

WAAATNNOONE

COMPLIANCE VERSUS INNOVATION:

Should CIOs have to choose?

FOREWORD

I am delighted to introduce this report.

Since Xantus was established over ten years ago, we have worked with a wide range of Financial Services organisations, helping them to get the best out of their information technology and ensure that it consistently delivers value to the business.

Over the last few years we have seen the challenge of complying with an increasing volume of regulation rise to the top of the IT agenda, and we initiated this research in order to understand exactly what this means for the financial services sector, and how IT organisations are dealing with it.

As this report argues, regulation is here to stay. Most of it is good practice anyway and so CIOs need to embrace it so they can get the most out of it, rather than

seeing it as a negative. Some of the most innovative financial service IT departments are moving to a model which sees them planning to innovate and achieve compliance together with other change, rather than treating it as a separate activity. Our report investigates this as an approach and provides some insight into what the most successful CIOs are doing to ensure that compliance does not stifle innovation in their organisation.

We hope that the insights contained in this report are useful



Phil Crozier
Director of Financial Services



EXECUTIVE SUMMARY

In a ruthlessly competitive and unforgiving market, perpetual innovation is the only hope organisations have of maintaining and increasing their revenue - a situation which is particularly acute in the financial services sector.

CIOs of financial service organisations are well aware of the need to innovate and add tangible value to the business. Yet many are finding their efforts are being focused on meeting regulatory requirements, as the various authorities strive to improve financial stability in the wake of the recent credit crisis and ensuing global recession. There is no sign of the situation easing, either. Hector Sants, the current Chief Executive Officer at the FSA, has promised even more stringent regulation by the time the Authority's restructure is completed in 2012.

Just keeping on top of regulations for business-as-usual is now a full-time job. Our research suggests that more than half of CIOs in the sector have given

more than a third of their total IT change budget to regulation-specific IT, while 96% have seen regulatory compliance spending rise noticeably over the last three years.

Inevitably, this has reduced their capacity for spending in other areas, including innovative projects geared towards developing new products and channels – initiatives that are essential if organisations are to continue to compete and grow.

In the long-term interests of the business, this situation is not sustainable. CIOs need to find a way to strike more of a balance between their regulatory compliance activities and their continued duty to

innovate for the business. Encouragingly, there is strong evidence that CIOs are rising to this challenge, channelling regulatory compliance work into innovation initiatives to enhance the business case for both. As many as 86% of CIOs in the financial services sector now say they view regulation as an opportunity to drive innovation, while 82% claim regulation has assisted them with a business case for a new IT/business innovation.

To make real progress, however, IT departments must become more proactively involved in the regulatory process.



INTRODUCTION

The financial services industry has never been so heavily or intricately regulated. From the latest requirements under Basel II and III to the new Solvency II regulations in the insurance sector, few areas of this vital UK industry remain unaffected.

Regulation now covers everything from customer marketing to the way online and mobile services are managed. For each new channel and service, there is a new source of risk and constraints. Successive waves of regulation, meanwhile, mean that financial services organisations often have to absorb and respond to multiple new requirements from different regulators simultaneously. Measures are often cumulative, with the result that regulatory compliance “projects” are never fully completed.

At the same time, however, financial services organisations need to innovate – to keep refreshing their ideas, adding new value for customers and thereby growing revenues. As compliance requirements continue to grow, CIOs find themselves increasingly pulled in two different directions - forced to divide their time between regulation, on the one hand, and innovation on the other.

To succeed in both areas, CIOs must assess their commitments carefully and pragmatically, looking for multiple “wins” from designated projects. The challenge is to elicit maximum benefits from the

process of regulatory compliance so that it becomes a business tool rather than a burden; a way of commanding the Board's attention, and of releasing and focusing investment.

The following report explores the impact of regulation on financial services organisations, particularly on those responsible for IT leadership and portfolio management, to establish how far companies have come in their journey towards leveraging regulatory demands for positive business effect.

THE REGULATORY BURDEN

To determine the impact of compliance on the IT investment of UK financial services organisations, Xantus commissioned both qualitative and quantitative research, which was conducted independently in March 2011.

- In-depth interviews were conducted with CIOs, during which they were asked to speak about their own experiences of regulatory, budgetary and resource pressures, and the impact on innovation, culture and project timescales.
- Comprehensive third-party research was also conducted among CIOs to produce quantitative data.

