



**Buyer Persona:
The Influence Behind Data Management Decisions**

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Researched and written by:

A-TEAMGROUP

Commissioned by:

SUNGARD[®]

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The Influence Behind Data Management Decisions

Introduction & Methodology

A-Team Group, a publishing, research and consulting company specialising in financial information technology, was commissioned by SunGard to conduct a study that would capture what is driving firm-wide reference data decisions globally. Specifically, the goals of the study were to assess global trends in data management across end-user groups, roles, responsibilities, including:

- Attitudes of executives responsible for data management
- Triggers, factors, and processes for purchasing decisions
- Driving priorities in improvements in data management.

A-Team Group held structured discussions with more than 34 senior individuals involved in reference data management in 32 firms located in North America and Europe. The resultant distribution was almost equally weighted across market sectors (see Chart 1).

This report focuses on the insight and perspective provided by these individuals. Clear drivers have emerged that will shape the role of reference data in business decisions in the future.

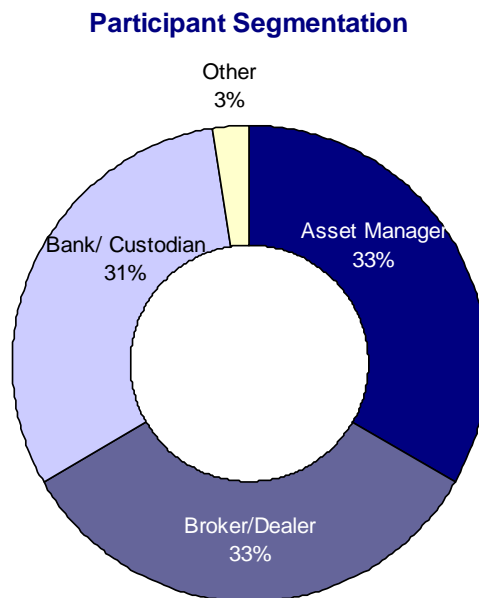


Chart 1: Type of Firm Interviewed

Targeted respondents were geographically dispersed with base locations in the U.K., mainland Europe (with an emphasis on Benelux, France, Germany), the U.S., and Canada (see Chart 2). The majority of respondents (68%) have global responsibility for data management (see Chart 3) even though elements of data responsibility are regionally dispersed for timing, expertise, and efficiency.

The Influence Behind Data Management Decisions

Geographic Distribution of 32 Respondents

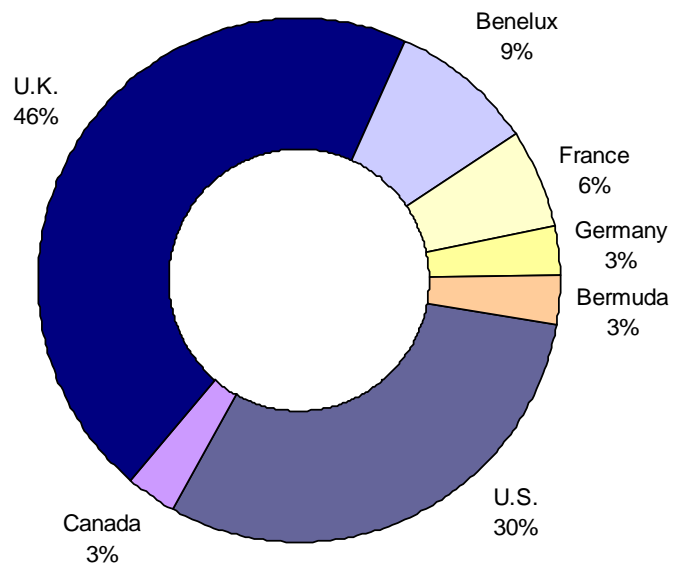


Chart 2: Respondent's Geographical Location

Geographic Split of Responsibilities

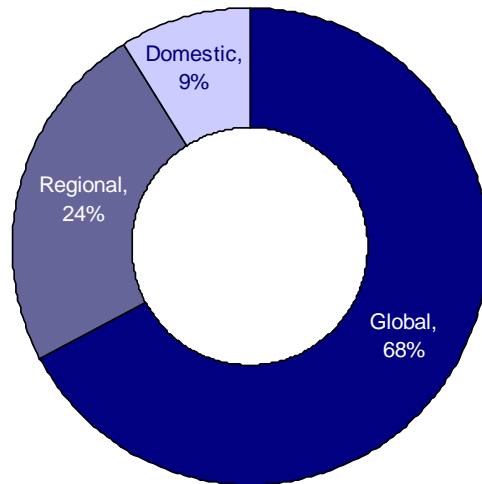


Chart 3: Geographic Area of Responsibility

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Executive Summary

A-Team Group's research, commissioned by SunGard, to understand the real buyer behind reference data management decisions, highlighted an absolute consistency across respondents that it is senior management – in particular, Chief Operating Officers (COO) and CEO-level managers – that are taking action. This finding did not vary by geographic area or market sector the firm was in. Another theme that was clear and consistent – the evolution of reference data is squarely under the jurisdiction of top managers and it is seen as a strategic move to prepare their firms for future requirements.

To be specific, 51.6% of the respondents said that their CIO,CTO, COO or CEO had signed off on data management strategies and strategic systems purchases, and 16.1% said that their Board of Directors were involved in the approval process.

“Our focus now is on data management – as opposed to data processing.”
Chief Data Officer, Global Bank, June 2007

The motivation behind management action was frequently stated as a need to move to data consistency in light of regulation and “to get a handle” on risk from all perspectives.

“We’ve spent the last 6-months eliminating departmental data management silos. Now that’s done, we can take a top-down, strategic look at exposure.”
Chief Data Officer, Global Bank, April 2007

As a result of strategic, proactive management initiatives, over 87% of those interviewed stressed that their firms were planning to extend the use of their data management systems. Of the 13% that stated they were not, most had just completed major development projects and were satisfied with the results. 80% of these respondents said that spend on data management increased in the last two years.

The buyer persona study validated that a strategic evolution and paradigm shift in reference data management is well underway – if not accelerated, once again, by the support of top management at financial services firms.

96% of the respondents talked about already having or planning to have centralised reference data solutions – with distributed security master files under central governance following close behind at 89%. There is some redundancy in the statistics because a few senior managers felt their firms had both of these first two categories; this sentiment correlated highly with the complexity of the organisation.

When asked if respondent firms had or planned to implement external data management solutions to support centralised reference data repositories, over 67% responded ‘yes.’ Of those that said they had no plans to implement external vendors, all but one had implemented new centralised data management solutions, but had elected in-house development. The majority of the in-house developed solutions were at asset management firms.

Once again, regulation has come out on top as a driver for future spend on data management enhancements. So where is it going? KYC/AML had global attention with 74% ranking it at least of average priority. Although Basel II had 77.7% in the average or higher categories, its votes were more evenly distributed across priorities. MiFID had appeal in the European region. UCITS III and EUSD depended on the business focus of the financial institution.

