



Operational Excellence in Financial Industries

Study - Assessment - Network

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The study “OpEx in Financial Industries” combines academic knowledge and consulting experience

Content of the Study

Recording and evaluating the importance, the current level of development, and the future significance across separate topics in the areas of

- **Strategy Alignment**
- **Process, Organization, and IT Management**
- **Performance Management**
- **Human Capital Management**

for banks, insurances, and other financial service providers

Academic and practice-oriented approach



Incorporating current research findings and academic knowledge
as well as



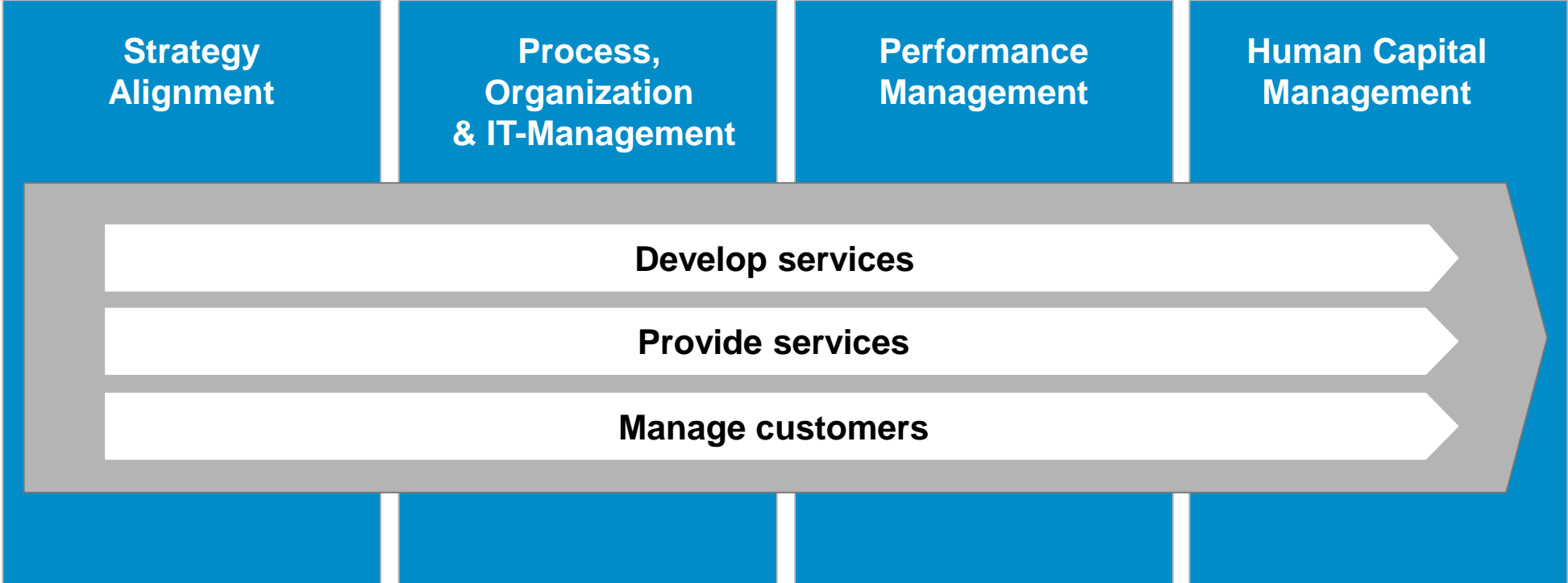
Experience from client projects and testimony from leaders within financial service providers. Mirrored practice-relevant questions

Goal

Holistic portrayal of status quo and future significance of Operational Excellence within financial service providers, based on empirically grounded findings. Identifies focus areas and decisive steps for future competitive positioning

Our methodical framework encompasses four equally-weighted core areas of focus for Operational Excellence

