

# ALTUM'S JOURNEY TO DIGITALIZATION

Impact of technologies on the financial industry in Latvia and what future scenarios are driving Altum's long-term positioning.

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# WHAT IS ALTUM ?

state-owned development finance institution

- History
- Mission and Vision

## ACTIVITY

- **provides access to finance in the areas prioritized by the government** and implements the state policy in the national economy;
- operates in **5** regional centers **15** consulting offices in LV.

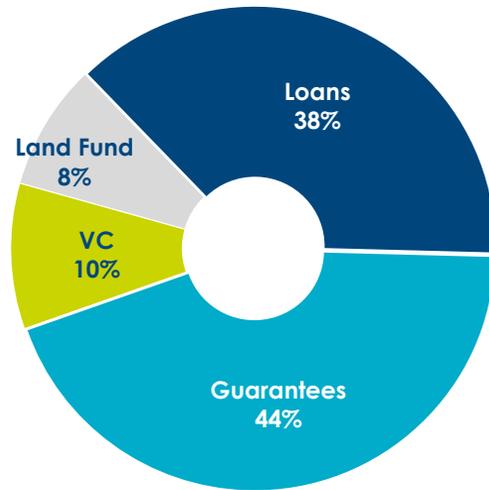
## OWNERSHIP

- **100% LV state-owned financial institution**, with shareholders as follows:

