

# Complex enterprise software CAN be self-service - even in the financial industry

As we continue to endure the incumbency of the Covid-19 pandemic, the role technology has to play in the financial services industry has become universally apparent. As firms across the board race to ameliorate their technology offerings, additiv's Bert-Jan van Essen explicates the options available to such firms, drawing attention to the shifting of client expectations, the evolving banking architecture, the bespoke elements that make up an effective, made-to-measure digital offering, and ultimately, illustrating additiv's holistic offering.

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**Welcome to the** world of build-your-own banking systems

We all knew an economic downturn was coming at some point. But the speed with which it hit us surprised even the best-prepared businesses.

For financial firms, the pandemic and the economic crisis it has triggered have forced more change in a couple of months than had been effected in several years previous to it.

But the challenge is that this change is requiring incremental budget or is coming at the expense of other projects. Most banks have such high fixed costs in the form of maintenance spend on existing systems that they have very little spare budget - or capacity - for increasing the rate of change.

However, there is a solution. The era of long projects, high upfront CAPEX, and complex implementations are behind us. The new world is one where [everything is a service](#).

Microservices-based SaaS solutions have entered the arena of banking, wealth management, and insurance and [they can fit easily](#) into financial services companies' existing IT environment allowing them to free up the innovation straight jacket, quickly, inexpensively, and with minimal disruption.

**Changing client needs demand that large financial organisations provide them with 24/7, cross-platform, self-service financial products that work on their terms. Customers lack patience and request transparent, up to date, visual insights overarching their entire history and range of assets.**

When we envisioned additiv's product strategy, we based it on [shrinking planning horizons](#). Those almost completely dissolved over the last quarter. Now that the future is here, we're ready to help financial enterprises adapt and serve their customers' pressing needs

## No time for infrastructure upgrades

The fundamental shift of the wealth management industry has been brewing for years now.

Changing client needs demand that large financial organisations provide them with 24/7, cross-platform, self-service financial products that work on their terms. Customers lack patience and request transparent, up to date, visual insights overarching their entire history and range of assets.

Because we've been following - and serving - these changes in customer behaviour for over two decades, we can see that hybrid wealth management and assisted Robo-solutions are quickly becoming the standard.

Since banks, insurance companies, and other financial heavyweights have no time to rebuild their infrastructure from scratch (and cannot afford the opportunity cost of doing so) they need a way to embrace change without unaffordable delays.

At [additiv](#), we've been working to deliver our customers just that: a set of building blocks they can use to serve their clients whenever however they want it.

## The cornerstone of the new banking architecture

To allow maximum agility, fast product development and launches, and low-risk changes, the new banking architecture needs to be [driven by microservices and micro-apps](#).

Under current conditions, driving clients to banks' branches is not even an option. Even when things revert to the new normal, the old ways will still be obsolete. New generations of customers - both in B2B and B2C - want frictionless onboarding and services, they want to control through self-service products they can use over any app that they want.

So all new financial product launches, business ventures, and business models that come out need to check two conditions:

- To wrap around [the right value proposition](#).
- To be [instantly launchable](#).

There are massive un/underserved markets around the world that need access to these products right now so they can be part of the economic flow. Equipped with large distribution channels, enterprise-level financial organisations can deliver - provided they tap into a



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reusable library of prebuilt, managed, and configurable micro-apps and components the likes of which we develop at additiv.

### How we make complex enterprise FinTech products self-service

Our team sits at the busy crossroads in terms of inputs. We get information, insights, and requests from our existing clients, from prospects, and the markets themselves. Our requirements add to this information flow as well.

Everything comes together and it's for us to prioritise and develop a roadmap. To ensure we provide both stability and agility, our process is twofold, going at two speeds at once.

The development of our platform is a more paced process because stability is the essential requirement for this backbone that supports all our products and clients.

Where we move faster is building the products that sit on top of our platform. Our [API-first approach](#) enables us to quickly create minimal viable products that our customers can test in the market right away. The microservice/micro-app concept allows us to ship faster, test sooner, and - if needed - adjust quicker.

Because we build hybrid products, [we also have a hybrid team](#), not just in terms of roles, skill sets, and background, but also when it comes to how it's distributed and how team members work together.

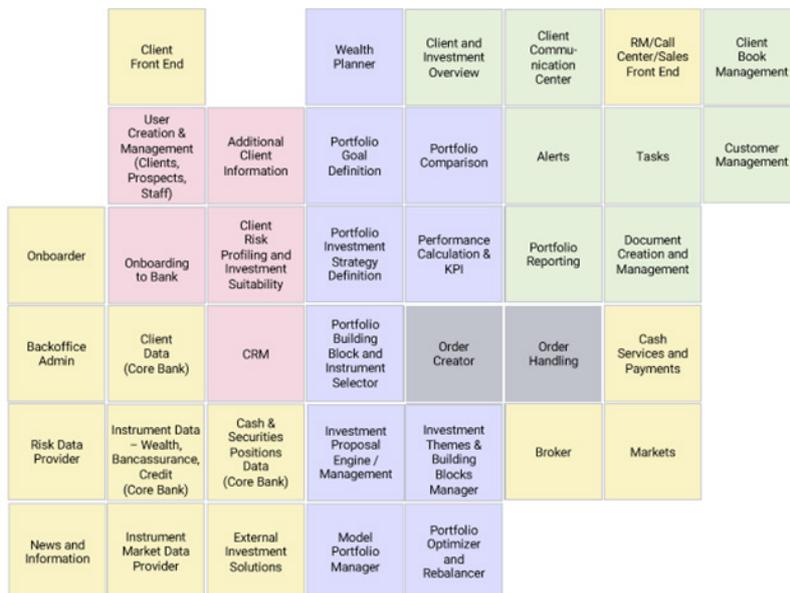
### Connecting the blocks

So how this works for large, complex financial institutions is that we provide the building blocks that:

- Tap into their existing data flows and knowledge of the customer.
- Leverage automation and innovative building blocks to assemble and launch products fast.
- Become a lot more agile in pushing changes and improvements that integrate customer feedback.

