

Case Study

COST REDUCTIONS AND PROCESS IMPROVEMENT FOR VALUE EQUITY MANAGEMENT FIRM

Company Background

The client is a US-based asset management firm specializing in providing fundamental, value-oriented investment management strategies to clients. They use bottom-up research to identify high-quality undervalued companies with identifiable catalysts that can unlock future value.

Benefits

\$2M+

net annualized savings
identified

- **75% reduction** in operations team headcount
- Selection of outsourced provider to **reduce operating costs by 40%**

PROBLEM

The client recently acquired another institutional asset management entity. The firm's operations were highly manual with limited investment in technological solutions which hindered its ability to grow. TPG was engaged to **conduct an in-depth review of current processes, roles and responsibilities, and systems to determine the feasibility of outsourcing the back-office and middle-office functions.**

APPROACH

- **Operational Improvements** - Improved efficiency and removed redundancies by eliminating manual steps; also identified current state pain points and potential future state with new technology providers/ outsourcers
- **Process Mapping** - Mapped processes against each stream of business and identified weaknesses, pain points and solutions to make the org less risk-oriented and prone to single points of failure and more robust and growth-ready
- **Business Impact Analysis** - Proposed outsourcer vetted for operations, compliance and accounting
- **HR - Organizational Assessment and Realignment** - Assessed individuals' ability to embrace change and support future growth with interviews; identified critical job functions to remain in-house compared to tactical tasks that could be outsourced