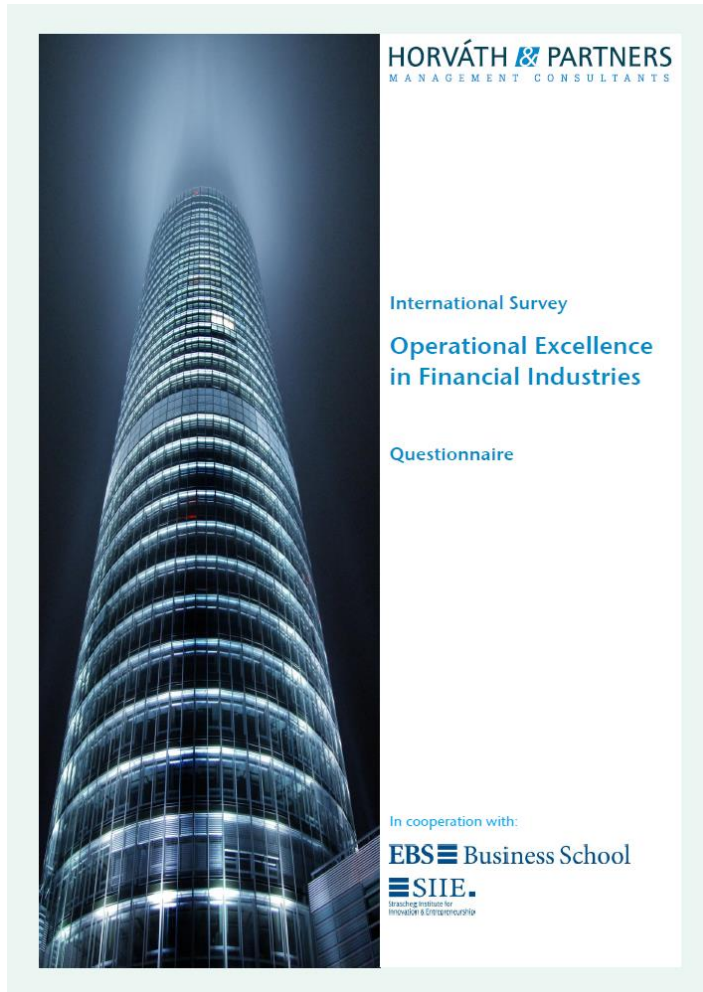
Operational Excellence is the **dynamic ability to realize an effective and efficient value chain** through integrated development and use of process-related, organizational, technological, and cultural factors. Excellence aligns processes with strategic goals and continuously innovates implements, monitors, and optimizes them



The Operational Excellence Framework in Detail

Strategy Alignment	Process, Organizational, and IT Management	Performance Management	Human Capital Management
<ul style="list-style-type: none"> ■ Strategy Implementation (particularly BSC) ■ Aligning Strategy and Processes ■ Managing the Value-Adding Chain (including sourcing strategies) ■ Cooperation Management ■ Project Portfolio Management (Investment Management) ■ Customer Management (CRM) ■ Product Development ■ Product Management ■ Innovation Management ■ IT Strategy 	<ul style="list-style-type: none"> ■ Process Modeling and Documentation ■ Organizational Structure ■ Process Organization and Process Responsibility ■ Information and Work-flow Management ■ Complexity Management ■ Improvement Management and Kaizen ■ Lean Management ■ Lean Six Sigma ■ Value Stream Management ■ Process Automation and Standardization ■ Process Optimizing and Improvement Management ■ Re-engineering ■ IT-Systems 	<ul style="list-style-type: none"> ■ Metrics Systems ■ Value Driver Models ■ Performance Measurement, Reporting, and Management ■ Process Management ■ Value Chain Management ■ Benchmarking ■ Activity Based Costing ■ Target Costing ■ Cost Management ■ Quality Management ■ Capacity Management ■ Planning & Budgeting ■ IT-Management 	<ul style="list-style-type: none"> ■ Employability Management ■ Change Management ■ Incentivizing, Reward Models, and Bonus Systems ■ Competency Models and Skill Management ■ Entrepreneurship ■ Knowledge Management

