-ground observations gained inside hundreds of IT organizations (ITOs), and best practice benchmarks, AGSI was able to deliver a **quantifiable assessment** of the ITO's capabilities and develop options and roadmaps for success, **based on value to the larger business** and the culture's ability to absorb required levels of change. Extensive experience and research had taught AGSI which skillsets and cultural capabilities would be required from the client for each path, enabling us to conduct deeper dives alongside baseline assessments.

Our BT3™ Master Optimization Framework defined the ITO's effectiveness across an array of dimensions, quantifying performance levels and gaps relative to strategy, governance and execution. Consolidation readiness was determined through our proprietary Enterprise Integration Framework™. Our cultural transformation methodology assessed current state readiness for each path and set expectations for the future state. Throughout, AGSI balanced the concerns of all stakeholders, producing not just discovery but also the "whys" – why this path would impact particular groups, why that path would not align with downstream operations.

VALUE TO THE ENTERPRISE

After a rapid, targeted engagement, our client received a Consolidation Strategy; an assessment of the ITO's existing capabilities specific to the two potential strategic paths; an identification of readiness gaps; recommendations for closing those gaps; and benchmarks for ITO performance of peer organizations. AGSI's **roadmap of the realities of each strategic intent** clearly illustrated that the client's originally preferred option – providing retail technology services to other organizations – did not have a supporting business case. In contrast, specific consolidation readiness steps were identified that also strengthened the ITO's ability to respond to enterprise needs.

As a result, our client was able to improve operations and services, thereby increasing its comparative strength within the financial system. And even if consolidation isn't in the future, our client's leadership team is now in a position to **strategically identify, plan and execute on a program to increase technology's value to the organization.**

IN BRIEF

CLIENT:

Financial Services Company

ENGAGEMENT:

Strategy Review & Consolidation Readiness Assessment

CHALLENGE:

Determine the IT organization's readiness to support client's potential pursuit of two very different strategic paths

OUTCOME:

A clear view into strengths and gaps relative to each path and a business case underlining how best to proceed

OUR CLIENT'S PERSPECTIVE

"AGSI was exceptional in the level of insight, knowledge and connecting-the-dots they brought to our executive team. Their approach was entirely non-threatening and helped us achieve significant break-through thinking."

- COO / Client Sponsor