As the evolution moves forward, senior managers are focusing on reducing pain and removing redundancy – especially in areas that do not differentiate their business. Consistently A-Team is hearing that management sees benefits in leveraging investment through selectively considering ASPs and externally managed services in the less proprietary and less value-added area to better utilise resources, leverage scale, and increase predictability in costs. This group of respondents realised that ‘outsourcing selective’ was probably a wave of the future to be more efficient and leverage scale.

As part of our buyer persona study, we wanted to tie decisions on reference data solutions back

The Influence Behind Data Management Decisions

directly into the business. We asked in what business activities the quality of reference data could make a difference to the activity. Certainly regulation once again led the way, but the study also revealed interesting results for customer service and brand reputation.

To close the study we asked, "If you could change one element in how your reference data management operation works today, what would be of most value to you and your firm?"

Led by the chant, "Need Data Czar to bring roles together (stakeholders)," the responses included:

- 14 of the 32 still wished for centralisation, standards and data sharing across the firm.
- 3 wanted transparency, consistent definitions – one went further to suggest, "We need an industry-wide data dictionary, possibly in the form of a WIKI that everyone could contribute to."
- 3 mentioned securities identification – one moving forward to counterparties

The SunGard survey has validated A-Team's prediction in its November 2004 reference data study that suggested "a paradigm shift where central reference data becomes a business in its own right for the larger firms, as well as a hub for growth, risk management, compliance and many other functions. Operational efficiencies and STP become by-products of this change". These findings clearly illustrate that a strategic evolution of reference data is well underway under the jurisdiction of top managers. A-Team Group thanks SunGard for this opportunity to provide this current industry perspective.

Real Buyer is Senior Management – Driving Re-evaluation of Reference Data Strategies and Forcing Decisions

A-Team's Spring 2007 Buyer Persona Study, commissioned by SunGard, set out to see who is the real influencer behind the plethora of data management re-evaluations that the financial services industry is currently experiencing. Responses were clear and consistent – the evolution of reference data is squarely under the jurisdiction of top managers and it is a strategic move to prepare their firms for future requirements.

A significant number of the respondents emphasised that their Chief Operating Officer (COO) had “laid down the law” on making reference data consistent across departments. After years of streamlining costs, these COOs are turning attention to mounting regulation and want to put proactive measures in place to ensure they can better manage risk and be prepared for increased compliance. 68% of the respondents commented that their COO and Steering Committees were involved in sign-off of data management solution purchases.

51.6% of the respondents said that their CEO, CIO or CTO, had signed off on data management strategies and strategic systems purchases, with 16.1% saying their Board of Directors were involved in the approval process. In most cases, business unit heads were also involved in sign-off (see Chart 4).

One respondent summed it up well, *“From the CEO-level, they were instructed to launch a project that could achieve a global view of reference data and that business units could use the same basis for applications and products.”*

Level of Senior Management Needed in Sign-Off

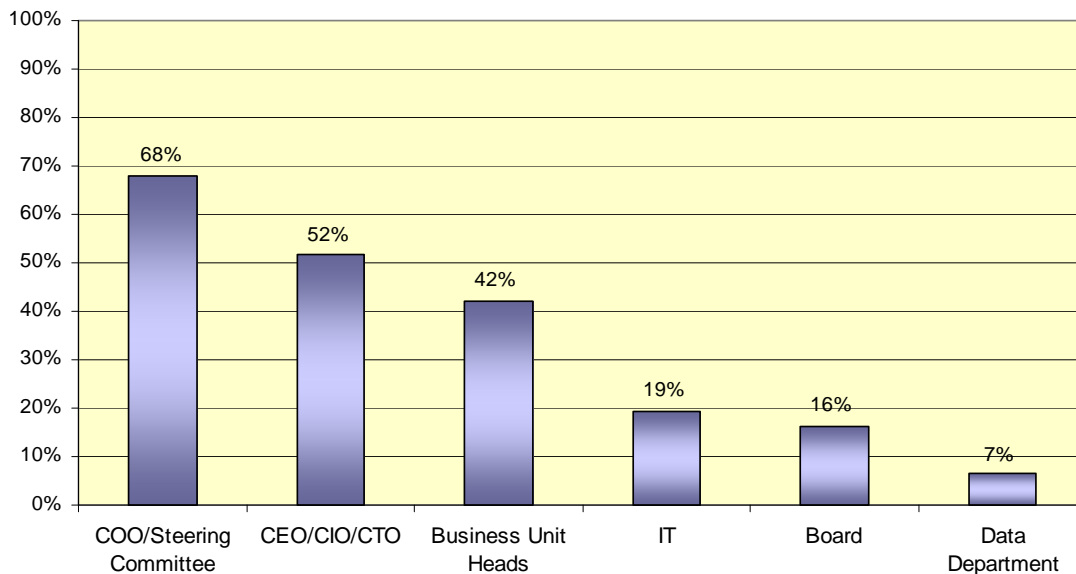


Chart 4: Level of Management Sign-off

Level of spend was voted the top trigger in leading to C-level involvement in reference data management purchasing decisions. In fact, 71% of the respondents highlighted ‘spend’ as the top consideration with 51.6% highlighting a ‘cross-departmental approach’ (see Chart 5).

What can Trigger C-Level Involvement?

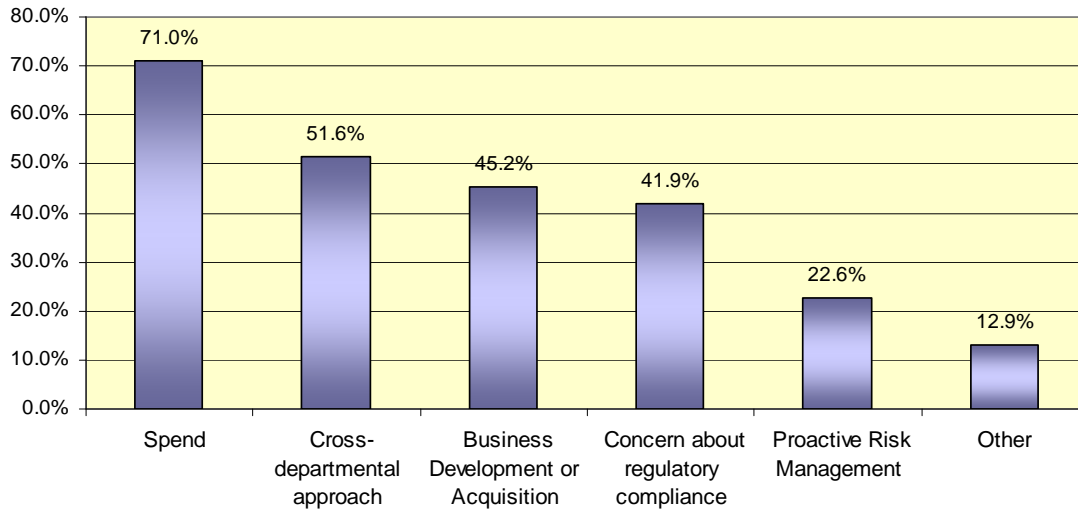


Chart 5: What Triggers C-Level Involvement

We delved into the level at which senior management need to sign off to see if there was consistency across the sample. Of the twenty that answered this question:

- Two were in the \$10,000-\$30,000 range
- Six were in the \$250,000 to \$500,000 range
- One said \$1 million
- Two suggested \$5-25 million.