Survey via standardized questionnaires

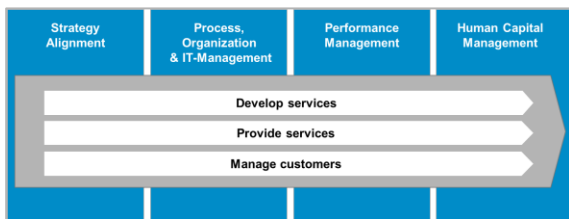


- Questionnaire (print oder editable pdf) to analyze **current implementation** and **future impact** of particular topics within the four core areas Strategy Alignment, Process, Organizations and IT Management, Performance Management and Human Capital Management
- Focus on **Financial Industries**, as banks, insurances and other financial service providers
- Target groups are **COOs or CIOs as well as members of the upper management level for Operations, Organization or Process Management**
- Findings are based on the participants' **self-assessment** of their company or division

Operational Excellence supports to assess maturity, prepare analysis and deliver necessary means for improvement

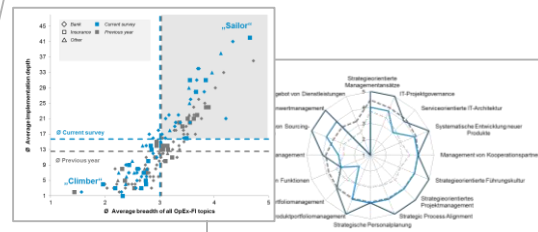
Determine Position and Assess Degree of Maturity

- Record the status quo characteristics and the range of individual process designs in the OpEx Study
- Position in the OpEx Maturity Portfolio to assess degree of maturity



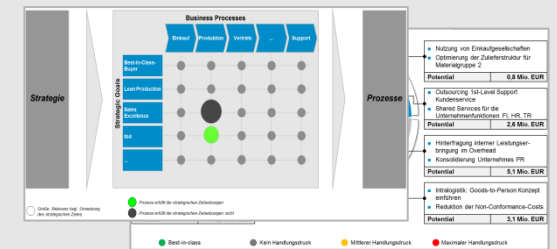
Determine Ambition Level and Analyze Gaps

- Record the company's standards and define the ambition level
- Identify deviations from the market and the company's environment
- Derive business recommendations



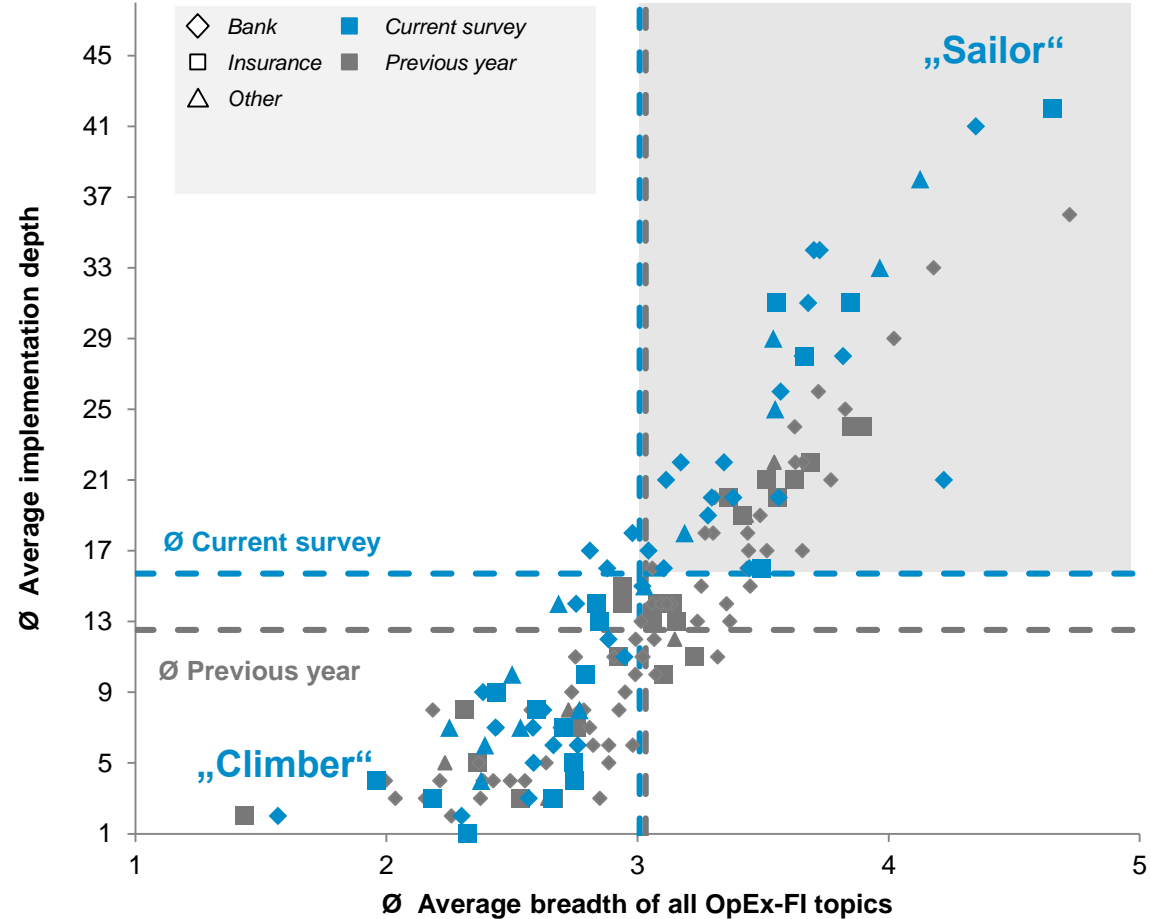
Develop and Implement Actions for Improvement

