

Market commentary

Cloud Collaboration

The path to innovative and sustainable open finance.

Historically, financial institutions adopted the approach that they will own and run everything themselves, but many are re-examining the sustainability of this model.

The accelerating pace of digitization is driving a greater degree of interconnection. With the growing threat of disruption, increased profit pressures and changing markets and business models, today's market trends make a strong case for banks to rethink their approach to innovation.

As they see the financial landscape

innovating around them quickly, digital banks and fintechs are aggressively picking up different parts of the banking ecosystem, forcing incumbents to rapidly assess and evaluate their role in the market, and how they interact and engage with customers throughout their lifecycle.

To address some of these challenges, financial institutions are looking to their technology partners and vendors to support them on this journey.

From a technology perspective, this means taking a more holistic view of success across the technology ecosystem, with strategies to positively impact and provide continuous value.

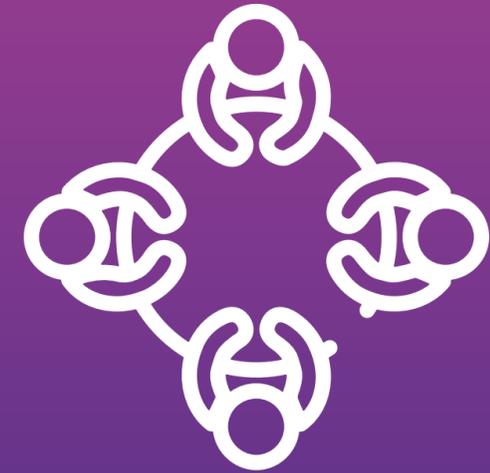
How can FIs empower resources and technology to set them up to act with the responsiveness and agility that's essential

for success today? The solution is managed services.

In our study with Greenwich Associates, we're seeing an increase in banks looking to transition to cloud, with over 40% of firms planning to increase their use of platform-based solutions over the next 3-5 years.

Among its many benefits, cloud technology and managed services grant FIs the power to increase their return on investment and boost agility. Managed Services also allows FIs to transfer operational risk to a third party and refocus their attention on their strategic priorities. Cloud is an enabler for innovation, but the journey toward digital transformation doesn't have to be a complex one.

The time for managed services is now.



FIs need to be empowered to address many of the contemporary challenges and opportunities they face on a daily basis.

The managed services model plus extensive cloud adoption has the potential to make organizations more innovative, flexible and secure—in a situation that demands these attributes more than ever.

Most FIs have come to realize that engaging a third party to help with cloud migration and transformation is critical in yielding the biggest return on their investment.

A managed services model can help FIs meet their strategic goals by transforming their technology infrastructure, creating agility and reducing operational risk.

Under a managed service model, the vendor can become a partner, working with the bank to ensure it gets long-term strategic value from its services, as well as connectivity to other service providers in its ecosystem. This simplicity enables banks to operate with greater efficiency and less friction.

In this outcome-oriented model, relationships are transparent and collaborative, characterized by co-creation and measured by joint achievement. It's an ideal model for the cloud journey, which, by definition, transcends silos and touches success metrics across the whole organization.

The benefits are clear: an increase in ROI and reduction in risk, whilst accelerating agility that's essential for success today. With partnerships based on co-creation, financial organizations will find a faster and more efficient route to their cloud destination.

Embrace outcome-based delivery and collaborate to accelerate success.

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