

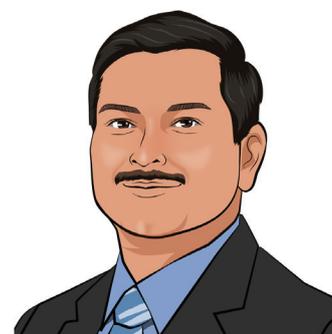
Infosys Finacle and Client Validus Present Theory and Practice in Harmony

Abhra Roy, Head, Finacle Wealth Management Solution at Infosys Finacle and his client, Atul Singh Chief Executive Officer of Mumbai-based Validus Wealth double-teamed for a fascinating presentation on future-proofing the wealth management business with a truly digital platform. Delegates were left in no doubt as to the theory of dynamic change, and the practical results that follow.

ROY BEGAN THE TALK BY FOCUSING THE AUDIENCE ON A slide that showed a picture from 1919 and another from 2019. The first had people lined up on the street reading their newspapers, the second a similar scene but reading their smartphones.

“And this is only a point in time,” Roy began, “as change will continue and will accelerate further. My brief introduction today is about how people in this industry can visualise how technology is going to impact. The key will be how firms integrate technology into their entire ecosystem, but this is not only tech, this is the entire journey, people understanding and embracing these changes, how the business culture will change, how the firms will meet customer expectations, how the roles of the team members at these firms will evolve.”

Roy then explained what he considers digital wealth management is not or should not be. “Truly digital wealth management requires holistic transformation,” he claimed. “It is not enough to just add new channels, new devices for access, not enough to enhance the old processes, to give legacy processes a facelift or automate existing processes. The industry needs to reimagine how it could be in the next few years. The key is to achieve omnichannel, to incorporate new technology, data analytics and also integration with all other systems in your ecosystem.”



ATUL SINGH
Validus Wealth



ABHRA ROY
Infosys Finacle

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To shed more light on his comments, Roy summed up his vision as a clear focus on four standout characteristics - frictionless, ecosystem, deep insights and automation. “At Infosys Finacle, these four points are essential to the equation. Those are the four key pillars on which the transformation journey is founded.”

He added that each organisation might make each one more or less a priority but asserted that these are the four key pillars that banks and private banks across the globe are addressing currently.

The four points of the Finacle compass

Frictionless is what Roy describes as the customer’s focal point. “This means the customer is connected, informed, rewarded, with wealth conveniently integrated into their lives,” he explained.

“Our recommended approach is wealth firms achieve this through continuous innovation and an omnichannel hub and state-of-the-art, with interesting and secure experiences.”

Roy explained that the ecosystem is essential as the wealth industry is becoming more fragmented because of the unbundling of services. “This is positive, the future lies in opening up of the services,” he claimed. “There is, for example, enormous potential in this space where the APIs that a wealth management firm’s back office has could, and should, be monetised for their benefit.”

Deep insights, he elucidated, are the profound perceptions into, and use of, data. “Data is going to be the new natural resource,” he stated. “And automation will be via AI, self-learning, blockchain-led changes, robotic process automation and other advances.”

“Looking at all our customers across banking, wealth and other business there are these four standout characteristics of the truly digital journey,” he added. “These are the four headlines under which the entire transformation is taking place.”

“While you have all seen a lot of advances in banking,” he remarked, “the wealth management industry is only just catching up and is still far from the level of digital disruption that retail banking has faced. The digital journey for this industry is just beginning.”

But what does this all mean, in practice? “It means truly digital transformation, which results in a complete focus on the customer, full automation, an outstanding ecosystem and deep understanding and insights of your clients,” Roy stated.

And with that, Roy invited one of the Infosys clients, Atul Singh,



CEO of Validus Wealth, to share his experience and his vision of the future.

“My mission today,” Singh began, “is to briefly share the story of how we conceptualised our digital platform and the role that Finacle played in helping us achieve that. About 18 months ago, when I was thinking of founding Validus, I faced a dilemma, namely that I felt technology was highly underutilised in the wealth management business. I believed that the digital platform and interface would play an ever-greater role, not fully taking over the human interface but taking a vital role in serving the clients.”

At the same time, Singh wanted to move rapidly. “You can’t wait two years to conceptualise and build a digital platform, nobody waits for that long, so I set out to meet fintechs around the globe, in California, then Singapore, Bangalore and I quickly appreciated three key factors that have informed my thinking.”

Three key insights

He explained that the first realisation was the massive innovation that was going on in fintech space around wealth

management. The second one was that 99% of these innovations are B2B and as part of this that it is immensely difficult to build a B2C digital wealth management business because very few fintechs around the world have figured out solving all of the end-clients’ problems holistically.

And his third recognition was that by using APIs, anybody can connect to another, fully developed system and bring in the vital functionalities that are needed for the customer experience.

“With those three simple yet powerful insights,” he elucidated, “I knew I needed a very strong transactional processing core database platform, one which is technologically advanced and has a very significant API layer with which I could create the ecosystem in a very skilful way and as I see fit. I also knew it would be an evolving journey, so it had to have scalability.”

Building from a stable core

“Now,” Singh continued, “as to Finacle, the core was really very good and I realised we could create a top-class front-end with the help of other fintechs around the world, they were all waiting to be part of

my front end in a very seamless manner, so if the platform enabled them to plug in using only open APIs, then I could achieve the best of both worlds.”

And that is what Validus Wealth did, incorporating Finacle as the core platform, which he says is both robust and stable, and then stitching in other fintech solutions. “And it all went exactly as we thought,” he added, “layering in enhanced customer experiences with these agile fintechs on top of the remarkably solid core that Finacle offers. We achieved both stability and agility in this way, and we can maintain the evolution, as this is scalable and adaptable.”

Singh concluded with the view that his overall premise, gleaned from many meetings with tech experts globally, is that in the wealth management business the firm only owns two things - the customer data and the customer experience. “With this architecture,” he explained, “with Finacle we obviously own customer data, and we are also evolving our own customer experience by picking and choosing components of customer experience wherever they are.”

Singh concluded that the conceptualisation of the platform resulted in going live some seven months ago. “The feedback has been great, even though it is really only 20% of what we can achieve,” he reported. “With the full scalability, fully modular architecture, we continue to scan the universe of fintechs and continue to shortlist solutions, so we expect over the next year or two to really enhance the capability and experience for the customers, supported by the solid pillars of the Finacle core.” ■