- Adapt Horváth & Partners methods and solutions to goal-oriented development in order to efficiently implement the prescribed measures for improvement



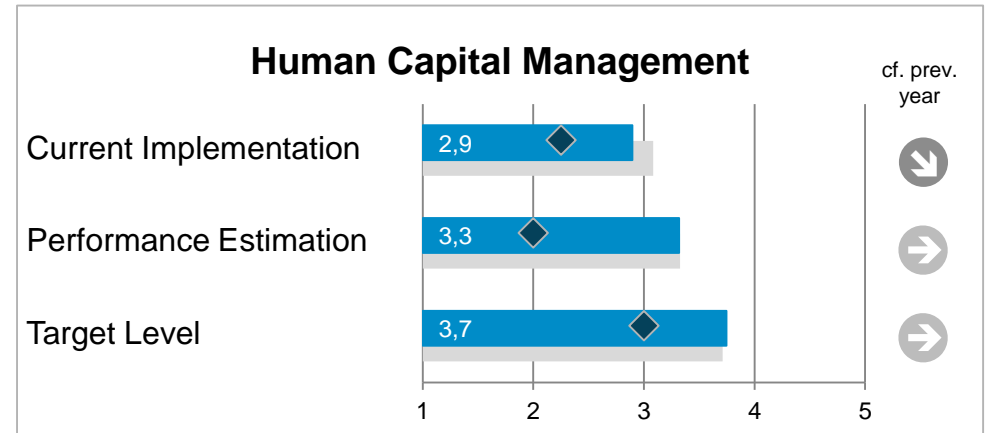
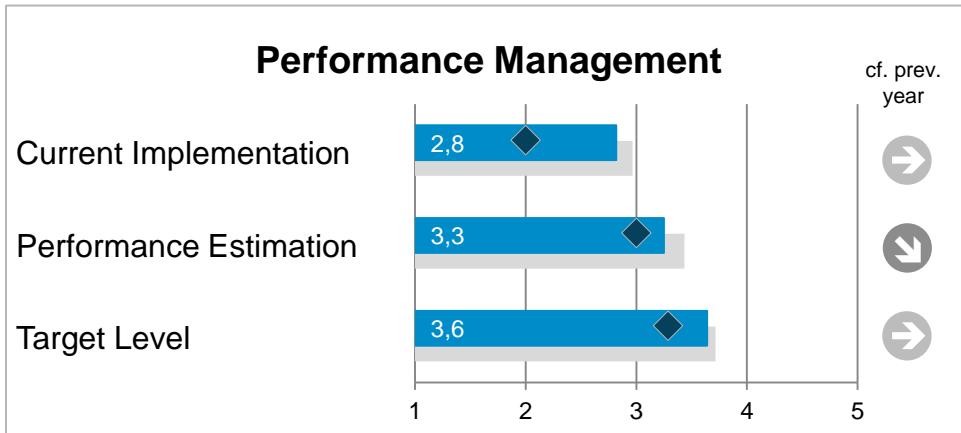
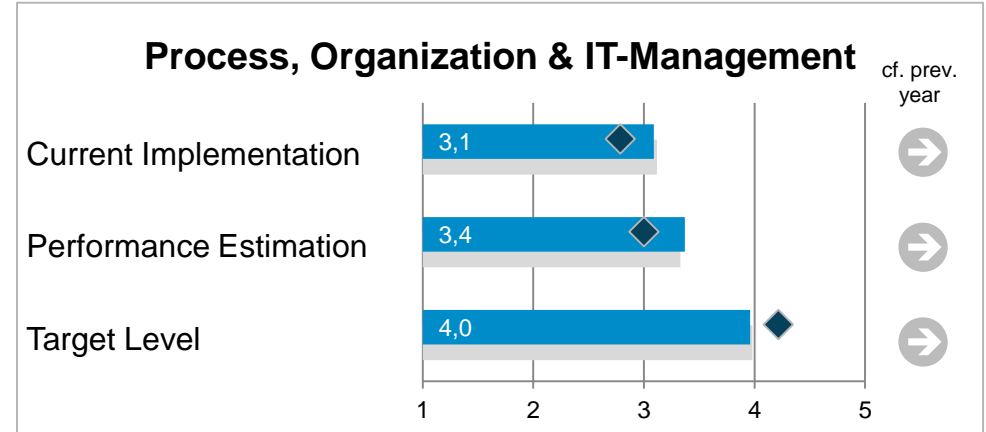
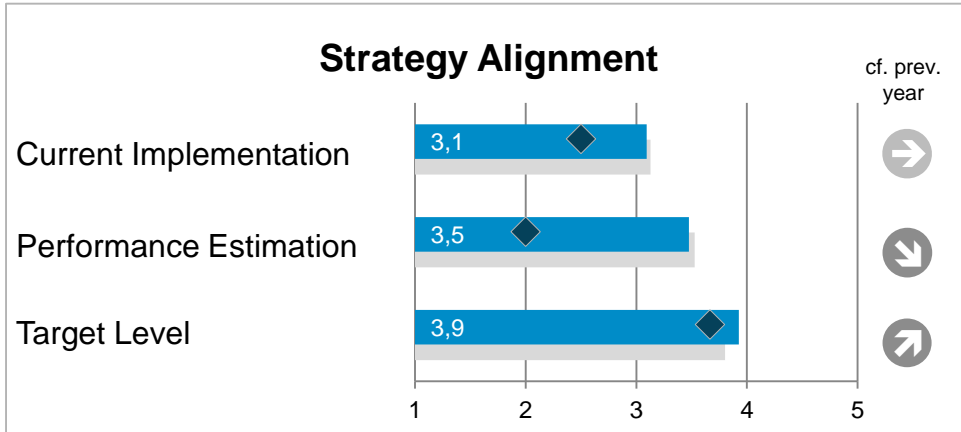
Positioning at the OpEx-Maturity Portfolio

Average breadth of implementation and depth of specification in OpEx fields of action and development of all participants compared to the previous year



- The position of the individual organization shows the **further development** which is necessary to achieve Operational Excellence
- „Climbers“ have to invest in balance as well as in the specification for further implementation
- „Sailors“ are able to achieve further Operational Excellence fields through systematically developing their agenda
- The results showed that the maturity is **independent from the type of finance institute**

Comparison of the four OpEx organizational areas: Survey average and individual positioning

