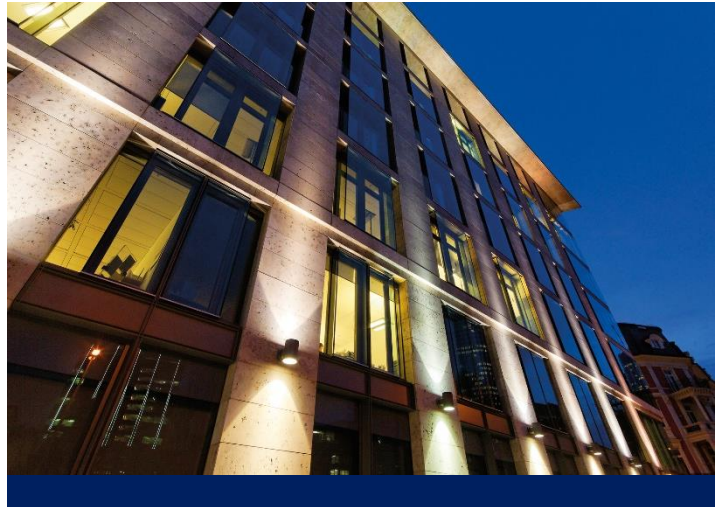


Case Study

IT ASSESSMENT AT BANKHAUS METZLER



Balancing efficiency and the power of innovation



For around 350 years, Bankhaus Metzler has skilfully combined tradition and modernity. In order to improve the alignment between IT operations and business areas, Dr Marco Schulmerich, the executive board member responsible for this area, has put IT infrastructure to the test. His goals: transparency and objective discussions.

Bankhaus Metzler, headquartered in Frankfurt am Main, is Germany's oldest private bank with an unbroken tradition of family ownership, celebrating its 350th birthday in 2024. With around 800 employees, the Metzler Group focuses on individual capital market services for institutions and demanding private clients. Central business areas are Asset Management, Capital Markets, Corporate Finance and Private Banking.

Dr Marco Schulmerich became a member of the Executive Board of Bankhaus Metzler at the beginning of 2022. In this position, he is responsible for IT and controlling and leads the digitalisation initiative in the Group. Part of the strategic approach was, among other things, to examine IT operations and determine the status quo. His goal was a fair assessment of the services in IT infrastructure and operations to improve cooperation with the business units through greater transparency. For this purpose, the bank chose a three-step approach, which was implemented with Metrics.

Efficiency, effectiveness, agility

Core to the project was a qualitative and quantitative comparison of 38 operational services, including the operation of databases and desktop infrastructure. The focus here was on personnel and material costs as well as quantities and deliverables. In addition, Metrics conducted stakeholder interviews to find out what the business units were thinking: How well does IT support day-to-day business, and how is IT perceived in terms of requirements? Finally, the PIC processes (problem, incident, change) of the bank were compared with the market according to maturity levels and KPIs (Key Performance Indicators).

The results show a parallel to the history of the bank: despite all necessary continuity, it is also important to support change. "Our regular technical operations are running very efficiently", says Board Member Dr Marco Schulmerich about the Metrics assessment. "However, there is still room for progress regarding innovation - here we have initiated specific improvements."



Bankhaus Metzler

B. Metzler seel. Sohn & Co. AG

Employees / Balance sheet total 2021
 Around 800 / around € 8.8 billion
 (both group-wide)

Initial situation and project goals

- Determine status quo for IT infrastructure and IT operations
- Promote transparency for stakeholders
- Put PIC processes (problem, incident, change) to the test



"Operationally and at a decision-making level, it is always helpful to back up discussion topics with substance."

Dr Marco Schulmerich, Member of the Executive Board of Metzler Bank

What goals did you pursue with the project?

I initiated a strategy process in IT in order to improve cooperation between IT and business units, among other objectives. After discussions with strategy consultants, we realised we needed a statistical foundation for the implementation which could be used as a reference for all those involved. Especially because it was about our operational services, which run 'in the IT machine' and are therefore far away from the business units. That's why we chose Metrics.

How do you benefit from a quantitative analysis?

The regular technical operations are very efficient, so it's nice to get an evaluation from a neutral authority. And what we already assumed: There is room for improvement in innovation and time-to-market. This is also because our resources are heavily involved in operations and have little room for manoeuvre. It was therefore important to have a third party confirm our assessments with a market comparison. And it is always helpful to receive results and recommendations in a structured way.

What consequences did the project have?

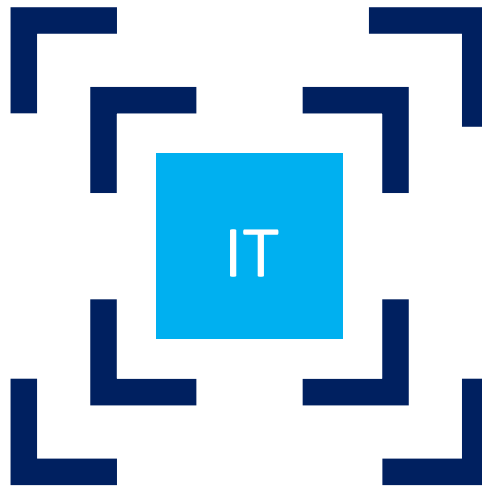
A project like this gives you fresh impetus, it triggers change. Following Metrics' recommendation, we intensively analysed where we could outsource existing processes and services to minimise risks and create room for innovation. One plan is to reduce pressure through more cloud computing, but only if it pays off and meets all requirements in our regulated market.

How do you deepen the bond with the business units?

I'm a fan of talking to each other and creating transparency. Factual differences and discourse are part of our business, but it must not be taken personally. That's why I always seek face-to-face discussions. From the Metrics project, we received a legitimate basis for discussion because we already involved our business units in the process when selecting the benchmarking consultant. Operationally and at a decision-making level, it is always helpful to back up discussion topics with substance.

Business Benefits

- Review and communicate service activities of IT operations
- Compare costs and productivity of 38 operational services with current market levels
- Tailor services for customers to meet requirements better
- Prepare outsourcing of service modules and processes
- Adjust calculation and billing procedures in controlling



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