

Market commentary

Innovate community banking with cloud

Is the cloud too complex for smaller financial institutions? What benefits does it truly bring to bear for community institutions and account holders?

These are questions that plague the community banking space, pitting resources against one another as individuals weigh the pros and cons of cloud computing, transformation and ongoing maintenance.

Detractors from cloud will say it is far too complex to migrate and far too costly to maintain. They worry and paint portraits of dark days ahead where even the most simple of technology changes, needed to meet market parity, require multiple resources reworking multitudes of systems and protocols.

While this may be true for larger financial institutions (FIs) who have not operationalized efficiencies for cloud transformation and computing, it is simply not the case for community institutions.

Smaller, community-focused institutions require less cloud systems and thus can be more nimble, even if their inside perception is that they do not have the resources to manage cloud.

The fact is that cloud empowers these firms to operate and provide services at a level that meets industry standards and account holder expectations.

Capabilities are malleable, changing in real time, and can be managed by smaller teams who choose only the platforms and tools they know and wish to leverage. Banking activities and services can become faster, removing latency from legacy systems and processes.

Previously unattainable data lakes become accessible, and analysis of said data can be mined through any number of cloud services. Security and governance become easily and expertly managed by partners, providing automation gains and reduced risks. Cloud allows community institutions



to leverage the latest customer-centric technologies in a least-disruption deployment model.

The journey to cloud transformation for community institutions is not unnavigable. Community FIs need only to design an implementation strategy, plan for challenges and create a rollout plan.

Implementation is your organization's once-in-a-decade moment to truly transform. Utilize this time to project the vision of what your FI will become and select the right partners for your organization. Community institutions should consider their high-touch, customer-centric model and how technology will serve and uphold that model.

Challenges will arise but they are surmountable with the right contingencies in place. This starts with data migration plans to ensure minimal disruption to customer services and data, as well as well-defined security and data storage metrics to ensure success.

Finally, prepare your account holders and employees for this transformation in service with plenty of lead time, 1:1 onboarding and customer service preparation. Create org readiness plans to monitor transformation and launch and ensure your organization pivots from mistakes and maximizes wins.

Cloud can be as simple or as complex as you make it — it simply fits the frame of your organization. Create experiences that are better for your account holders, providing faster innovation, and improved flexibility for your teams.

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