In the research, close to two-thirds of CIOs reported spending between 20-30% of their IT change budgets on keeping on top of regulation. Overall, IT budgets tend to be split reasonably equally between three main areas (Figure 1). However, there is considerable variance:

- 8% of organisations spend more than 50% on regulation, but 20% spend less than 10%.
- 6% spend more than 50% on maintaining the status quo, but an equal proportion spend less than 10%.
- 22% spend 50% or more on elective IT innovations; only 8% spend less than 10%.

While the proportion of IT change budget consumed by regulatory activities did not vary significantly by size of organisation, there were considerable differences by sub-sector. Although the burden is substantial for all financial institutions, capital markets and broad-based financial institutions have been the hardest hit. Over half of CIOs of these

organisations (which in turn made up more than half of respondents in this research), said they were spending 30% or more of their IT change budget on maintaining regulatory compliance.

Spending in this area is rising, too – by as much as a quarter in many cases. This is because regulations are being revised and updated continually, leaving little respite between projects. As Russell Winder, CIO at Hoares Bank, puts it, **“The burden is forever growing. New reporting and regulatory requirements don’t supersede previous ones but are cumulative. The timelines for implementation are getting shorter, too, almost irrespective of the effort required.”**

Almost all CIOs (96%) had seen their spending on regulatory compliance increase over the last three years, a trend that is expected to continue over the next 3-5 years (according to 84% of respondents). The rises have been significant too: 43% suggested that their regulatory compliance budget had increased by around a quarter over the last three years, while a quarter (24%) claimed it had increased by more than 50%. Broad-based financial institutions reported the biggest increases.

The situation is particularly acute in the insurance sector currently, due to the introduction of Solvency II regulations. Says Dave Upton, Associate Director at Xantus, **“Every year regulation changes, be it UK or European. There is a constant stream of system changes required to maintain compliance. Our research confirms what we have seen for some time: organisations are spending a significant proportion of**

their change budget on maintaining compliance. This may come in the form of a major new requirement – Solvency II, for instance, where huge teams of people are being deployed by insurance companies – and this can create spikes in the spend profile. However, there is also an underlying and ongoing need to maintain compliance through day-to-day activities such as call recording and retention, while also ensuring that systems are within support. While the companies may roll some other work into these activities, compliance is definitely the trigger. The result is that what they do, and the money they’ve got to spend, tends to be tactical – they can end up spending the money they have for that year on compliance rather than on longer-term strategic investments.”

Organisations with the biggest IT change budgets emerge as being best at keeping the cost of regulation down as a percentage of overall IT expenditure: more than half the organisations with an IT change budget of more than £5m per year spent 20% or less on regulatory compliance, compared with just under a quarter of those with an IT change budget of between £1m and £5m. This suggests that larger organisations are better at combining regulatory work with other projects, but also highlights the extent to which all financial companies have to respond to regulation, regardless of their size. The smaller the business, the more likely regulation is to absorb a greater proportion of overall IT expenditure. This is consistent with the FSA approach in calculating cost of implementation as an absolute financial value.

Figure 1: Average allocation of IT budgets

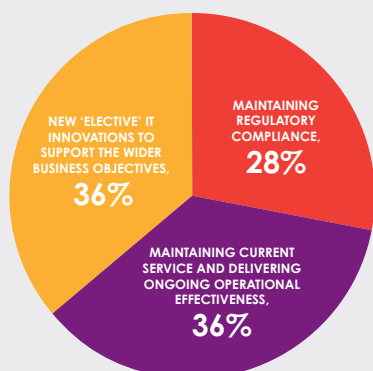
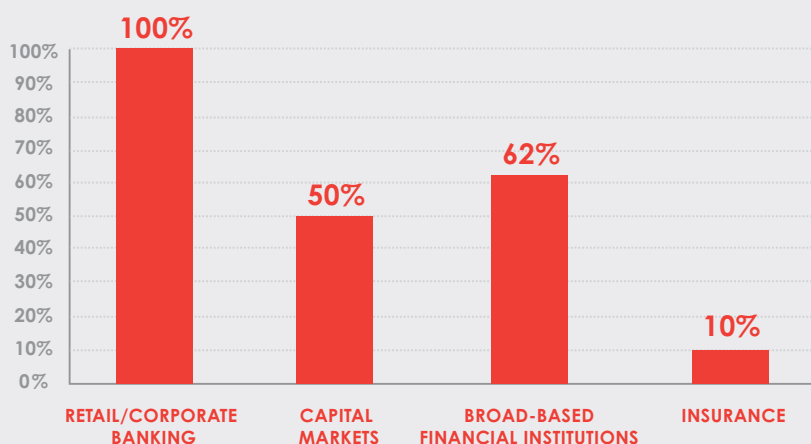