Other triggers included any decision that would involve a cross-departmental approach, as well as the firms' business development or any acquisitions that needed to be managed. Other comments including whether the decision was strategic, whether budgets had already been spent and the manager was seeking additional funds, and risk levels.

There was no correlation of the approach to type of firm or size, but rather business strategy and practices. For example, a large UK sell-side firm required approval for a £20,000 or above purchase, while a small U.S. asset manager required approval for a \$100,000 or above purchase, all of which is dependent upon internal policy.

The focus on larger projects with strategic focus led us to dig deeper into which factors specifically were driving the need to re-evaluate data strategy. To no surprise, regulation lead with a 63.3% of the respondents ranking it in the top pain categories and 93.3% overall ranking it average or higher pain. The need for improved data quality followed hand-in-hand with 43.8% in the top pain categories and 97% average or higher pain overall (see Chart 6). Following closely were enhanced data sharing across departments, 35.5% and 93.6% respectively; handling complex instruments, 38.7% and 77.4% respectively, and improved risk management with 32.3% and 86.9% respectively.

It is also interesting to note that on average all categories identified and queried by A-Team ranked higher than the mid-point in pain – acknowledging that these factors are universal and real pain points across the industry.

In addition senior managers suggested the confluence of these factors made re-evaluation essential. As one senior manager put it, *“There is a lot of change with expansion of markets and products, so we have to change data management to meet that – in particular for new regulatory requirements.”*

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Factors Driving Need to Re-evaluate Data Management Processes
 Ranking = 1 high pain - 5 low pain

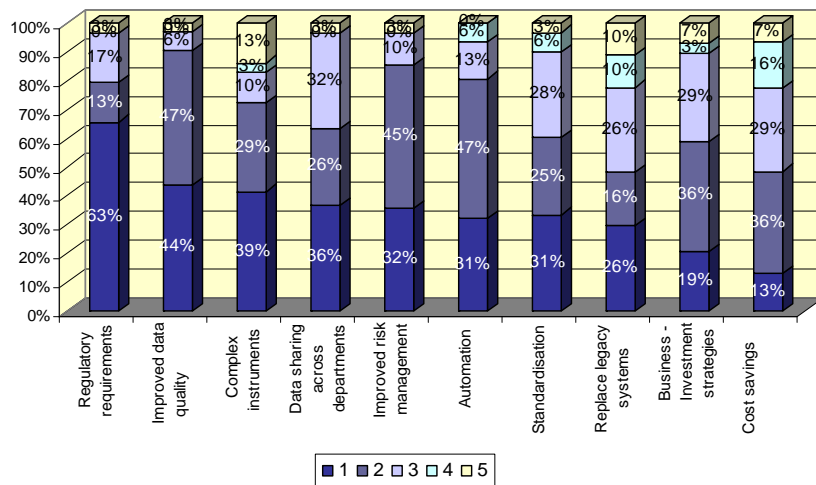


Chart 6: Factors Driving Need to Re-Evaluate Data Management Processes

Data processes that respondents said regulations were making their firm re-evaluate included:

- *“We need to move from reactive to proactive.”*
- *“Data structures that encourage aggregation and eliminate silos”*
- *“Ensuring that we have multiple sources in order to have accurate data and compare across sources.”*
- *“The production of management information in general. Legacy systems have not spoken to each other. So we’ve been missing that. Also, data quality vertically affects everyone.”*
- *“Key is timeliness.”*
- *“It’s about reliability, standard procedures, capacity and disaster recovery and backup.”*
- *“We need to address the specific needs of global offices.”*

What are these senior managers looking for as a result of their data management re-evaluations? Once again clear themes emerged: Central standards and improved data quality through increased validation – possibly with a move to multiple sources and automation where possible.

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Spend is Going to Reference Data Management Globally

As a result of strategic, proactive management initiatives, over 87% of those interviewed stressed that their firms were planning to extend the use of their data management platforms (see Chart 7). The investment sentiment expressed fits with the 80% of respondents who said that spend on data management increased in the last two years (see Chart 8).

Of the 13% that stated they were not considering extending their data management platform, they expressed satisfaction with status quo – at least for now. Many had just completed major development projects and were satisfied with the results. As put by our respondents:

- *“We’ve invested heavily in data management improvements and centralisation. Now, we’re happy – for the time being.”*
- *“All systems are in place, no upgrades are needed right now, but beginning of next year we will look at this again.”*
- *“We have to figure out more and more units that we haven’t identified yet and that could use our services.”*
- *“Our current systems are sufficient. We’ve spent a lot of time on it and have what we need. It’s already in use across many of our offices.”*

Do you plan to extend use of your data management platform(s)?

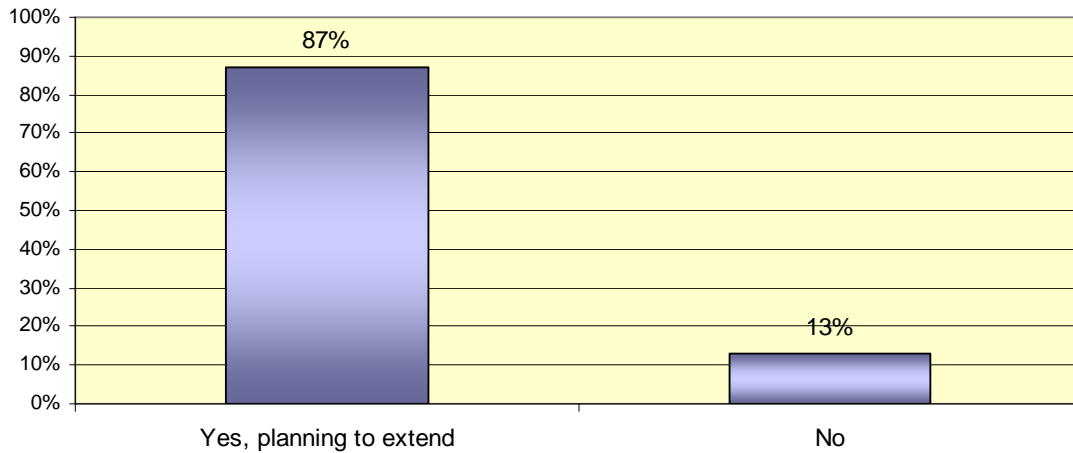


Chart 7: Are You Planning to Extend the Use of Your Data Management Platform?

Over Past Two Years, How Has Spend Changed?

