

A RENEWED APPROACH TO ASIAN WEALTH SOLUTIONS

MARTIN FRICK, REGIONAL DIRECTOR, ASIA PACIFIC, FOR TEMENOS, DISCUSSES WHERE THE BANKING SOFTWARE COMPANY IS PLACING ITS WEALTH MANAGEMENT FOCUS FOR 2015 AND ITS PLANS TO FURTHER EXPAND ITS OFFERING WITH CUSTOMISED FRONT-TO-END SOLUTIONS AND CLOUD ENABLED SERVICES.

The appointment of Martin Frick in April 2014 as regional director for Temenos in Asia Pacific has marked the firm's commitment to delivering a breadth of banking software solutions to the regional market, specifically within the wealth management sector.

It also reiterates what chief executive officer David Arnott has stated publicly, in terms of plans to leverage the burgeoning opportunities for new systems in emerging markets.

gion includes some leading names. A global bank also recently signed up to a Temenos solution, in relation to its digital banking capabilities across Asia.

"We just went live with over 4,500 users in this region," says Frick, who has over 20 years of relevant experience in banking and financial technology.

And under his guidance, there will be a strong private wealth focus on markets such as China and Japan.



Martin Frick

Temenos

"Temenos' biggest pull factor is its solutions which provide the capabilities to serve multiple business divisions within a bank."

"Temenos already has a very strong reputation and track record in the APAC market with more than 150 customers, including Bank of Shanghai and Bank Sinopac," says Frick.

REGIONAL MOMENTUM

Some of the existing client base within private wealth management in the re-

"While we do have several regional clients, we want to further improve the local business," adds Frick.

LEVERAGING THE FRONT-TO-END SOLUTION

According to Frick, Temenos' biggest pull factor is its solutions which provide the capabilities to serve multiple

business divisions within a bank. The company is also increasing its capabilities to offer its solutions as Software-as-a-Service (SaaS).

"Temenos is very focused on developing quality software evident through the high rate of R&D investment. Solu-

FEATURE ARTICLE

tions can be delivered either on premise or as a SaaS offering,” says Frick.

Most leading technology companies in the wealth space offer end-to-end solutions to private banks.

What this means, he says, is that the banks need to have the capability to fit their entire private banking division into this solution, and to deal with the complexities of the back-end.

The approach that Temenos is taking with its solution, is what it calls “progressive renovation”.

That means using modern technology for the channels and the product sets while also integrating seamlessly to an efficient back-end over time.

“A component-based architecture can provide a building block approach that makes it easier for larger banks to implement specific parts progressively, making it easier to keep systems up-to-date,” says Frick.

“Rather than a ‘rip and replace’ approach to upgrades or maintenance,

components can be tweaked, replaced or augmented on an individual basis.”

The company has been enthusiastically adopting such an architecture across its systems at a technical level for some time.

“A bank can use a combination of both these solutions or use either one so they have more flexibility on which architecture approach they plan to choose,” explains Frick.

However, choosing the right solution also depends on the approach of each organisation, he adds.

“What I see many times in Asia is that the cost-income ratio is a challenge for many private banks, so at least for the regional players one opportunity to lower this ratio would be to leverage on existing back-end systems.”

INCREASING MARKET SHARE

There is an increasing focus on the strength of the advisory propositions, more efficiency and a growing demand

for perfectly-integrated digital channel experiences for banks and clients.

There are also a lot of institution-specific requirements based on its goals for serving its client base. The decision by Deutsche Bank to outsource operations, for example, related to the excessive cost of maintaining a deployed system, leading the bank to look to outsourced options.

Yet Frick also questions the impact on the client experience of outsourcing business functions.

In general, however, Frick is optimistic about the growth prospects for Temenos in the region. “The macro-economics in Asia are very good. I also see opportunity in payments and transaction banking here.”

Keeping in mind the changing attitude of Asian investors, Frick says the company also has ambitious plans to offer additional products via the cloud, including a complete wealth solution. Offering products via the cloud makes it possible for even much smaller players to access the latest software. ■