Figure 2: Percentage of organisations spending more than 30% of their IT change budget on regulatory compliance



THE COST OF INNOVATION

Interestingly, few CIOs readily admit that regulation has been having a negative effect on their department's ability to innovate. To concede this might suggest that they are failing to execute their role effectively.

Asked what the major barriers were to IT innovation within their organisations, 41% cited budgetary constraints in general, while almost a third singled out regulation. Indeed, respondents were four times more likely to cite regulation than lack of skills within the IT function or among suppliers – factors which are often assumed to be significant.

There is a trade-off: as one interviewee put it, **“The impact of regulation from a business perspective is that there is less investment available for innovation and new business. In IT, the impact of regulation on innovation is evident in several ways. The significant amount of investment around regulation, especially Solvency II, has limited the extent to which we can get broader value out of our suppliers. Normally, they would be able to bring additional value such as market insights - if we had a wider relationship with them - but our existing relationships are overshadowed by regulation.”**

Regulatory demands have left few areas of the market untouched. Cashzone is one step removed from the front line, operating ATMs throughout the UK, supporting the infrastructure and transaction and data processing as well as providing connectivity to the Link network. Even though the company escapes much of the financial services industry's direct regulation, the impact is still sufficient to disrupt competitive innovation, according to Rikki Dinsmore, the company's Managing Director.

“We don't have a large team of software developers,” he notes. **“For every regulation change that we have to tackle by a certain date, they're prevented from undertaking other tasks for the business. For example, we want to try to get more**

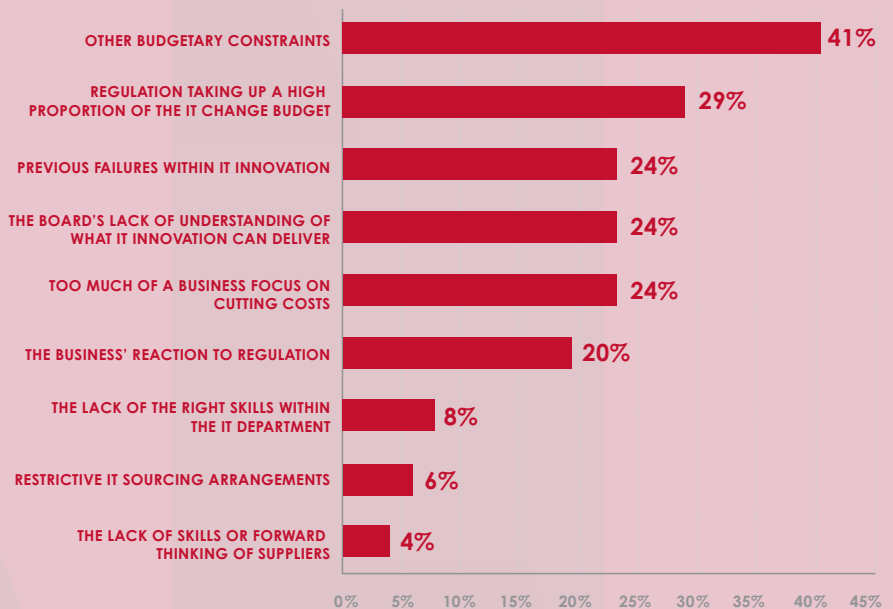
detailed information about customers and locations so that we can decide where to locate new machines as scientifically as possible. When ATMs first appeared, everyone concentrated on putting a lot of machines on the ground to increase density of numbers. We have a different mentality which is focused on profitable contribution, so the careful selection of sites is crucial. But more rigorous management decisions depend on better data. If we have to focus our resources on regulatory issues, it constrains our ability to invest in this kind of analysis.”