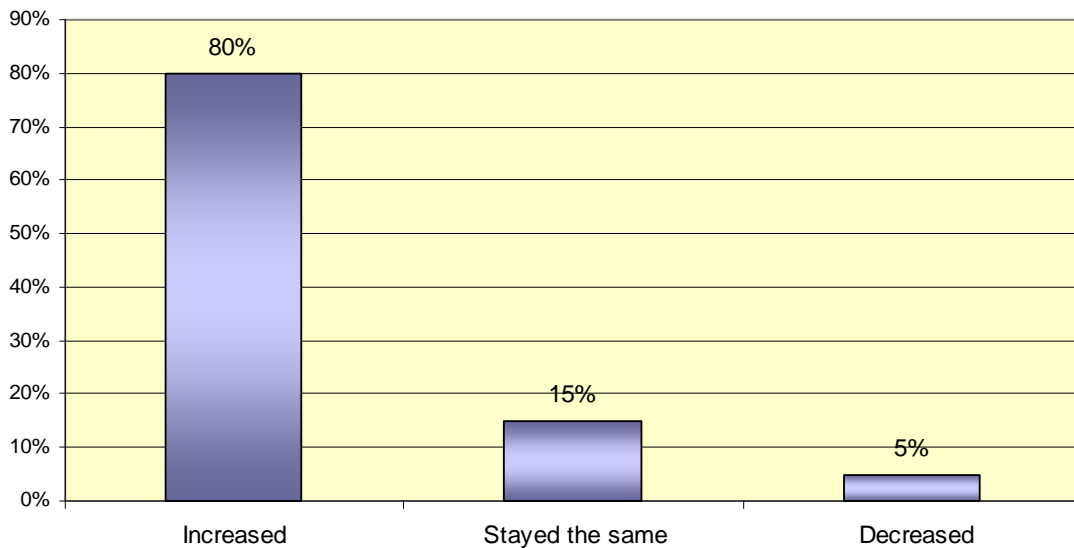


Chart 8: How Spend has Changed Over the Past 2 Years

So, where is spend projected to go? Interesting to note that data solutions for complex instruments ranked first with 83% stating that they would increase spend in this area and another 14% – making 97% in total – would experience no change. In sync with senior management’s priorities for re-evaluation of data strategies, regulation ranked almost as high with 77% expecting an increase and more than 96% expecting at least no change (see Chart 9).

These statistics were followed closely by the implementation of data management solutions. (Note: the lower expected increase in external data management solutions was explained by the fact that funds had already been committed in this area, and these on-going budgets didn’t require much increase.)

What is Expected to Impact Data Management Spend Over 2 Years?

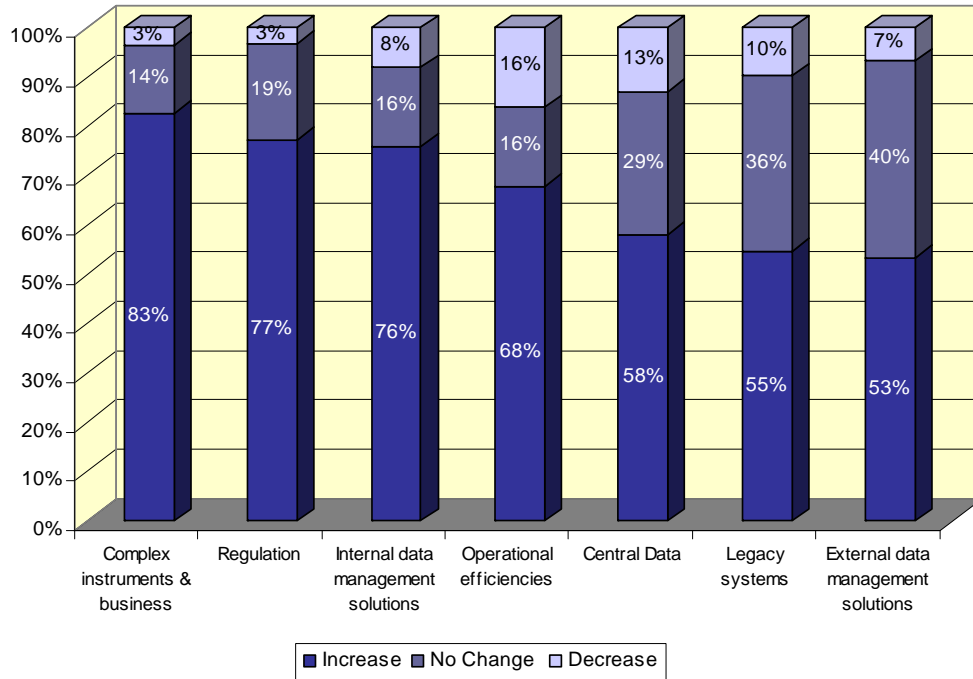


Chart 9: Spend is Expected to Increase Across the Board

No discussion on spend would be complete without asking about actual budgets and expenditures. Of the 32 firms interviewed, sixteen representatives were familiar enough with budget and willing to comment (see Chart 10).

- The range of spend correlates with the size and complexity of the organisations that participated in the study.
- The distribution between the data and data management portion correlated with the geographic dispersion of the firms, the current state of data centralisation, and the variety of businesses/downstream applications.

We also asked how firms approached quantifying spend. Of the eighteen individuals who responded almost all stressed data sources and license fees, technology (external software solutions, hardware, IS/IT allocations), data support people. It also became clear across the board that this quantification process was in transition alongside data management, and the ultimate goal was to manage incremental spend.

Several suggested that decentralised data management made it difficult to estimate spend. Therefore, estimates were incomplete. They expected estimates to be more accurate as centralisation and consolidation was complete.

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What Range Do Organisations Spend On Data and Data Management?

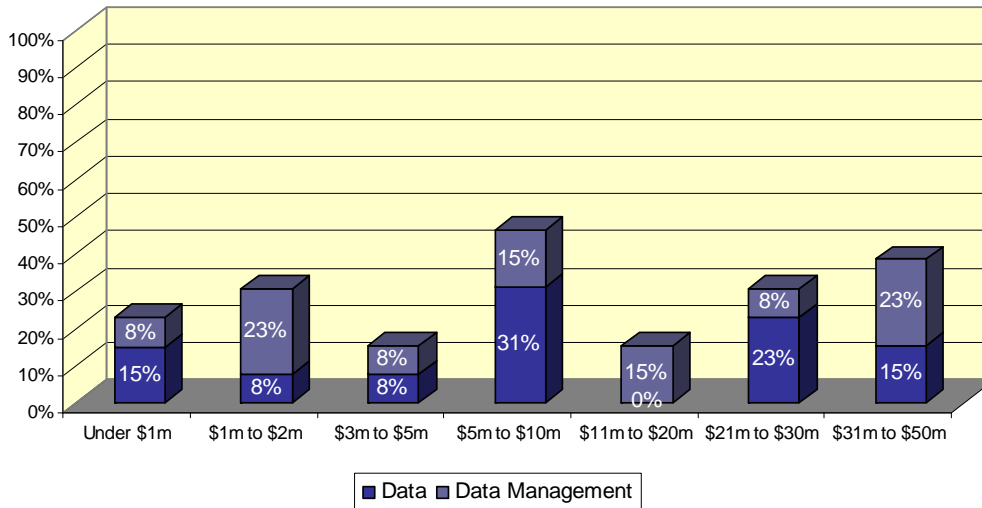


Chart 10: The Bottom Line on Spend

Other factors that went into quantifying spend included library services, software needed for compliance, and two respondents mentioned money spent on outsourcing some processes.