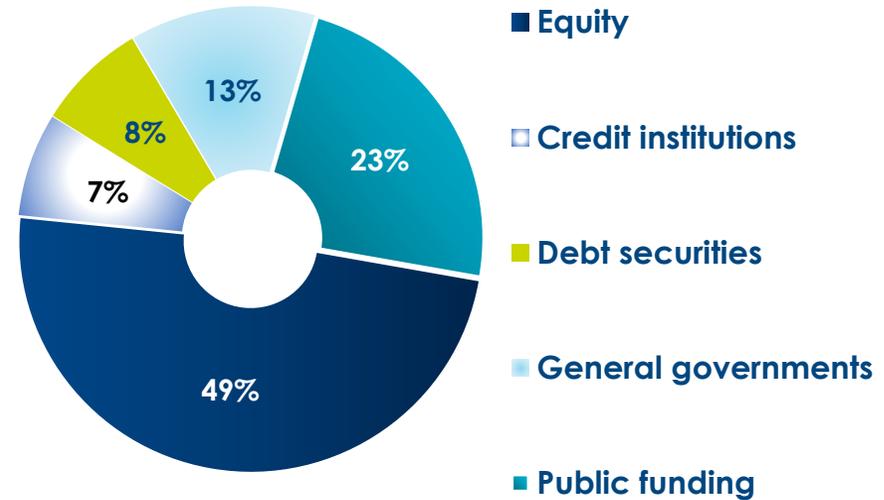


# ALTUM – STRATEGIC ENGINE FOR LATVIA'S ECONOMIC DEVELOPMENT

Financial instruments



Funding sources



## KEY PARAMETERS

Rated by  
Moody's  
**Baa1**

Financial  
instruments\*  
**859 MEUR**

Contracts  
# **28 951**

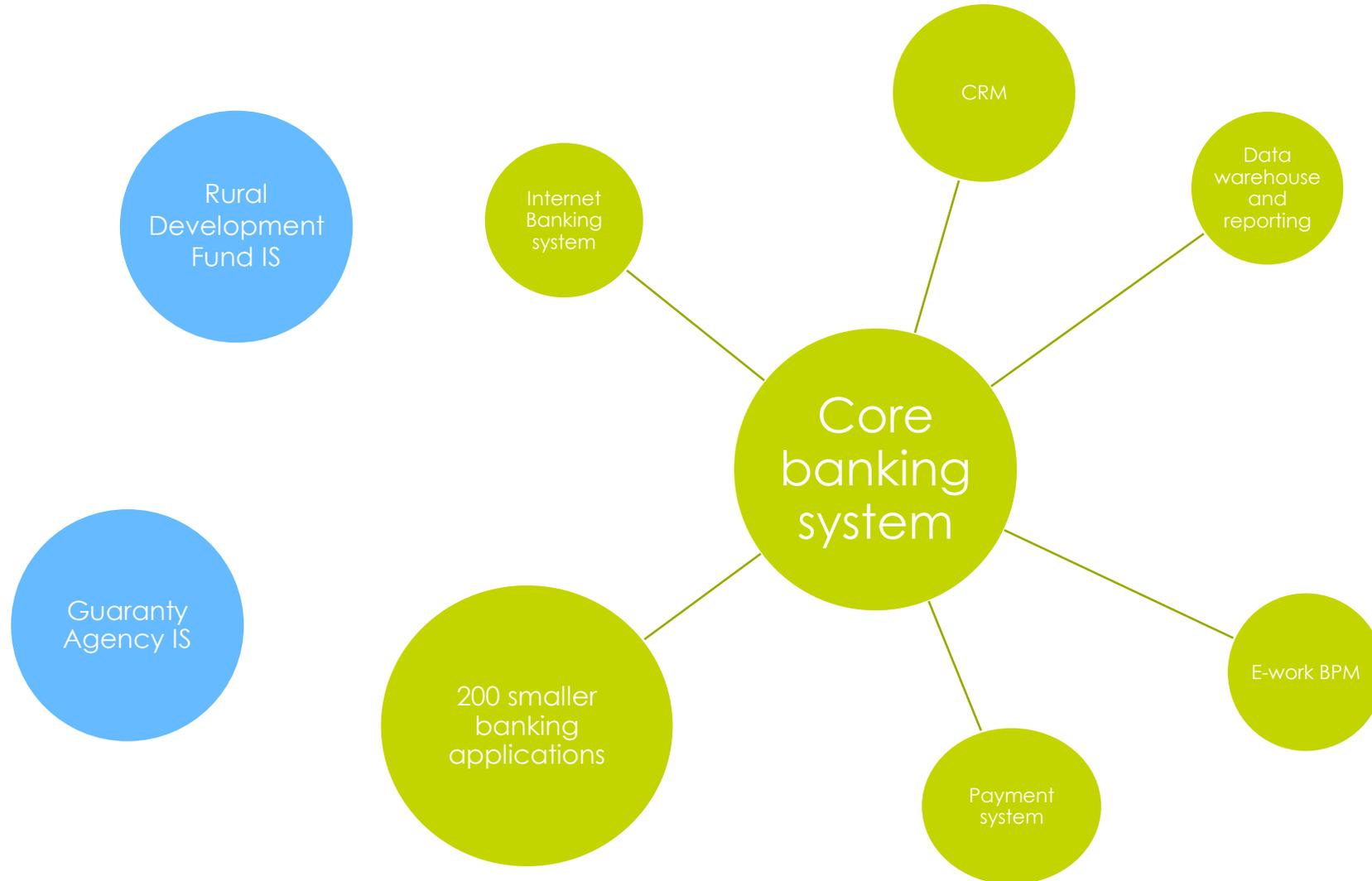
Risk Coverage  
**233 MEUR**

TCE/TMA\*\*  
**34.7%**

# IT FUNCTIONS IN ALTUM

- IT project management
- Support and management of existing IT systems
- Procurement and development of new IT systems
- Management of external developers
- User support
- Management of IT infrastructure (PC, Servers, storage, networking)