The result in many cases is that any innovation is happening reactively. As Peter Stafford, Director of Technology Services at Nationwide, puts it,

“Consumers are putting the business under pressure to be more innovative but regulation squeezes our resources, making it hard for us to be as innovative as we'd like.” Although innovation is still happening, **“the push is coming from consumers and the business, not from the IT department.”**

This is reflected in our quantitative research, which shows that IT departments themselves are currently initiating only a limited number of IT projects. The majority of respondents (70%) said they had conceived or initiated less than 30% of IT projects over the last five years.

Figure 3: The major barriers to IT innovation within your organisation



SCARCE IT SKILLS COMPOUND THE PROBLEM

The regulatory burden has come at a time when IT departments are short of key skills. Around 60% of the CIOs who responded to our survey said they had lost key IT innovators, such as strategists and architects, from their teams over the last three years.

These people may have been transferred to work for an external supplier under an outsourcing contract or they may simply have chosen to move elsewhere. Either way, their absence will make balancing business-as-usual, regulatory and new initiatives even more of a challenge. Moreover, without these people, organisations are likely to make more tactical investments: they will tend to do what's necessary, rather than looking at how they can anticipate change.

Not surprisingly, almost all (97%) say they have now started recruiting for these positions again and/or turned to third parties for support in these areas. A third expected to use external resources, while

a further 38% said they would use a combination of internal and third-party skills to drive onward innovation (Figure 5). This suggests that consultants will continue to have an important role in helping IT departments manage the regulation/innovation balance in future.

Something else is happening here, too, however. Resigned to the never-ending cycle of regulation, which for the foreseeable future is likely only to accelerate and become more complex, CIOs have begun looking for a way to break out of this restrictive, tactical environment.

Figure 4: Have you reduced the number of key IT innovators (such as strategists and architects) in your IT department over the last three years?

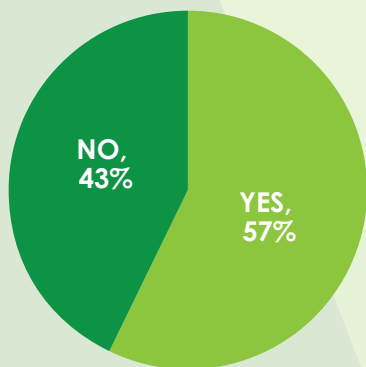
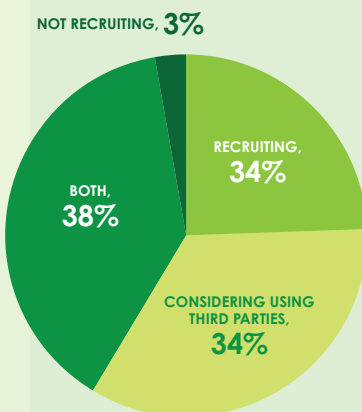


Figure 5: How do you plan to fill these positions?



THE UPSIDE OF REGULATION

Since organisations have little option but to comply with regulations, and heed advisory guidelines, many CIOs are realising that their best hope to ensure they continue to deliver an IT environment that fosters and supports business innovation is to leverage regulation-driven change more strategically wherever possible.

The regulators want consistency, transparency, rigour and standardised and timely reporting, for example - qualities which have much to offer the business and the IT department. Directors and business managers crave holistic information and easier access, while IT departments long for a simpler infrastructure that is easier to maintain, support and manage. Even business units that seek local control, customisation and speed of deployment stand to benefit if overlapping, non-differentiating IT systems are more efficiently run.

Among forward-thinking CIOs, a vision is beginning to emerge where regulatory requirements – many of which are common sense – are turned into IT and business facilitators.

All respondents with an IT change budget in excess of £5m considered regulatory measures to be a potential driver of innovation, although organisations with smaller IT change budgets were more negative (38% felt that regulation did not

drive innovation). This suggests that those already undergoing substantial change, with associated budgets, are better able to take advantage of the changes being driven through by regulation. Smaller companies, with much less discretionary spend, did not have the same scope to exploit compliance initiatives to the broader benefit of the business. There were also differences between the sub-sectors here. In particular, more than a quarter of broad-based financial institutions viewed regulation negatively.

A surprisingly high proportion of CIOs stated that their organisations were seeing a positive business outcome from regulatory compliance (Figures 7 and 8).

Three-quarters of those with a turnover between £1bn and £5bn expected either a positive or strongly positive return. In sector terms, opinion was more divided, suggesting that even comparable organisations have very different approaches to regulation; insurance companies, however, were generally more sanguine (90% expect a positive return).