For example, wealth management modules include options to combine a [Robo Advisor](#) feature with an [Investment Cockpit](#), a [Mobile Advisory Suite](#), and a [Risk Analytics Dashboard](#).

Based on this [microservices architecture](#) that underpins our platform-as-a-service, incumbents can deploy their bespoke products across a wide range of use cases.



There's no time to reinvent the wheel in the current context. Doing so would be a waste of resources too. Instead of competing with other players, large financial institutions can drive more value by using what the ecosystem has to offer.

The way we cater to that is that we keep our platform open and constantly plug more sources into it. If a big bank wants to publish an app using additiv, it doesn't have to deal with servers, scalability, or development resources. It can just use the existing modules to publish it.

We bring accelerated self-development cycles and richer software that has a compounding effect over time. Everyone who uses additiv benefits, whether they choose to consume data or to launch products and services.

This is a win-win-win for everyone. Our clients win because they get more value for a smaller cost. Our partners win because, once they're hooked up to our platform, they can easily sell to many of our clients. We also benefit because we can provide a richer offering that brings more features to market faster.

Building a value orchestration engine for digital finance means we pass whatever benefits we gain onto our clients.

Our goal is to integrate best-in-class partners and functions, to bring the client and the financial advisor together. To bring the client and the bank or the insurance company together. When the core banking system, the insurance system, and highly user-friendly frontend apps come together, the financial institution

can have a well-rounded picture of their end customer's needs. As a result, they can serve them better with additiv hooked as a locomotive to accelerate this entire process.

## Self-service onboarding

As well allowing customers to build their own banking solution using building blocks, we also now offer self-service onboarding. Our goal is to continually remove the friction from procuring solutions.

Build your own solutions is great if a financial institution has already made a commitment to using a SaaS solution and now just wants to configure for their specific use case as quickly and as seamlessly as possible. But what about when the financial institution is still trying to determine whether or not additiv would be the right partner for their business?

Here, we have introduced the concept of a sandbox. Essentially, we use it for two different scenarios. The first is where a financial institution is doing market research and they want to test out the solution, like you'd test drive a car. We call this the explorer sandbox and it is a simple, unsupported version of our solution. The other scenario is where the financial institution is almost certain they want to work with additiv, but they want to check we can handle their specific requirements. In this case, we give them a developer sandbox, in which they can load up their specific configurations into a secure cloud environment and we provide them with the necessary technical support and training.

### Two distinct Sandbox options tailored to your needs

	Explorer <small>Enables you to play around and explore the various customer journeys in different roles</small>	Developer <small>Everything from the "Explore" option plus all you need to develop and test your own Frontend Application</small>
<b>Access</b>		
Access to all Frontend Applications	✓	✓
White label Frontend Applications	✓	✓
Configure Backoffice and Test Data	✓	✓
API Key to test API Platform	✓	✓
Technical documentation		✓
<b>Support</b>		
Customer success support	✓	✓
Technical support		✓

What works really well is the interplay of sandbox and build your own solutions. The sandbox helps create familiarity with the system and its capabilities as well as speedup deployment by having the client configure the solution. From there, the client selects the modules they want, uploads their data, tests and they're ready to be in production. Typically, from sandbox to full production is less than three months.

### No excuses

The speed with which change has been forced on the wealth management community has been unprecedented. To some extent, customers may be understanding about disruption to business as normal - but not for long. In the short term, this period of high uncertainty has induced anxiety and required wealth

managers to be more, not less, active in communicating with customers. Over the longer term, the pandemic is likely to introduce changes not just in client servicing, but also in [the types of services their customers want](#). The wealth managers that fail to match these short- and medium-term trends will lose market share and relevance and so they need to act swiftly. However, where budget would have been a major obstacle to change, providers like additiv are increasingly making available solutions that can be easily tested, easily configured using building blocks to match the wealth manager's use cases and that can be deployed quickly and at scale.

In short, if wealth managers are not able to meet customer's changing requirements, they won't be able to blame IT.

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### Everything-as-a-Service and The Collaboration Dividend

As we are moving into a phase of evolution where technology becomes simultaneously more finely-grained, easier to integrate and smarter - putting us on course for everything-as-a-service - industries become networks and platforms that orchestrate value for their networks appear.

The way this value is accumulated and then redistributed to network participants is what Michael Stemmler, additiv CEO, in a thought-provoking video interview, calls [The Collaboration Dividend](#).

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### Build Your Own Banking Systems

In this video, entitled '[Build Your Own Banking Systems](#)' Bert-Jan van Essen - Head of Business Development at additiv - explains the value of additiv DFS®'s microservices architecture and orchestration engine allowing for a multiplicity of use cases - enabling any bank or financial institution to easily build services on top, at scale - complemented by user-journeys that can be embedded in any channel of choice. ■