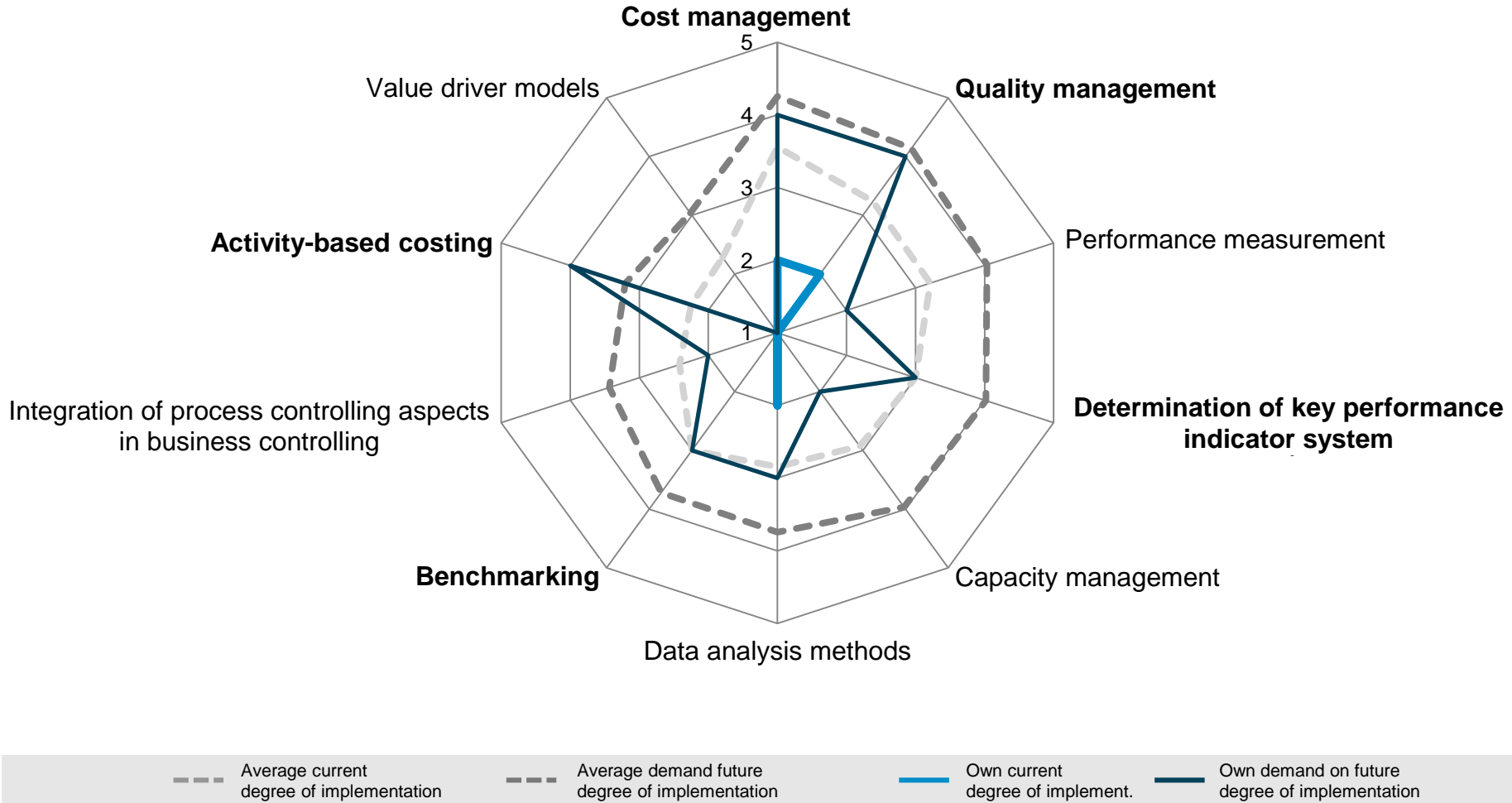


■ Current survey ■ Previous year ◆ Individual position

➔ Change < 2%

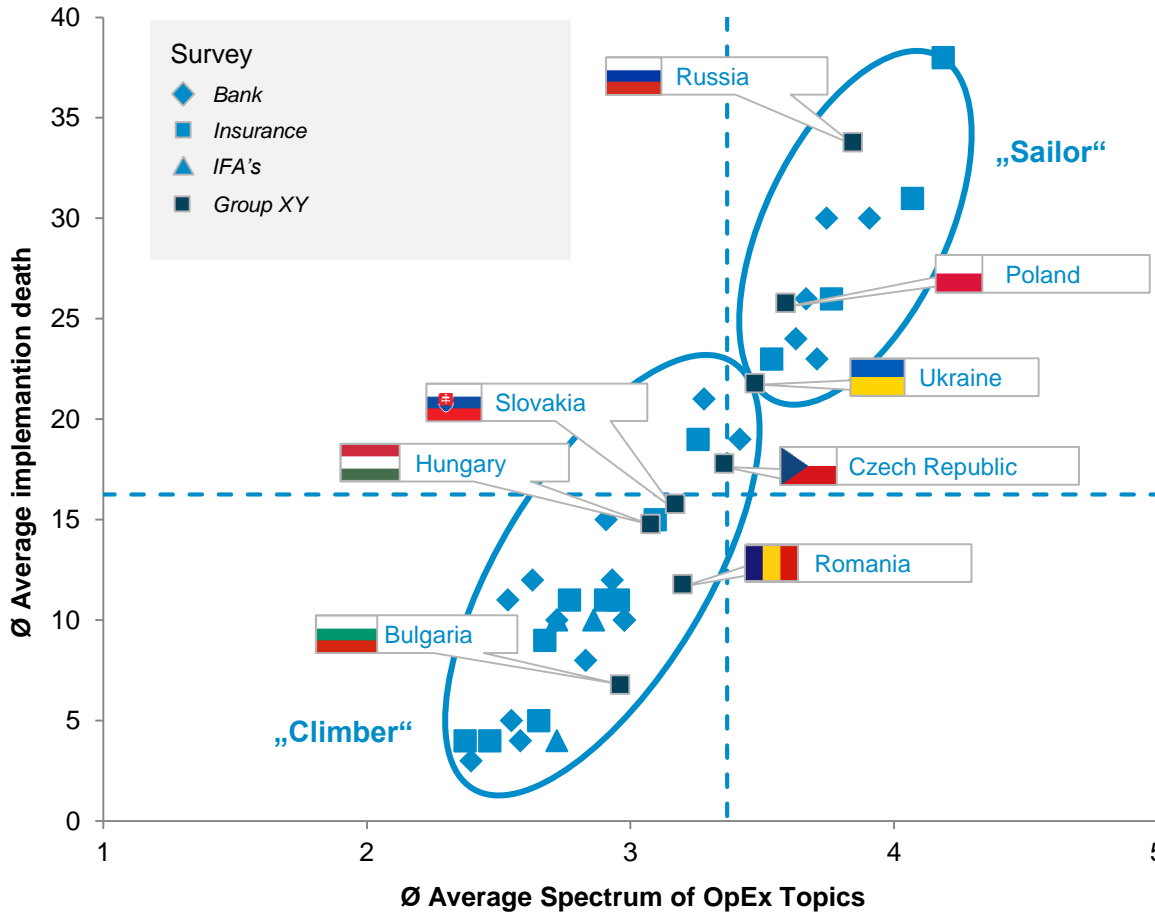
➔ ➔ Change between 2% and 10%

Divergencies are highlighted as potential fields of action in every field of the OpEx framework



Our OpEx assessment offers a systematic approach to compare international units of a firm among each other