“On the plus side, some changes driven by regulation can be positive – for example, with Solvency II, there’s an incentive to take a strongly automated response: to make things repeatable and auditable,” commented one interviewee. **“In the banking sector, spreadsheets are still used a lot, but this will change now. At**

a minimum, there will be more control of these spreadsheets. If there’s an aspect of regulation which enables you to make a more strategic response, that’s the way to introduce innovation – i.e. solutions we’re looking at and the model we’ll deploy. Even if we don’t want them right now, we’ll make sure we’re not putting in place things that limit our options and make things more difficult in the future. It’s important, always, to look at the strategic opportunities, though not every type of regulation lends itself to this. Where organisations do have a choice is whether to adopt a strategic response to regulation, not just focus on immediate compliance; this comes down to leadership.”

Figure 6: Do you see regulation as an opportunity to drive innovation within the financial services sector?

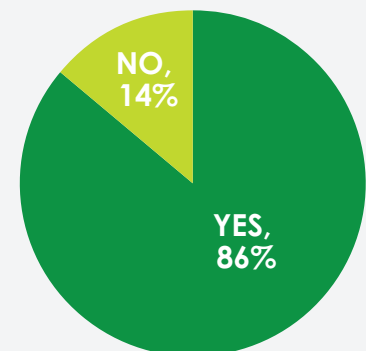


Figure 7: Percentage of respondents expecting a positive or strongly positive return

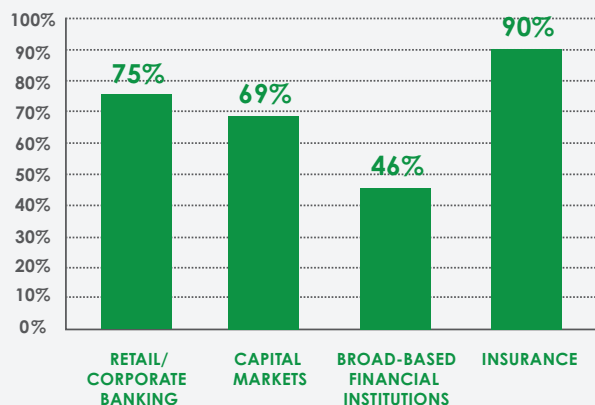
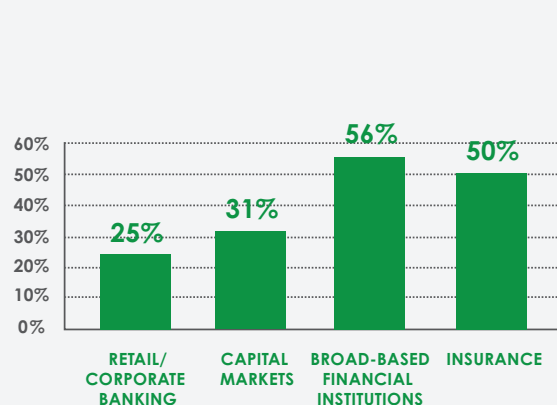


Figure 8: Proportion of IT organisations that say they have a complete understanding of what is required from a regulatory compliance point of view





GETTING THE BEST FROM THE REGULATORY COMPLIANCE AGENDA

How regulation is viewed and treated by an organisation is crucial. Generally, CIOs claimed a good level of understanding of what they need to do to comply with regulation, yet there clearly remains room for improvement: while 45% said they had a complete appreciation of compliance requirements, more than half (53%) said they only had some understanding. Retail banks and capital markets were the least confident.

Dave Upton of Xantus believes that by gaining a more complete and holistic understanding of the requirements of regulatory compliance, organisations and their IT departments will be able to exploit the measures to their fullest advantage. **"This relies on an ability to interpret regulatory demands pragmatically as well as literally, and to be able to differentiate between hard,**

fast "rules", and more flexible "guidance". Where CIOs and their business counterparts are able to see the situation more strategically, they are in a better position to be able to shape projects in such a way that they can kill more than one bird with the same stone."