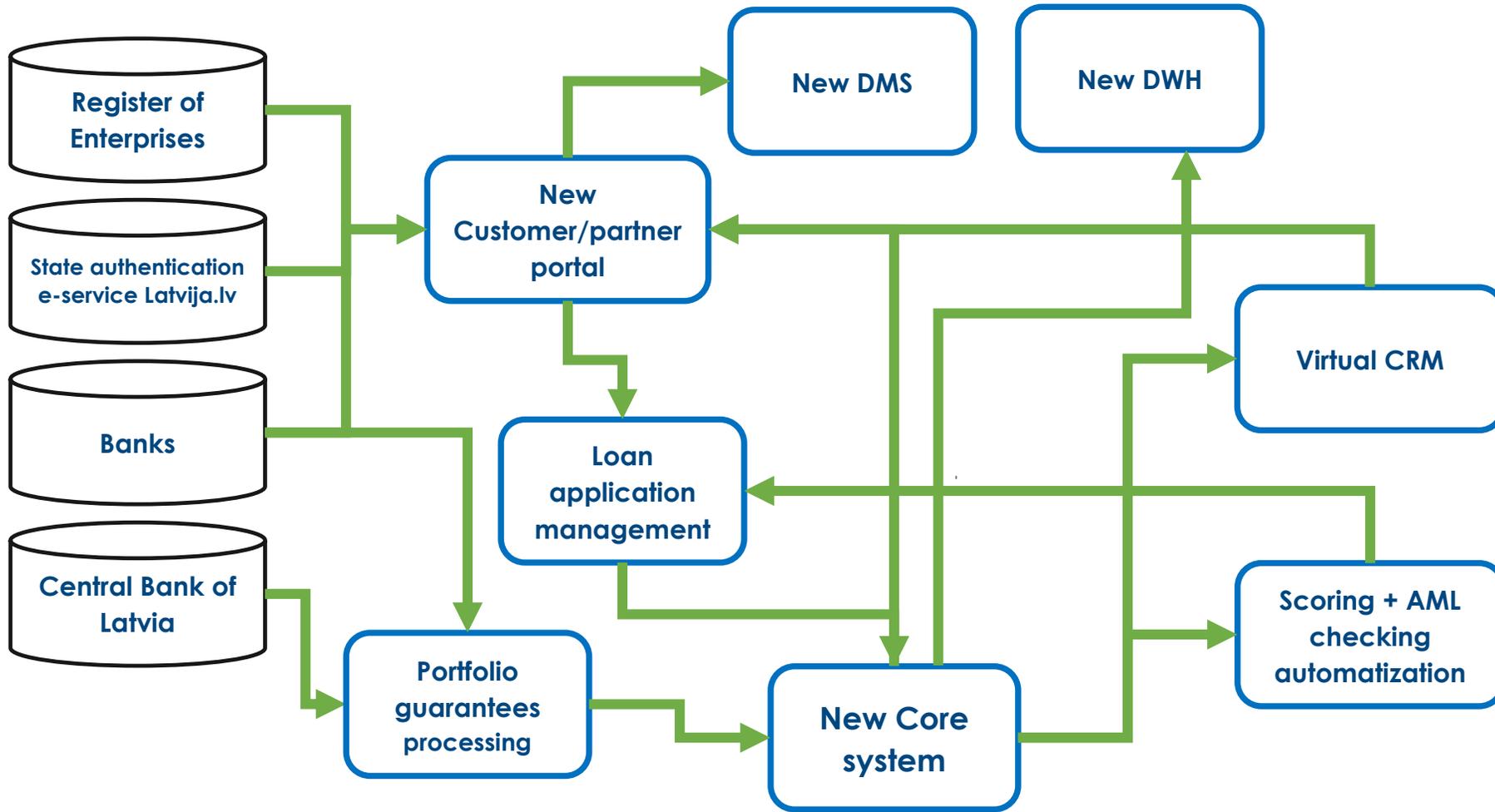
# STARTING POINT



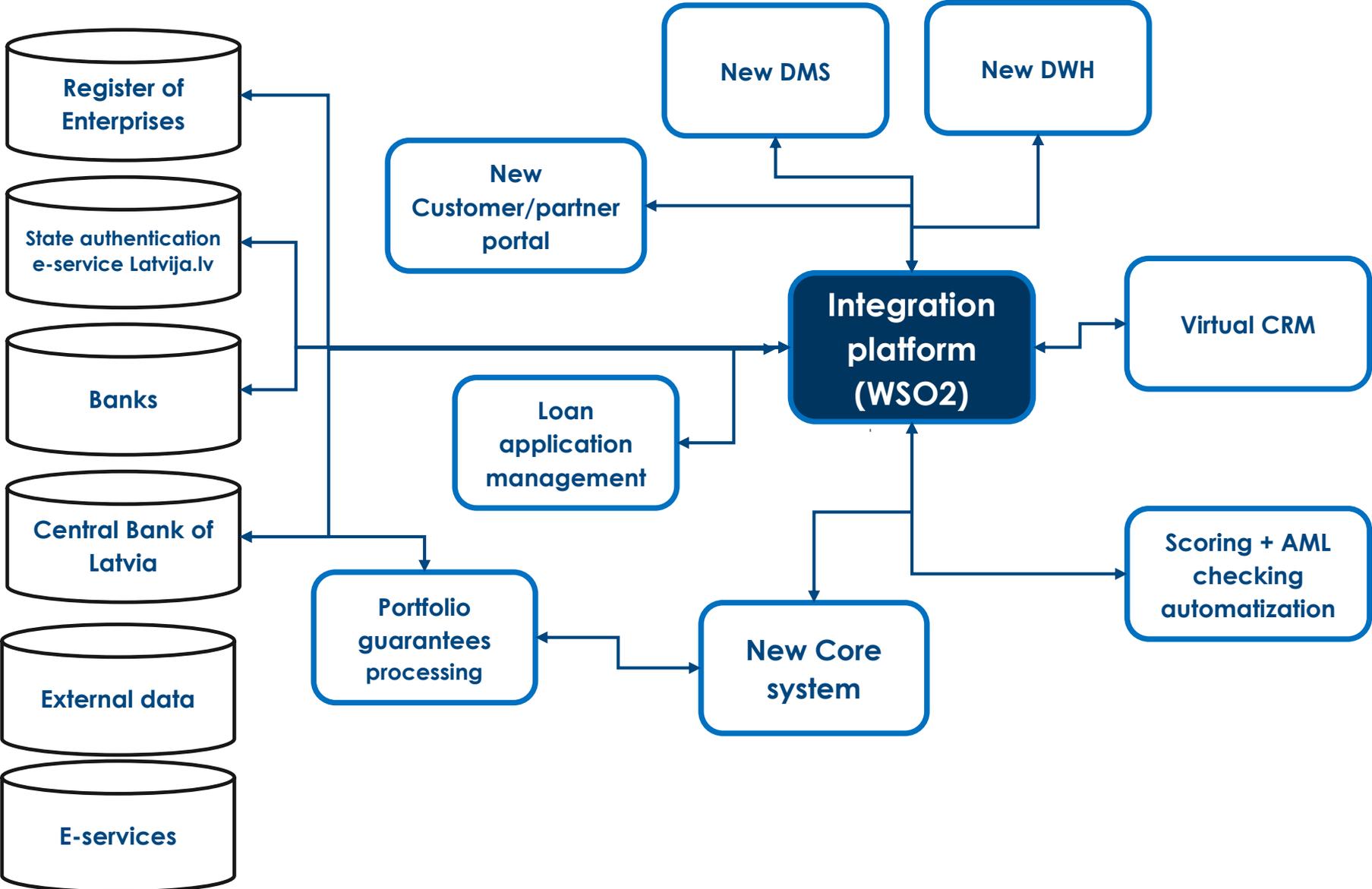
# CHALLENGES - MERGING OF 3 COMPANIES

- Joining systems of 3 companies
- Different levels of technical knowledge of employees
- Small country gives opportunity easy to implement new systems but there are issues with business case