Once again, comments from senior managers highlight the strategic thrust of the industry.

- *“We wanted to understand our total cost of ownership. So there was an investment project to quantify spend not that long ago. It was a one-off project, but it is part of the overall infrastructure now.”*
- *“We try to measure both direct and indirect cost, including people and data. ‘Efficiency,’ ‘risk’ and ‘growth factors’ are example of indirect cost and benefits we look at.”*
- *“We look at fixed costs, like overheads, capital costs, facilities etc., but we haven’t taken into account savings and other intangibles. We don’t break out spend on data and data management. Altogether it is under \$10 million though.”*
- *“We look at direct costs, as well as intangibles. Cost of software and costs of maintenance. For data the figure is close to \$10 million, but not sure what it is on data management side as there are so many factors you could include.”*

And one straightforward respondent said what others implied: “It’s trial and error over time!”

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The Paradigm Shift in Data Management

In November 2004, A-Team Group published its first reference data study that concluded:

“Until recently, it was thought that the main need for accurate and timely reference data within financial institutions was driven by the requirements for operational efficiencies and to facilitate straight through processing. While these requirements remain, the business model has changed.

The increasingly stringent regulatory environment is now elevating the issue of reference data management to the top of most senior managements' agendas. This in turn, is driving through real organisational changes and resulting in a more strategic approach to managing data through the enterprise. It has emerged, through this research, that the more advanced firms are taking it a step further, however, by asking, “How do I leverage my investment to generate future revenue?” This could signal a paradigm shift where central reference data becomes a business in its own right for the larger firms, as well as a hub for growth, risk management, compliance and many other functions. Operational efficiencies and STP become by-products of this change.”

As discussed above, A-Team’s 2007 study for SunGard has validated that A-Team’s predication, in fact, was right on. The strategic evolution and paradigm shift in reference data management is well underway – if not accelerated by support of top management at financial services firms.

The 96% statistic of respondents operating a “centralised reference data model” quantifies the level of acceptance of the movement to centralised reference data. “Distributed security master files under central governance” following close behind at 89%. There is some redundancy in the statistics because a few senior managers felt their firms had both of these first two categories; this sentiment correlated highly with the complexity of the organisation (see Chart 11).

It is also important to note that “distributed security master files without central management” is definitely in the minority. Of those that selected this category, the majority was in process of re-evaluating their data management processes. It is also interesting to mention that the managed and outsourced categories are another area under review by senior managers to see if they can leverage external scale. This subject is a later topic in this paper.

What Model Best Describes Firm's Data Management Practices?

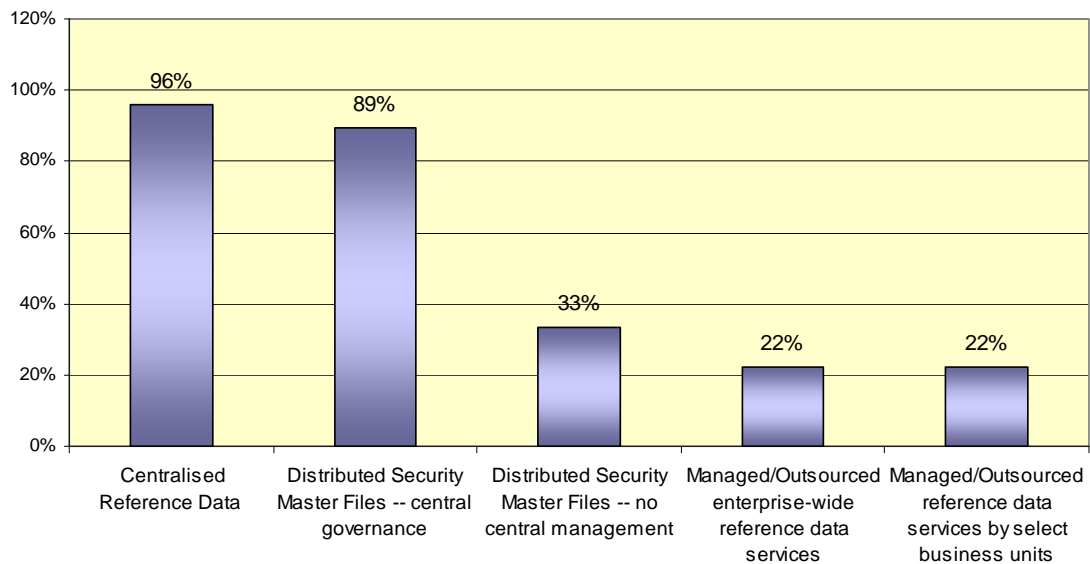


Chart 11: Model of Current Data Management Practices

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The respondents describe the state of reference data management best:

- *“Data management was decentralised by business area, not by geographic regions. We are now in the process of melding individual data structures to a worldwide common data management organisation. The key driver was the need to quantify and lock into risk. The new team will share systems, but not end products, with the goal of consistency.”*
- *“We have a global function with regional management using common technology and processes. We need to accommodate local practices and legacy systems. And we need to keep eyes wide open and not get railroaded by mixing up parts of the strategy.”*
- *“We have centralised management (was decentralised a couple of years ago.) It runs through a Market Data Steering Committee and includes the rest of the company. We’ve centralised all operations from fragmented silos, and now have common rules and process.”*
- *“We have a global central hub with local data management support.”*
- *“We have centralised management divided into four parts: Data Integrity, Central Pricing, Securities Data and Client Data.”*

The Influence Behind Data Management Decisions

Firms are using External Data Management Vendors to Support new Paradigm

When asked if respondents' firms had or planned to implement external data management solutions to support centralised reference data repositories, over 67% responded 'yes' – 37% have implemented compared with 30% still planning to. Of those that said they had no plans to implement external vendors, all but one had implemented new centralised data management solutions, but had elected in-house development. The majority of the in-house developed solutions were at asset management firms (see Chart 12).

Enterprise-Wide Implementation of External Data Management Solutions

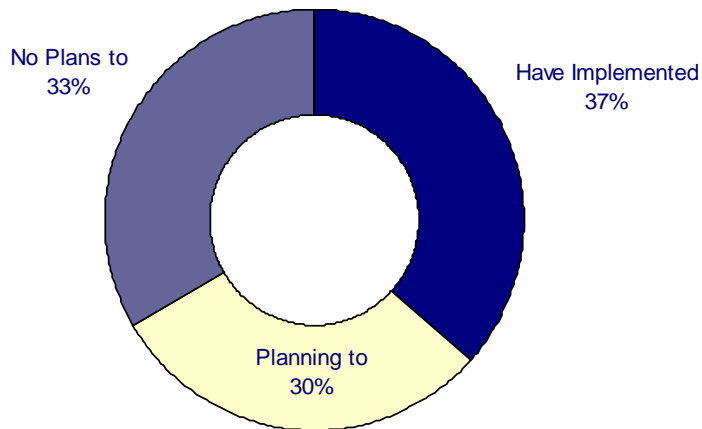


Chart 12: Have You Implemented External Data Management Software Enterprise Wide?