Peter Stafford at Nationwide believes financial institutions themselves could take more responsibility for strategic interpretation of what's required by the regulators. **"If we step back, a lot of the regulation is sensible – things either we were doing or should have been doing. It has blown some of the cobwebs away and stops the industry getting complacent. I'd say about 80% is desirable and good practice. But we do have to manage it and 20-25% of our effort goes on this. We also try to include other work in a regulatory project. Sometimes there is no question - we have to do it - but we still have to think about how to achieve it. The focus should be on outcomes, not literal interpretation - on how we achieve what they're trying to get us to do."**

Russell Winder at Hoares Bank agrees, and believes that the broader business as well as the IT function has a role in the process of defining how and to what extent the organisation will respond to regulatory expectations, particularly given that there will always be new measures coming down the line. **"We have learnt to factor in the need to spend a lot of time considering regulatory requirements,"** he says. **"There are very few areas in FS that don't fall under some level of regulation. Take the provision of online banking – there's regulation around cookies, even recording telephone calls - how long do we keep them? Even though we have invested in a relationship with a data warehousing company which puts us in a good position where reporting is concerned, it is always difficult to predict future requirements, so it's important that we think carefully about how we move forward."**



ACTIVE PARTICIPATION

Financial service organisations' best chance of harnessing regulation in a positive way is to enter a more productive dialogue with the regulator, and seek to understand the intent and how this will be achieved in practice.

For Jonathan Kennedy, Head of IT Service Delivery at Northern Rock, a practical balance is best achieved by building a constructive, three-way relationship and discussion which involves the risk/compliance people, IT and the marketing team, so that innovation is included in regulatory conversations, and vice versa. Kennedy arrived at this wisdom before joining Northern Rock. **"In a previous IT leadership role with another bank, I certainly saw effort going into**

regulatory compliance and the same amount of effort should have gone into getting new products to market more quickly," he warns.

"Full alignment between all parties," should be the aim, he says, noting that even the marketers will want and need the FSA to be happy with any new products or services they are trying to introduce. The best progress will be made where harmony can be achieved, allowing each party to move forward together. **"It is possible to include business benefits in regulatory projects – and vice versa. You must look at the portfolio of work that already exists, which means planning is essential. It's important to see regulation as part of the overall picture."**

This further emphasises the need to develop **"a close, transparent and consultative relationship with the regulator,"** he says. **"Develop joint activity plans; understand where they think regulation is going."**

Northern Rock, following the separation of the retail bank from the asset management business, already enjoys a close working relationship with the FSA which it finds valuable in a number of ways. Kennedy notes: **"We respond to regulation as part of doing business, not as a separate project or activity,"** he adds.

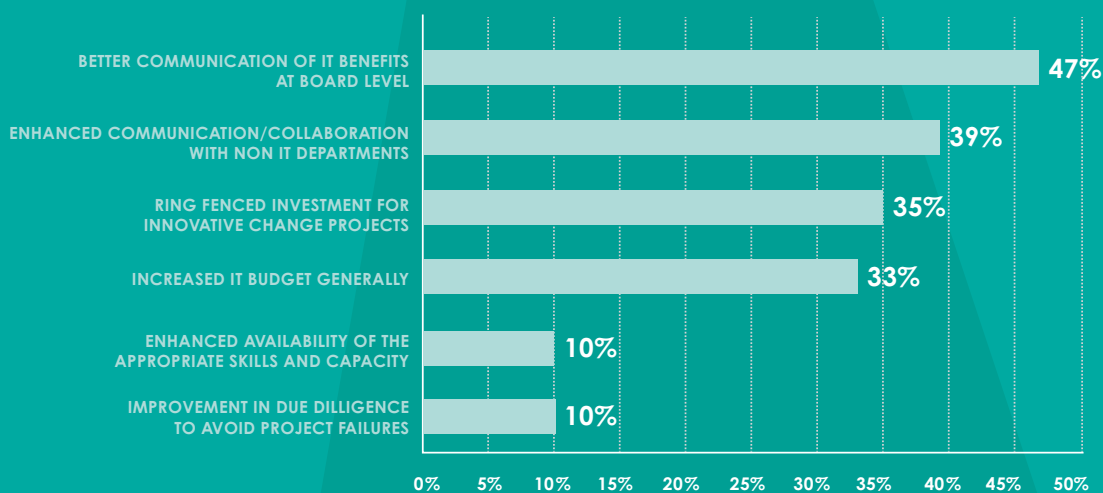
By maintaining an open dialogue with regulators, CIOs stand a better chance of minimising the impact on IT of future regulations. At the same time, the relationship will provide an invaluable opportunity to more fully understand the drivers of each new mandate, and early visibility of what might be coming next. In this way, CIOs can build an element of "future-proofing" into their compliance plans, and thereby minimise the "shock" factor each time new measures are introduced.