# CURRENT SITUATION

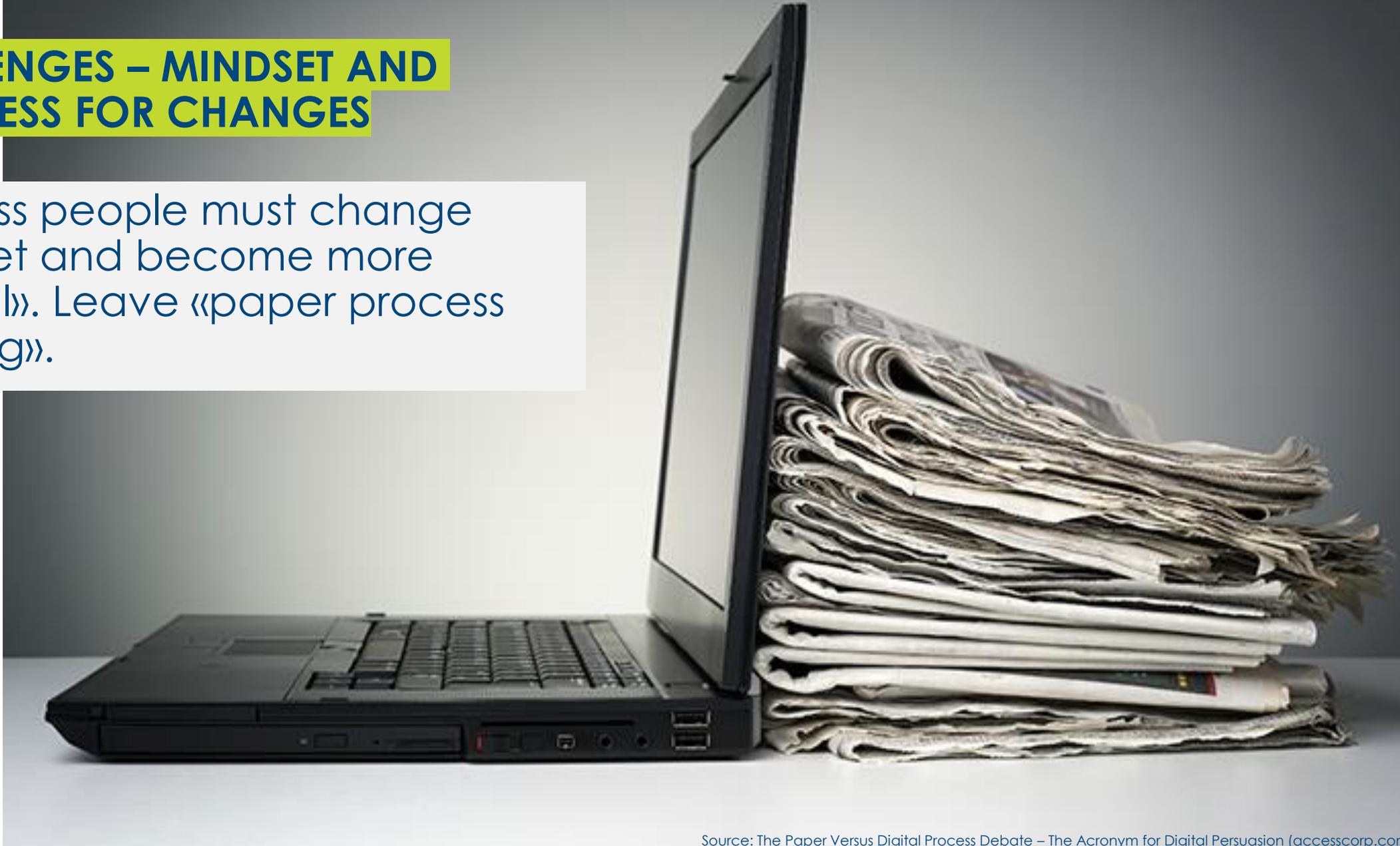


# OUR DIGITALIZATION VISION



## CHALLENGES – MINDSET AND OPENNESS FOR CHANGES

Business people must change mindset and become more «digital». Leave «paper process thinking».



## CHALLENGES - INVOLVEMENT

Business people involvement. «Sorry - we do not have time, we are busy. We have business plans..etc. »



# CHALLENGES – POTENTIAL OF ARTIFICIAL INTELLIGENCE

AI (Artificial Intelligence) is not cheap, yet.

Next 3 years it is more cost efficient to use algorithmized and automated business processes defined by humans.



# HOW TO DO EVERYTHING?

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**Well,  
it is impossible!**

# HOW TO «DO EVERYTHING»?

**However,  
we can prioritize the projects!!**

# HOW TO «DO EVERYTHING»?

**Situation in  
September**

## Projects Backlog

Project AAA

Project BBB

Project CC

Project DD

Project EEE

Project FFF

Project GG

# HOW TO «DO EVERYTHING»?

## Situation in September

Projects Backlog	Priority
Project AAA	1
Project BBB	2
Project CC	3
Project DD	4
Project EEE	5
Project FFF	6
Project GG	7

# HOW TO «DO EVERYTHING»?

## Situation in September

Projects Backlog	Priority
Project AAA	1
Project BBB	2
Project CC	3
Project DD	4
Project EEE	5
Project FFF	6
Project GG	7



Projects Backlog	Priority
Project AAA	1
Project BBB	2
Project CC	3
Project DD	4
Project EEE	5
Project FFF	6
Project GG	7



## Situation in October

Projects Backlog	Priority
Project DD	1
Project EEE	2
Project FFF	3
Project GG	4
New Project	5



Projects Backlog	Priority
New Project	1
Project GG	2
Project EEE	3
Project FFF	4
Project DD	5

This was borrowed from  
Agile Scrum framework - «Prioritized Product Backlog» principle

**THANK YOU FOR ATTENTION!!**