Once we had statistics on external data management solutions, we had to ask if respondents considered these solutions successful. As illustrated below, all said they were either successful (64%) or moderately successful (36%). Note that no one said their implementation was not successful. Most of those that elected 'moderately successful' added that the software didn't meet expectations or took longer to implement than expected (see Chart 13).

Success of Enterprise-Wide External Data Management Solutions

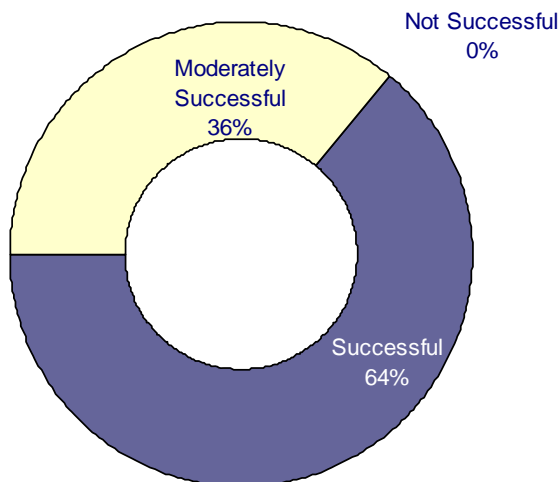


Chart 13: If You Have External Data Management Software Enterprise Wide, Is It Successful?

The Influence Behind Data Management Decisions

Hearing respondents' comments directly paints a clear picture of sentiment on implementation of external software:

- *"It isn't just about the external software. It is the way the firm implements it and brings it together with its infrastructure."*
- *"Has been successful for departments, but inconsistent with global system."*
- *"Key is the ability to implement a framework that follows the firm's structure. There are a lot of great products but it's difficult to bring into our existing infrastructure."*
- *"Niche expertise is needed and our solution will be a combination of buy and build."*
- *"There are too many different offerings and it's hard to find best fit. Then there is the herd mentality where everyone rushes to the latest offering."*

To weigh the perception of implementation success statistics, it was important to identify how respondents measure success. Once again tying back to mounting regulation and subsequent requirement to comply, firms ranked 'improved compliance processes' as the most important factor in measuring success of external data management implementation with 94% voting this category of at least average consideration. Matching the compliance vote with 94% average consideration or higher (although less in the higher categories) was end-user satisfaction and, then, very close was reduced manual input with a little over 93% (see Chart 14).

How Firms Measure Success of Data Management Implementation

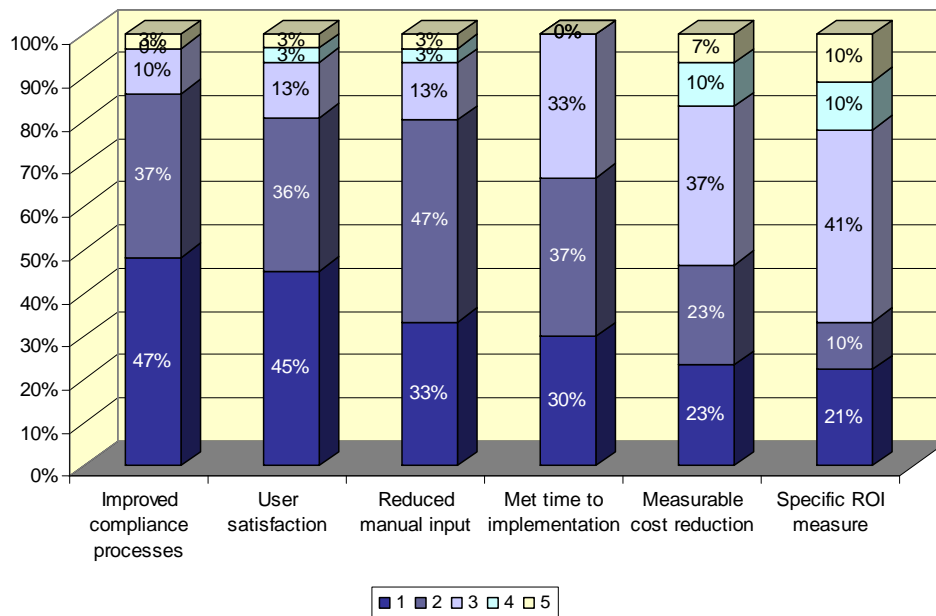


Chart 14: How Does The Firm Measure/Failure Of The Implementation?

To make sure we didn't miss other factors in measuring success, we asked an open question on the topic. Here are examples of what we heard:

- *Functionality: delivering what was expected*
- *Meeting Security Master requirements across the firm*
- *Service improvement; the system identifies where data items are wrong across multiple areas*

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- *Success in meeting downstream dependencies*
- *Strategic relationship with vendor*
- *Standards across the firm; ease of education*
- *Improved STP*
- *SLAs around data management*
- *How long it takes to set up accounts and new instruments*
- *Flexibility and stability*
- *Ease of integration*
- *Meeting original budget*
- *Ability to cut cost.*

Almost no discussion of success is complete without a discussion on ROI. Although 78% voted ROI at least average in importance for project success, 44% of respondents placed it as average in importance, and 66% placed it as average or less. It was also interesting to hear how non-traditional, even non-quantitative, respondents' measure of ROI was. We asked, "If you have a specific ROI measure, please give a brief description of the factors involved," and most responded in terms of perception of cost/benefit and risk reduction.

Specific responses included:

- *"Cost/benefits on the commercial side – increased turnover/revenue and productivity"*
- *"Risk reduction is the key factor"*
- *"Better quality and increased service to customer"*
- *"STP and headcount reduction"*
- *"Efficiency"*
- *"It's not necessarily measured in dollars, but the spend has to be justified"*

And two favourites – that express the current transition right now.

- *"It's return over time in an area that is growing exponentially. It includes ability to support new business."*
- *"ROI for us is a combination of cost avoidance, cost reduction, future business opportunities and client retention."*

The Influence Behind Data Management Decisions

Regulation is Driving Spend – Improved Compliance a Goal

Once again, regulation has come out on top as a driver for future spend on data management enhancements. So where is it going?

KYC/AML has global attention with 74% ranking it at least of average priority. Although Basel II has 78% in the average or higher categories, its votes are more evenly distributed across priorities (see Chart 15).

MiFID's impact, unsurprisingly, was clear across respondents in the European region. The impact of UCITS III and EUSD depended on the business focus of the financial institution.

