CASE STUDY

capacitas
IS performance

CAPACITAS REDUCES RISKS AND COSTS IN INVESTMENT BANKING

SITUATION

Capacitas was called in by the Risk IT department of a global bank whose investment banking division had posted a pre-tax loss of £300m. An internal IT audit, partly driven by the losses, had identified that the lack of Capacity Management was resulting in critical business deadlines being missed and high levels of unplanned spend on technology upgrades.

THE CHALLENGE

Capacitas was tasked with delivering a Capacity Management service which would accurately predict hardware requirements and software capability, so that the problem of expensive, unplanned expenditure could be eliminated. The programme, which had to deliver within a six month timeframe, had a defined scope which included operational, credit and market risk. It was a global endeavour with work carried out in the UK, Zurich, New York and Singapore.

SOLUTION

A kick-start service was delivered which defined a standard capacity management approach. Capacitas guided the internal IT team through the first iteration of building capacity and performance models of the business services. These models provided predictive analysis of the hardware requirements, and analysed the ability of the software to meet business outcomes.

Capacity plans of the IT services were created which forecasted demand for the systems and the costs of meeting those demands. A methodology was implemented which ensured Risk IT's business

customers signed-off the demand forecasts, so that the whole business operated to a single set of numbers, eliminating the problem of over-provisioning (i.e. spending more than required just-in-case). The process was designed such that requirements were understood and agreed well before new hardware was needed so that it could be delivered on time, without the need for chaotic, ad-hoc expediting.

A database of IT system and application metrics was created and updated daily, providing visibility to the Risk IT executive and business customers.

A process to deal with non-functional requirements in the software application lifecycle was implemented in order to ensure that application changes did not adversely affect the ability of the IT systems to meet business outcomes, or to drive any unplanned costs

Capacitas defined the roles and responsibilities that were required to run the whole process. We then assisted with recruitment of staff to ensure our client became totally self-sufficient.

BENEFITS

All audit points were successfully remediated within six months

The demand for new infrastructure was reduced by 40%, saving approximately $70,000 per year, while simultaneously achieving an increase in throughput of over 200%

The process was so successful that the approach was rolled out to other departments with similar improvements in cost reduction