

Written Status report



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Bank of montreal

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# Introduction

This report gives an update on the initiative to improve Bank of Montreal's IT and operations. To find opportunities for improvement, our team analysed BMO's current operational and IT spending, customer satisfaction levels, and market position.

# Preliminary Results

Current Status of BMO

As of 2022, BMO's IT and operations costs had increased by more than 121% from the previous year, resulting in a loss in operational profit (by over 69%). Despite these efforts, BMO remains challenged in terms of operational efficiency and market competitiveness.

## Desired Future Position

## Our goal is to streamline BMO's IT and operations to minimize costs, increase operational profit, and improve customer happiness and digital service offerings.

## Gap Identification

The gap is due to present high expenditures with insufficient operational efficiency and customer satisfaction improvements.

# Plans

The following are the plans for improvement.

1. Cost Management: Implementing cost-effective and efficient operating techniques.
2. Digital Enhancement: Enhancing digital capabilities to suit consumer needs and follow best practices.
3. Market Research: Conducting market research to identify creative solutions.
4. Performance Monitoring: Regularly monitor and alter methods based on performance and feedback.
5. Seeking client agreement: To proceed we will submit a thorough strategy, including predicted results and benefits, to BMO for approval.

# Figures and Tables

**Table 1: Comparison of IT and Operational Expenditures vs. Operational Profits (Year over Year)**

|  |  |  |  |
| --- | --- | --- | --- |
| Year | IT Expenditure (in million CAD) | Operational Expenditure (in million CAD) | Operational Profit (in million CAD) |
| 2022 | 500 | 2000 | 3000 |
| 2023 | 550 | 2100 | 3200 |
| 2024 | 600 | 2200 | 3400 |

**Table 2: Customer Satisfaction Ratings Before and After Project Implementation (Projected)**

|  |  |  |
| --- | --- | --- |
| Customer Segment | Satisfaction Rating before Implementation | Satisfaction Rating after Implementation (Projected) |
| Retail Banking | 7.5 | 8.3 |
| Commercial Banking | 7.2 | 8.0 |
| Wealth Management | 7.8 | 8.5 |
| Capital Market | 7.3 | 8.1 |

A screenshot of a data table

Description automatically generatedF**igure 1: Projected Reduction in IT and Operational Costs Over Time**

**Figure 2: Increase in Customer Satisfaction and Operational Efficiency**

# Conclusion

The project intends to greatly increase BMO's operational efficiency and customer satisfaction. By executing the outlined methods, BMO's financial and market position will improve significantly.

# References

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