How Regulatory Drivers Impact Purchase Decisions
Ranking 1, highest priority - 5, lowest priority

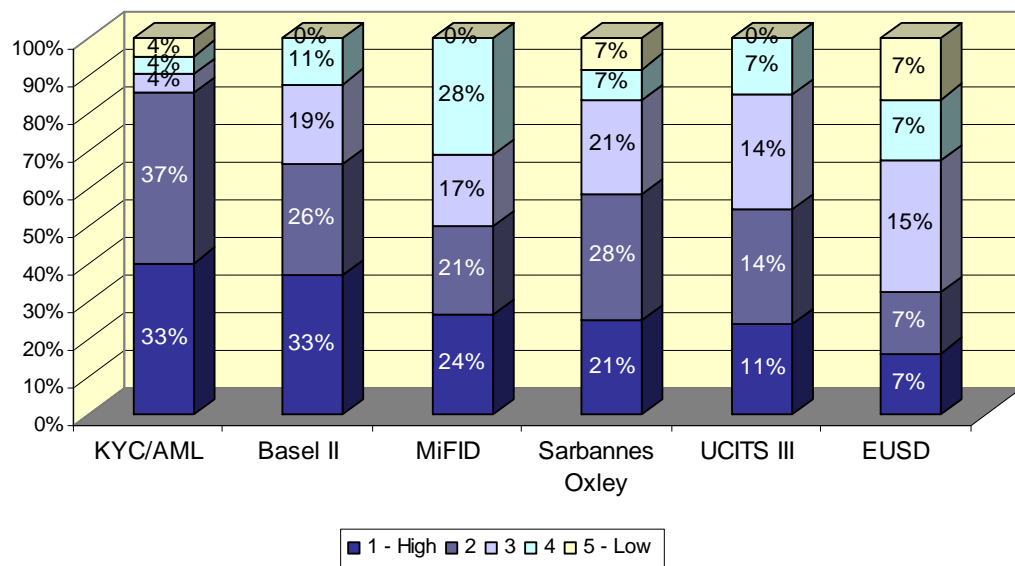


Chart 15: How Do You Prioritise Regulatory Drivers In Impacting Purchasing Decisions?

But what exactly is regulation driving firms to re-evaluate? 'Firm-wide identification for view of exposure' led with 36% in the top category and 81% average or better priority. 'Audit trail to demonstrate best practices' clocked in at 88%, but had a slightly lower score in top priority. 'Automation for data accuracy' followed with 78% average or better priority (see Chart 16). All categories had some 'Not Appropriate' responses.

**What Data Processes Are Regulation Making You Re-evaluate?
Ranking = 1 high priority - 5 low priority**

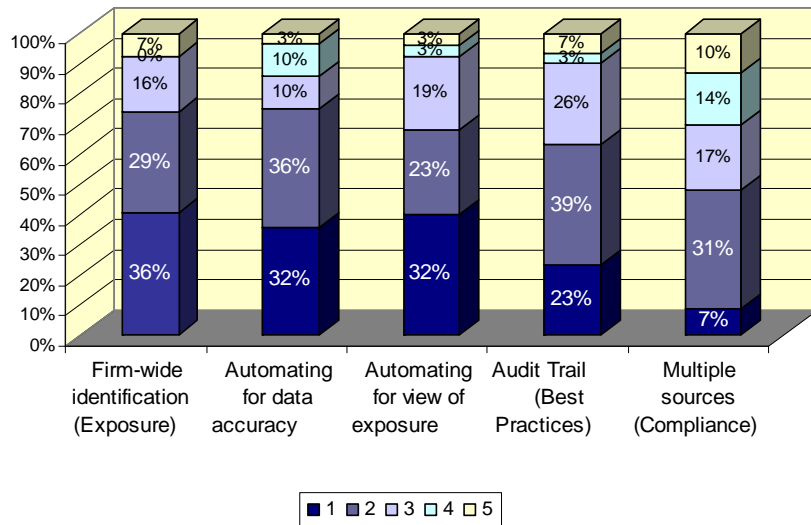


Chart 16: What Data Processes Are Regulations Making Your Firm Re-Evaluate?

Other data processes that firms highlighted as areas that are being re-evaluated as a result of regulations include:

- “Contracts with exchanges and vendors”
- “Industry standards”
- “Data structures that encourage aggregation and eliminate silos”
- Maybe [price] quotation differences when new sources are launched

This comment says a lot about the evolution underway:

- “[Regulation is increasing] the production of management information overall. Legacy systems do not speak to each other in general. So with regulation, change is mandatory.”

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Industry Wants to Remove Pain and Redundancy

"Everyone is cleansing and validating the same data. How do we share?"
Reference Data Manager, Global Asset Manager, Spring 2007

As the evolution moves forward, senior managers are focusing on reducing pain and removing redundancy – especially in areas that do not differentiate their business. Consistently A-Team is hearing that management sees benefits in leveraging investment through selectively considering ASPs and externally managed services in the less proprietary and less value-added areas to better utilise resources, leverage scale, and increase predictability in costs. One senior manager had a clear picture of how he wanted to move forward, "No one external solution does it all. We want to combine the best for the firm, and that includes outsourcing specific activities."

As Chart 17 below illustrates, 66% of the sample would consider either ASP (14%) or externally managed services (52%) for data cleansing. 60% would consider either ASP (23%) or externally managed services (37%) for data acquisition. 60% would consider either ASP (23%) or externally managed services (37%) for data acquisition, and 57% for data mapping and consolidation with ASP (20%) or externally managed services (37%).

What Areas of Data Management Could Be Run on ASP or Externally Managed Service?

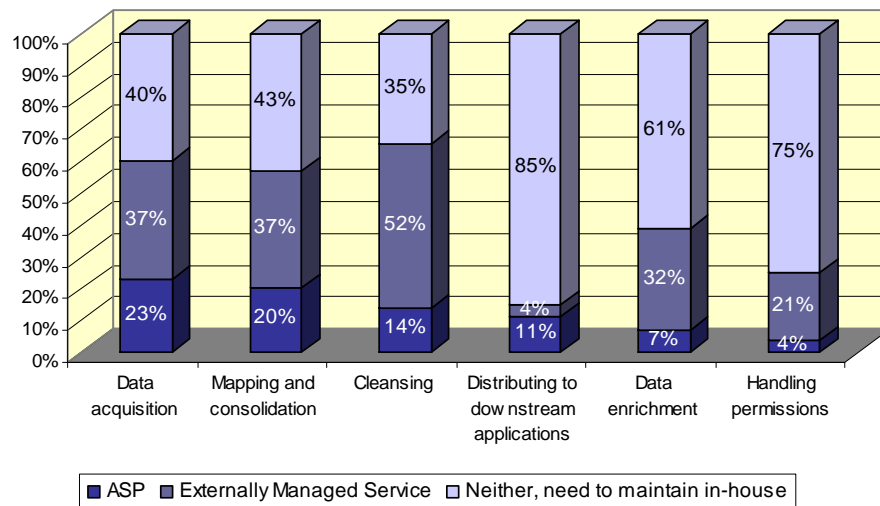


Chart 17: Role of ASP and Externally Managed Services

As another means of removing redundancy, over 93% of the respondents thought it at least important that an external supplier provide pre-programmed interfaces to their preferred data suppliers, and they prefer for the supplier to maintain these interfaces. As the head of reference for a large European bank said about outsourcing data source interface changes, "Oh good, that's one thing I don't have to worry about."

As important, almost 97% wanted easy access to the major financial data vendors.

The Influence Behind Data Management Decisions

Reference Data Management and Quality Can Make a Difference

As part of our buyer persona study, we wanted to tie decisions on reference data solutions back directly into the business. So we asked these managers how and where they felt reference data quality could directly impact the business at a high-level. As illustrated in Chart 18 below, and as one might expect, regulatory compliance lead the way with over 93% of the respondents stating that it was at least of average importance. Interesting enough, customer service clocked in at about the same 93% with less votes in the 'biggest impact' category. Brand reputation was next in line.

