FINASTRA

The payment hub as a foundational layer

Are banks building tomorrow's payments on yesterday's infrastructure?

Payments modernization is no longer a future agenda item. Banks that continue adding capabilities one by one to legacy, siloed infrastructure are turning point solutions into a strategic liability: too expensive to maintain, too rigid to extend, too fragmented to deliver the experience customers now expect as a baseline. The question is no longer whether to modernize, but whether the right foundation is in place before urgency removes the freedom to do it well.

The pressure is rising, and the market isn't waiting

Banks are under increasing pressure to modernize payments, driven by changing customer expectations, digital assets, AI, new rails, and regulatory change. But while the market is moving quickly, many institutions are still relying on fragmented infrastructure that makes change slower, harder, and more expensive.

A major shift in wealth, loyalty, and financial preferences is accelerating the challenge

One of the largest intergenerational wealth transfers in history is underway, bringing a new generation of customers with different expectations, behaviors, and technology preferences. The implications are already visible:

$16T
in assets will transfer between generations by 2030

50%
digital asset adoption among Millennials, compared with ~20% for Gen X and ~5% for Baby Boomers

66-81%
of inheritors do not stay with their parents' financial institution or advisor

12-24 months
the current gap between innovation leaders and fast followers, down from 3-5 years a decade ago

> "The banks that move now do so on their own terms: their timeline, their sequencing, their priorities. The banks that wait, move on the market's terms."
>
> Orlando Vanin
> Senior Director - Sales Americas, Finastra

The problem isn't capability. It's fragmentation

Banks are not lacking payment functionality. They are adding it, but often on top of siloed, legacy systems.

What starts as incremental improvement quickly turns into:

Higher costs: Multiple vendors, systems, and support overhead

Greater complexity: Each rail requiring its own integration and update cycle

Duplicated effort: Every change to clearing scheme rules or market regulations repeated across systems

Slower innovation: Projects to onboard new capabilities can run to several months or even years

59% of banks face challenges with legacy payments systems and infrastructure

$55B of potential value unlocked through modernization and stronger digital core capabilities

The solution: a true payment hub

One platform. One orchestration layer. All payment types

A modern payment hub replaces fragmented systems with a single, unified layer where all payments instructions flow, across multiple rails, channels, and formats.

It routes intelligently, complies centrally, and upgrades simultaneously across all rails.

Point solutions	Payment hub
Multiple systems, multiple vendors	One platform, one subscription
Repeated integrations to banking core	Single integration to core and third parties
Repeated regulatory upgrades	Regulatory upgrades managed once, across all rails, by the vendor
Siloed operations and teams	Unified operations and control
Each new rail = a new infrastructure decision	Each new rail = a configuration and activation event

Build it once and adapt to what's next

The strongest case for a payment hub is not that it simply replaces one or more rails, but that it creates a foundation that enables everything that follows.

Faster regulatory change:
Update once across all rails instead of repeating changes across systems

Competitive speed:
Launch new capabilities faster without re-architecting

Future-ready foundation:
Create the infrastructure needed to support AI-assisted operations, stablecoins, CBDCs, tokenized deposits, and other emerging payment capabilities

Start where you are and scale with intent. A modern payment hub does not require a big-bang transformation. Banks can start with one rail and expand over time, building a unified platform on shared infrastructure.

Typical timeline and effort

3-4 months
for instant payment implementations

6 months
for full wire and ACH deployment

3–5
part-time bank-side team members typically involved

What Finastra brings

Finastra brings the combination that is hardest to replicate: deep payments expertise with modern platform architecture, delivering a payment hub strategy that works across both enterprise and mid-market institutions.

300+ institutions
running on Finastra payments platforms

Approx. 50%
of Australian RTGS volume

Approx. 40%
of UK CHAPS

Approx. 40%
of US CHIPS

Approx. 15%
of Japanese yen cross-border payment volume

Among the first
payment hub provider to receive FedNow certification

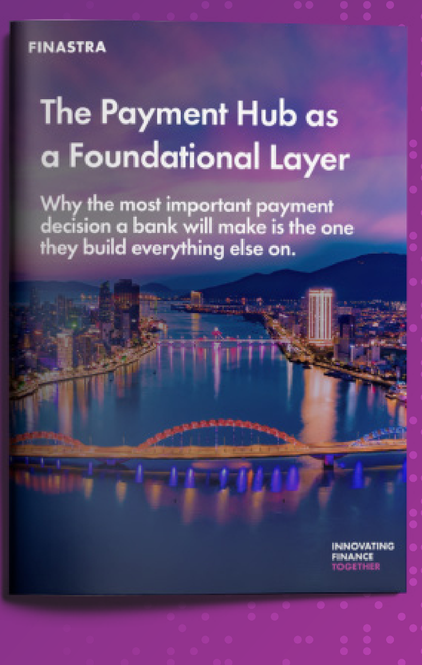
One foundation for today and tomorrow

Finastra's Global PAYplus and Payments To Go share the same core architecture, helping institutions adapt to evolving market, regulatory, and technology requirements.

The no-regrets move starts now

Download the full report to explore why the payment hub is no longer just a modernization project, but the foundational decision that determines how quickly a bank can adapt, compete, and grow over the next decade.

Download the report



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