INVOLVING THE BOARD

The apparent regulation-innovation trade-off also requires the Board's attention, so that the plight of the CIO in coordinating both of these substantial responsibilities is acknowledged - and can be eased, where possible, with appropriate action or agreed intervention.

Certainly, improving communication with the Board is considered the primary determinant in stimulating IT innovation generally, according to the CIOs taking part in our research. They also identified enhanced communication/collaboration with non-IT departments as having a significant impact on pushing IT innovation up the business agenda (Figure 9).

Figure 9: Which of the following steps do you believe could/should be taken to stimulate innovation in IT in the financial services sector?



TAKING THE INITIATIVE

With regulatory activity still to hit its peak, the sooner CIOs find a new way of channelling their obligations so that they dovetail and work with the needs of the business, the better for everyone. After all, it is not only IT itself which feels the impact of resulting changes, but the broader business processes and those who manage them.

In this sense, the CIO's role is changing from provider of applications and infrastructure to someone who needs to be involved in new business plans and designs, ensuring that these meet the regulatory needs from the earliest stages.

The CIO's remit here is partly to consider the IT implications of business changes and whether these are likely to stand up to future, as yet unforeseen, regulatory changes. Innovative IT change initiatives can help here, by consolidating and standardising infrastructures - while still allowing individual business units differentiation and speed to market. If data is handled in the same way across diverse areas of the business and its numerous applications, regulatory requirements become easier to satisfy because the building blocks to enable the common facets of compliance - visibility, traceability, centralised control and security - are built into the organisation's IT fabric.

Certainly, tighter regulation enforces focus, discipline and rigour in the way financial service organisations plan, execute and manage new processes and supporting infrastructure, and it is this, more than anything, which should excite CIOs who themselves crave greater

consistency in the application of technology across the business. Regulatory demands can help build a strong case for greater standardisation, centralisation, server virtualisation, application consolidation, cloud-based initiatives and streamlined reporting.

Once standardisation has been achieved, CIOs should find they have a lot more freedom to innovate in ways that have a more direct impact on the business - harnessing more flexible data models, personalised customer self-service and so on - all in a regulatory-compliant manner.

As much as CIOs have been frustrated by intensifying regulatory demands, there is evidence that many are indeed fighting back now. While compliance-based projects are commanding a large proportion of IT change budgets, almost half of CIO respondents in our quantitative research (47%) note that they are also spending more than 40% of the same budget on elective innovation.

"IT is likely to evolve from data centres and hardware to a more hybrid environment," suggests Peter Stafford of Nationwide, pointing to the future. **"Cloud computing models will provide a**

viable alternative to what we had in the past, so that IT becomes more about running people and suppliers than about managing systems. IT will be the catalyst for change. The cloud option also means that companies won't be hamstrung by legacy technology. It will help with adapting to regulation too, because solutions will exist but also in a more flexible environment. All of this will allow IT people to be more outward-focused in the future."

"The move towards outsourced or 'cloud'-based services is a double-edged sword," says Xantus' Dave Upton. **"Yes, it passes the operational burden of maintaining a currency of systems to a third party and should deliver standard, consistent services. However, the skills needed in an IT team to select, contract with and manage suppliers in a way which ensures this happens are in short supply. Above all, IT teams must remember they can never outsource accountability in this area."**

CONCLUDING ADVICE

Without a vision beyond regulatory requirements, IT departments in financial services will remain in a Catch 22 situation: unable to innovate because of the never-easing need to focus their limited resources on “keeping the lights on” – even though a transformational, more innovative approach to IT would change everything for the better.

Earlier this year, global IT analyst firm Gartner predicted that 50% of banks would continue to lack a formal innovation programme and budget by 2013, despite a growing awareness that innovation initiatives will be crucial in delivering pivotal competitive differentiation - for example through more personalised services for customers. Any organisation that puts on hold initiatives in these areas risks jeopardising future revenues.

As long as regulation-driven expenditure remains predominantly tactical, however, the IT investment in this area will be disproportionately high for the returns being delivered. To break this circle, CIOs must approach the regulatory compliance burden from a new perspective, making the most of a necessary situation by exploiting it to deliver competitive advantage to the business.