Exemplary

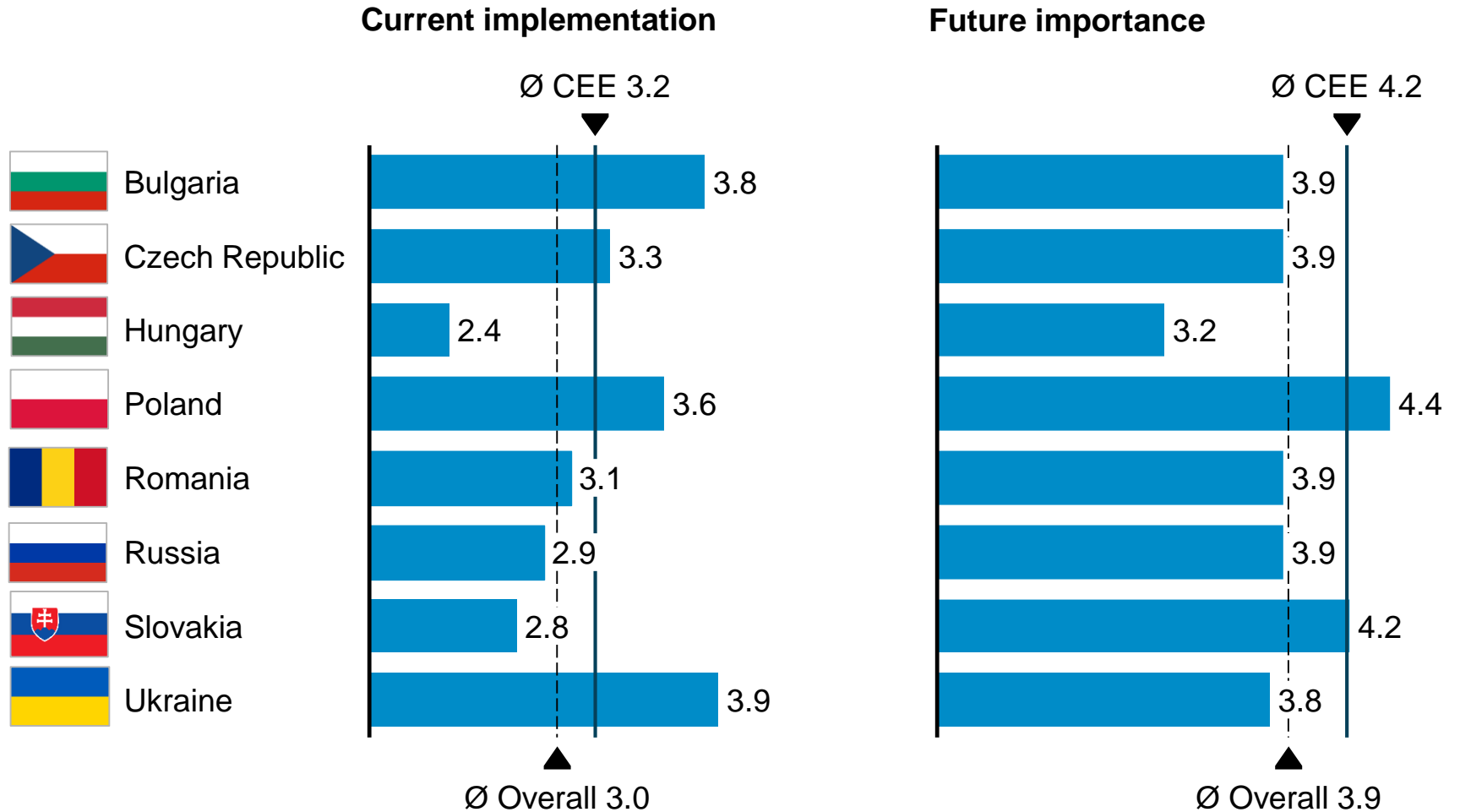


- **Internal comparison** of various subsidiaries or organizational units on a national or international level
- **Global Best Practice Sharing** along the OpEx structure and findings

The evaluation creates transparency and the foundation for a focused analysis of local deficits

Aggregated Country comparison: Process, Organization and IT Management

Exemplary



Operational Excellence in Financial Industries: Rollout in major financial regions of the world

Participants

- Australia
- Austria
- Belgium
- Bulgaria
- Czech Republic
- France
- Germany
- Hongkong
- Hungary
- Indonesia
- Italy
- Jordan
- Luxembourg
- Malaysia
- Netherlands
- Poland
- Russia
- Romania
- Singapore
- Slovakia
- Switzerland
- Ukraine
- UAE
- Ukraine

Planned

- USA
- China
- Japan
- Great Britain
- Spain
- Saudi Arabia
- Kuwait



More than a study – Offerings of the OpEx-Network for COOs

Networking

OpEx Executive Round Tables and Executive Events – Regular network meetings with guest speakers and discussions

Consulting Expertise

Practice-oriented expertise and cross industry special knowledge

Individual analyzes

Performance assessment and in-house workshops based on individual analyzes
Comparison of organizational divisions
Deduction of the COO agenda



International Best Practices

Successful methods and best practices from financial service providers worldwide

Cross Industry Transfer

Transfer of OpEx know-how from manufacturing industries to financial industries

Research Center

Empirical studies about current implementation and future importance of topics regarding Operational Excellence in Financial Industries

Contact



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