



MANY FIRMS UNDERESTIMATING THE AMOUNT OF OSI TESTING REQUIRED

With industry testing scheduled to begin in just 3 months and the deadline for full readiness in just 8 months, firms should have a testing strategy and plan in place to deal with the multiple effects of the Options Symbology Initiative (OSI) on their systems and their clients.

Firms will need to correctly manage their OSI system remediation and testing in order to avoid the operational risk created by business disruption, budget overruns and client service problems.

The sheer size and scope of the OSI project and the amount of testing required can be daunting. Many firms are now realizing that dependencies among internal systems and teams, vendors and service providers require more coordination than originally estimated, and newly discovered effects are requiring major adjustments to budgets, staff and timelines. In addition, firms are becoming acutely aware of the fact that industry testing only covers limited areas, and that much broader internal integration and regression testing is required for full OSI readiness.

Industry Testing is Not Enough

Many of our customers have been surprised to realize how much effort is required to develop an OSI integration and regression testing strategy and test cases from scratch. Many firms were under the impression that the industry test plans and cases would provide sufficient guidance when they began developing their test strategy. However, experience is proving otherwise. Industry testing with exchanges, the OCC and other service providers only helps to determine readiness at the perimeter of a firm's infrastructure. To be truly ready for OSI, firms need to address and manage all facets of testing within their technology environments as well.

Miles Wide, Inches Deep

Experience is showing that testing is the most complex and critical component of an OSI project. In fact, OSI testing is so complex that it requires its own program management oversight.

Testing for OSI is complicated because it affects not only systems that directly deal with options but also those that would not appear to be affected. Because industry OSI testing is limited to a subset of the entire trade lifecycle, a broader array of integration and regression testing is required for full OSI readiness.

In fact, it is not unusual for enterprise applications that are deemed to have no OSI compliance issues to depend on OSI-impacted applications, which can delay a firm's progress in remediation and testing. Peripheral systems must be regression tested—or tested for errors made in the process of remediating systems. A thorough inventory and prioritization of these applications must be completed while the overall testing strategy is being developed.

The impact on any given firm varies with the complexity of its technology environment and the number of applications that require OSI remediation, which can range from as few as 25 to as many as 200. Adding to the complexity is the need to incorporate the OSI testing schedules of multiple external vendors into the firm's overall plan.

SunGard Can Help

Ensuring a successful OSI remediation program involves the careful assessment, planning, remediation and testing of all affected systems, as well as other applications and processes that depend on the infrastructure affected by OSI.

However, executing the OSI remediation program in-house can be difficult, since a focus on other business priorities and internal operations and technology issues can reduce the resources that can be dedicated to the OSI impact analysis and remediation effort. More firms are seeking SunGard's help and expertise to assist their own subject matter experts.

In addition to onsite resources, SunGard offers a range of system testing support through a Global Delivery Model (GDM), which includes automated script writing, and assistance not only for SunGard's own applications but for any other systems, software implementations or customizations being developed. Using proven, automated testing frameworks, SunGard's capabilities range from unit and functional regression testing to the re-creation of a firm's entire environment in a test environment and running business processes that match the firm's own processes.

NEED MORE INFORMATION?

Please contact your sales representative at +1-800-825-2518 or visit us at www.sungard.com/osi.