If IT is one of the primary facilitators for regulatory change, it is vital that CIOs

exploit this power for the greater good of the business. To ensure lasting value for money, CIOs need to be able to demonstrate that they are able to deliver innovative change in a cost-effective manner alongside and in keeping with whatever is required to achieve compliance.

Ultimately, success relies on good IT architecture and change practice:

- Clear understanding of what financial services regulations mean for CIOs and their teams – fostered through a healthy dialogue with compliance teams, regulators and business sponsors.
- A roadmap, which sets out what an effective IT landscape looks like for the organisation, with regulation considered as part of all system and infrastructure change initiatives.
- Convergent data architectures with clearly identified golden sources.

- Tight and focused portfolio management, to ensure that any change effort is directed for maximum benefit.
- The development of effective business cases, before proceeding to the development phase.
- Rigorous benefits management throughout a programme.
- Appropriate use of third parties to overcome skills shortfalls.

Once CIOs have found a way to align regulatory demands with the broader strategic needs of the businesses they underpin, and transformational infrastructure change programmes have been brought back on course, the way will be paved for innovation on a much grander scale than organisations may have thought possible.

PANEL PARTICIPANTS

Jonathan Kennedy, Head of IT Service Delivery, Northern Rock

Jonathan is the current Head of IT Service Delivery for Northern Rock which he joined in March 2010.

He holds a degree in Computing in Business and has spent his career to date in IT within financial services.

He joined Halifax Building Society in 1991 where he experienced organisation growth through a series of mergers, acquisitions, a conversion to plc and more recently, following HBOS difficulties, becoming part of Lloyds Banking Group.

During his career, Jonathan has worked in all disciplines of IT, and helped to deliver some complex and sophisticated change programmes. He has held senior leadership roles as CIO for the Bank of Scotland Corporate division, Strategy & Implementation Director for HBOS and more recently Director for Infrastructure Integration in Lloyds before he decided to join Northern Rock.

Rikki Dinsmore, Managing Director, CashZone

Rikki has worked at Cashzone for just over two years having been initially recruited as the Operations Director in order to re-engineer the organisation's target operating model. Previously he worked as a Supply Chain Director in two separate manufacturing companies with their

manufacturing base in Asia. Rikki has also spent time with two 3rd Party Logistics providers; UPS Logistics Group in Europe and TNT Logistics in South East Asia. His initial career was in the British Military.

Russell Winder, CIO, Hoares Bank

Russell is currently CIO at Hoares Bank which is England's oldest privately owned bank, established in 1672. The bank provides a full range of private banking, financial planning and investment management services.

Prior to this he has held the roles of Group IT Director at FirstAssist and IT infrastructure Director at the Prudential.

Peter Stafford, Director of Technology Services, Nationwide

Peter Stafford is Technology Services Director for Nationwide Building Society.

He joined Nationwide in 2007 after holding a range of senior IT positions in the Financial Services and Retail sectors.

He has worked effectively at all levels within organisations to deliver IT strategies, drive change and motivate IT teams, with a demonstrable record in aligning IT to the business and building commercial, focused, customer-facing IT departments.

Peter has successfully transformed large IT functions and has delivered significant IT

and change programmes to organisations across multiple industry sectors. He possesses a wide understanding of the financial services and retail sectors with a background combining blue-chip, SME and IT Consultancy.

Peter has a pragmatic and commercial approach to risk management and compliance.

He holds a BSc (Hons) Management Sciences from the University of Warwick and is married with two teenage children.

David Upton, Associate Director, Xantus

David is an Associate Director in Xantus' Financial Services division. He joined the Xantus team in 2006, having previously worked in supplier and end-user organisations.

David spent 15 years working for BT where he undertook various technical and commercial roles. He joined Norwich Union, now Aviva, in 1996 and spent 10 years in a range of commercial and management roles including Contract Management and Programme Management.

As part of the Strategy practice at Xantus, David advises a range of clients including National Australia Bank, Barclays, RSA, CFS and Bank of Ireland.



Xantus is an independent management consultancy, specialising in IT-enabled business change - we focus on changing business through IT and making IT run more effectively.

Xantus' services are tailored to address the complex challenges faced by today's organisations. We provide client-side support throughout strategic and operational change including IT due diligence, market assessment, IT strategies and sourcing solutions, operating model design and expert programme delivery.

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