

DIGITAL TRANSFORMATION ON TWO FRONTS

Cloud & managed services



Asset management



Prioritises reliability, architecture and security

24/7 Operational Service

Adopted an Industrialised Cloud Managed Service Provider

Woodford's strategy is to not be just another fund management company but instead create something different and better for its investors as well as provide existing and potential clients an understanding of what is being done with their money.

Woodford combines rigorous fundamental analysis of companies with its perspective of the long-term macroeconomic outlook and variables, and how these might impact existing or potential holdings. This approach allows Woodford to construct robust investment rationales and make informed decisions. Woodford focuses on what matters: the long term and the fundamentals.

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This approach to investing has been employed successfully by Neil Woodford over almost 30 years to identify very attractive long-term investments in the mid-to large-cap space. However, Woodford believes that compelling investment opportunities do not start and end with larger, listed companies.

For more than a decade, Neil Woodford and his team have also recognised the uniquely attractive investment proposition of early-stage companies and have been deploying long-term patient capital to young businesses, which Woodford believes will deliver very attractive returns to investors over the long term.

Woodford has established what might be typically termed a 'back office' function, which has a responsibility to develop new investment products/services as well as integrating and maintaining those that already exist. Complimenting this is a 'front office' digital function which is responsible for investor products/services. To underpin both operations, Woodford strategically selected to leverage IaaS and PaaS on AWS including the use of microservices and containerisation.

In its commitment to create and sustain a differentiated investment capability, Woodford is continuously exploring new ways to deliver a diversified investment portfolio. To achieve this, Woodford experienced two challenges, the need to always be up to date with new and often 'cutting edge' technology releases and secondly when such technologies are adopted Woodford requires a 24x7 operational service to keep systems up and running reliably.

Critical Success Factors

- 24/7 Operational service
- Ensure IaaS and PaaS on AWS

The Challenge

Digital transformation is leading to higher levels of economic volatility on a global basis. These impact business and investors and demand the careful selection of the right investments and investment strategy. In addition, tightening regulation such as MiFID II and GDPR are presenting financial services organisations with new demands and requiring business processes to adapt

Traditional hosting approaches, including even Private Cloud, can restrict innovation through high cost and risk of change when developing new digital products. Public Cloud is a great opportunity for organisations such as Woodford to reduce the cost and risk of change. However, Public Cloud adoption requires expertise to ensure security, compliance and to exploit the maximum value from new programmatically controllable systems. For example, during 2018, AWS alone released upwards of 400 new features every quarter, this creates a unique challenge for every organisation looking to adopt emerging technologies in a fast-paced market.

The Solution

Woodford identified reliability, architecture and security as the three core principles of its IT strategy that underpin how investment products/services should be built and maintained.

On this basis, a new partner was required to help in two areas. The first requirement was for providing overarching strategy and architecture services to keep abreast of emerging technologies and how to apply them. The second requirement was bolstering operational support of systems by removing the reliance on individual Woodford personnel for operational support services and instead adopting an industrialised Cloud Managed Service Provider (MSP) model.

With this objective, Woodford approached its existing partner Softcat as a trusted advisor to identify the right capabilities. As a partner with an array of capabilities in software, IT intelligence and hybrid infrastructure depending, Softcat envisaged a new approach was required to fulfil the needs of Woodford. As such using its extensive partner ecosystem, Softcat identified the right fit in CAPSiDE, as a strategic partner of Public Cloud managed services.

Dean Gardner, Softcat's Cloud Strategy Owner, says

"Since its inception in 1993, Softcat has been providing SMB, SME and Large Enterprises with access to best of breed technology capabilities. Softcat's thought leadership and strategy has helped customer's like Woodford with IT services including; software, productivity, workplace and hybrid infrastructure. However, during the past few years the IT market has seen substantial positive disruption due to Public Cloud. To ensure Softcat maintains its ability to meet evolving customer needs, a new partnership with an industrialised Public Cloud Managed Services Partner was required. With its extensive experience in transforming to and operating customer solutions on Cloud, CAPSiDE was the obvious choice for us."

After a series of Cloud Strategy Workshops, CAPSiDE began working with Woodford "back office" to build a foundational capability on AWS for container driven products using AWS ECS. This technology capability is coupled with a CAPSiDE managed service for the full Public Cloud and middleware stack whilst being governed by Softcat's account management services

This work throughout 2017 and 2018, established the basis for a strategic relationship which during 2019 culminated in Softcat and CAPSiDE onboarding the Woodford digital products/services, already provisioned on AWS, into a CAPSiDE managed service. These services were containerised and highly automated but required a robust, industrialised 24x7 operational service capability.

A spokesperson for Woodford says

"Woodford's digital strategy was reaching an evolution point, where several strategic changes were taking place to enhance the investment capability. At the same time, Woodford required best of breed experience to leverage emerging technology such as data analytics and machine learning as well as have the capability to support and enhance already built products/services. By working with Softcat and CAPSiDE, we have peace of mind that they are reliably supporting the agile, fast paced nature of the digital business but also provide access to resources who help govern the architecture, service and digital transformation projects which underpins the products/services which we ultimately provide to investors."

The Benefits

Together with Softcat, the resulting Target Operating Model provides a set architecture principles to govern the use of Cloud services, 24x7 operational managed services using CAPSiDE full-stack engineers to ensure continuous reliability all underpinned by a service governance framework to ensure operational responsibility, transparency as well as support tactical and strategic change.

Matt Larder, CAPSiDE's Engagement Director, says

The journey with Woodford is fast paced and exciting on multiple levels. Firstly, it has enabled CAPSiDE to demonstrate its core values such as sharing skills & experience and always sharing the transformation. This culture has enabled us to build a long-term strategic relationship with both Softcat and Woodford, consequently, allowing us to support various Woodford divisions. Secondly, we have helped Woodford with multiple agile engagements, including deployment of traditional IaaS solutions on AWS, as well as modern containerised PaaS solutions and the onboarding then transformation of solutions already built on AWS. The result is a thriving partnership where our teams are enthused in working together."