“Our data shows our customers what we stand for,” exclaimed one chief data officer.

Impact of How Well Your Firm Manages Reference Data

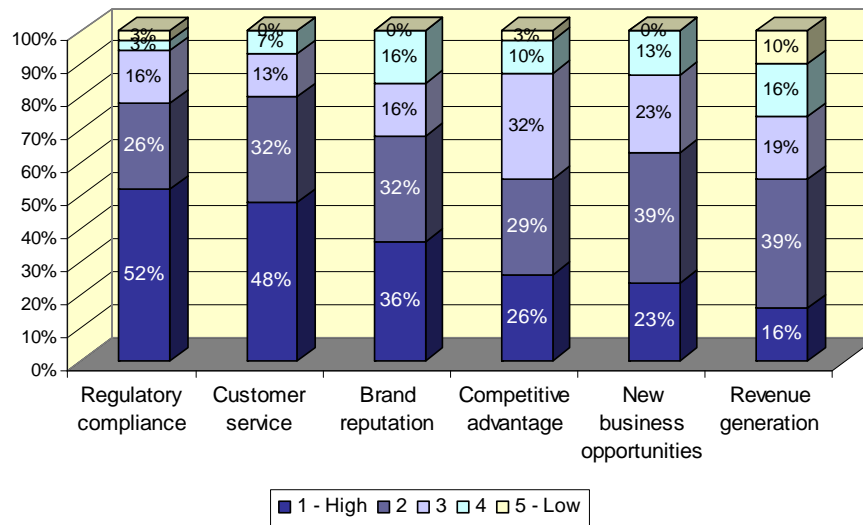


Chart 18: Impact of Reference Data Management on Key Business Functions

The Influence Behind Data Management Decisions

What Firms Look for in External Data Management Vendors

97% of those interviewed said it was at least important for external data management (software) vendors to know their business and how financial services firms both use data and what they need from a data management solution. It was also no surprise that 90% of those interviewed wanted a data management partner that had a long-term strategy consistent with their needs for financial information and demonstrated commitment to the business (see Chart 19). In fact, the only quality that seemed less important to the respondents was the management structure at the software vendor firm.

Here's how one respondent put it: *"We want awareness of our business including knowledge of where we're going and understanding of the risks of our strategy."*

What Qualities Are Desired in External Data Management Partners?

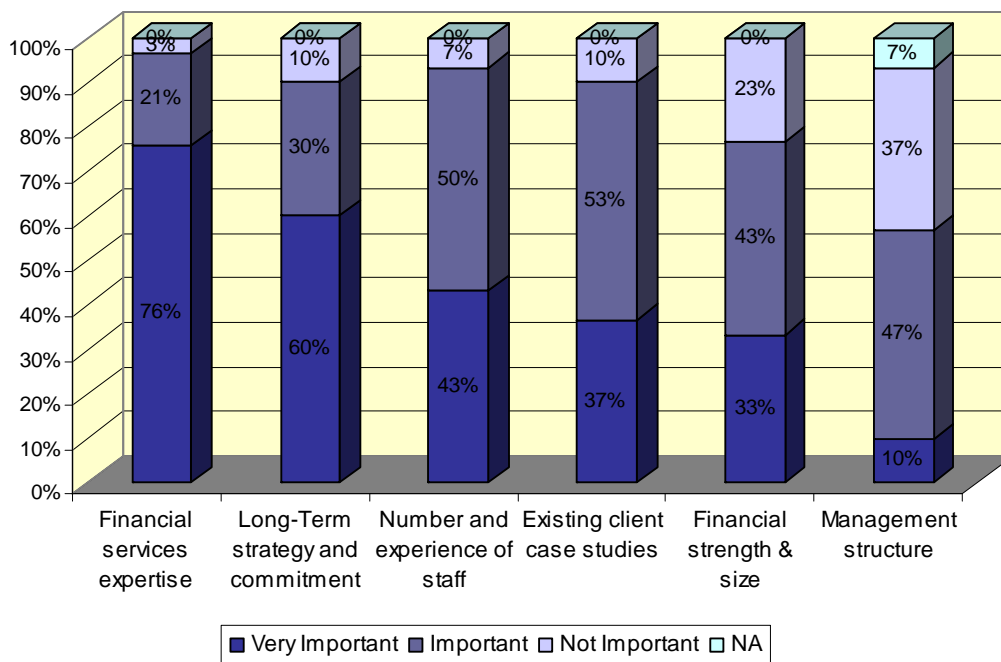


Chart 19: Qualities of Data Management Suppliers Required

To be sure that key considerations were revealed in making an external data management decision, we asked, "What other qualities are important when considering external data management infrastructure partners?" Consistently respondents came back with 'quality and capabilities of the product,' followed by flexibility. Only one respondent mentioned price/cost.

Two senior data managers summed it up well:

- *"We look at the way they can adapt to our business and ways they are flexible enough to fit into our system."*
- *"What we need is a strong commitment to quality service. We need someone who knows what they are talking about. What is important is that they are (1) global and (2) in a niche where no one else can provide the same scope, quality, breadth and excellent job on this type of data."*

Others mentioned technology, training, disaster recovery, partnership qualities – and, of course, one stated: *"Good customer service - we don't want to be treated like a number."*

The Influence Behind Data Management Decisions

Senior Reference Data Managers Speak Out on Change

Studies, like the buyer persona, are excellent opportunities to take a read on the overall “wish list” for change in the reference data arena. To close the study we asked, “If you could change one element in how your reference data management operation works today, what would be of most value to you and your firm?”

Led by the chant, “*Need Data Czar to bring roles together (stakeholders)*,” the responses included:

- 14 of the 32 still wished for centralisation, standards and data sharing across the firm.
- 3 wanted transparency, consistent definitions – one went further to suggest, “*We need an industry-wide data dictionary, possibly in the form of a WIKI that everyone could contribute to.*”
- 3 mentioned securities identification – one moving forward to counterparties: “*I would have one ID for counterparties (entity at account level). That would make a huge difference, one that would be recognisable across the industry. That would save an absolute fortune.*”
- 2 wanted standards across vendors: “*I would force the vendors to standardise and move away from their proprietary ways of doing things. The more they vary, the messier it is for us and our clients.*”

Other comments included:

- “*Understanding the relationship between infrastructure and risk*”
- “*Timeliness of data received from data vendors*”
- “*I’d change the way we match instruments coming from multiple data sources in our internal data hub.*”
- “*More funding; Cost of technology resources are prohibitively high. So spend has doubled in the last year.*”
- “*Less manual work – with complex instruments, it’s increasing again.*”
- “*Multiple sources*”
- “*If the industry adopted an XML standard, that would do a lot to normalise data between vendors.*”

Ending this study with a perspective on how the industry is moving forward, a respondent said,

- “*No more legacy systems that have data models within them. They operate in 2 dimensions!*”

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The Influence Behind Data Management Decisions

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