

# Getting IT implementation right

*Wealth management institutions need to pick the correct IT vendors and work with them closely if they are to gain a digital solution that meets both their needs as well as those of the end-customer, said panellists at Hubbis' Redefining the Digital Evolution in Wealth Management Forum 2015, in Singapore in mid-June.*

Good dialogue between private banks and IT service suppliers is essential if the latter are to create digital service products that truly meet the needs of the former, said panellists at Hubbis' Redefining the Digital Evolution in Wealth Management Forum 2015, in Singapore in mid-June.

"In the past you had a central department that handed over the IT project to a vendor, and there were many breaks and after nine or 10 months you would go out [with the solution] to the market and find it is not what you wanted," said Urs Lichtenberger, director and programme head of digital private banking, chief operating officer department, private banking Asia Pacific at Credit Suisse.

"The key is to work closely with the client and walk through the implementation together, including having frequent releases to learn as you work," he explained.

**"You need to reach out to various vendors and get different insights before you choose and enter a partnership with them. Unwinding that relationship later if it fails can be costly."**

**URS LICHTENBERGER**  
Credit Suisse



An essential factor for creating a successful digital solution is to ensure there is a clear plan, with continuous checkpoints, added Tony Greenwood, director, global transformation, strategy and business performance team at RBC Wealth Management.

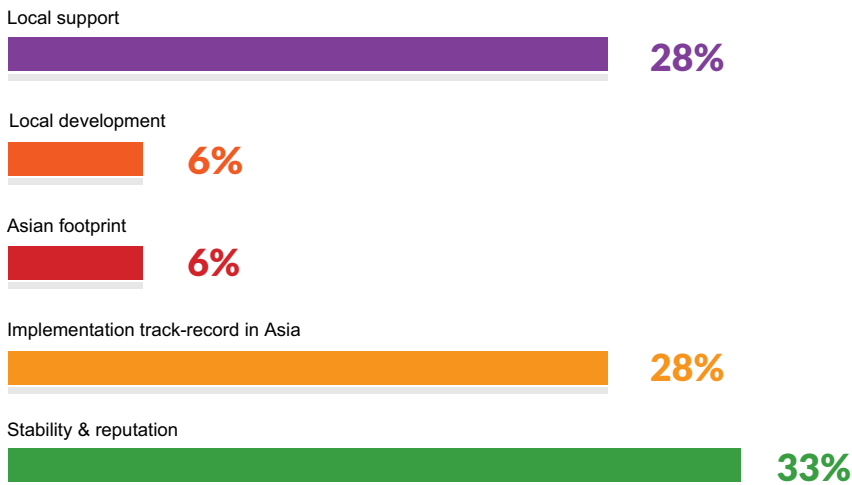
"Check what you are building is what you set out to build, and that this it is

what you required," he advised. You should also not lose sight of the end-user...what you are delivering needs to meet not just what you want but what the customer will want and use."

One common mistake that bank customers make is to ask for digital solutions that increase the complexity of their businesses, added Michiel van



#### WHAT SHOULD BE THE MOST IMPORTANT ATTRIBUTE WHEN CHOOSING A VENDOR?



Source: Hubbis Redefining the Digital Evolution in Wealth Management 2015 - Singapore

Selm, director, financial services industry practice at PwC.

“It is important to understand where you can simplify your business, as any complexity will add to cost,” he said. “Find where you can standardise business processes across countries and business units.”

#### ONGOING EVOLUTION

Aaron Perryman, partner for financial services – advisory at EY, added that

technological solutions were not one-off events.

“Anyone who has been doing this for a while understands there is no end-point, as it will require a continuous evolution of your capabilities,” he said. “Banks that can quickly deploy [digital wealth solutions] into the market and continue enriching the customer or employee experience will be those that are successful.”

The audience were offered an electronic sentiment poll question: ‘What should be the most important attribute when choosing a vendor?’ The offered options were: local support; local development; Asian footprint; implementation track-record in Asia; and stability and reputation.

The last option was narrowly the favourite, gaining 33% of votes, just ahead of local support and implementation track record, each of which received 28%.

Picking the correct vendor is absolutely essential for banks to ensure their digital wealth solution is a success, noted Greenwood.



"You have to have someone you can work with. You can look at price or reputation, but in the end you have to be able to work with the vendor. Can you have a relationship and do you both have the same goals when delivering implementation?"

An essential part of this process is to be communicative, added Van Selm. "The more successful implementations I have done are those where I worked in a partnership [with the client] and could be open and transparent about any issues that arise. These types of implementation are very complex and take a lot of time to execute, but if you work in partnership you can both make them successful."

On the other hand, getting the vendor wrong can be a costly mistake, said Lichtenberger. "Unwinding that relationship later [if it isn't working] is cumbersome and costly."

One particular difficulty for international wealth management companies is gaining feedback when the headquarters of their business isn't even on the same continent. Sometimes working with the right IT vendor can help in this situation.

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**TONY GREENWOOD**  
RBC Wealth Management



"We are relatively small in this region and a lot of our decision-making is done out of Toronto," said Greenwood.

"It is sometimes difficult to liaise from 8,000 miles away when you have people who do not necessarily understand the business here in Asia. I have vendors I deal with on different continents and time zones who can help put me in touch with the right people."

#### REGULATION ISSUES

One challenge facing IT solutions in Asia in particular is the need to incorporate the various regulatory demands of each regional country.

"Many customers are starting to think about what will be the regulatory impact of a specific regulation, such as digital on-boarding," said Van Selm.

This requires digital solutions to be flexible. "You must be able to drive change and evolution in your capability," said Perryman.

The audience were posed another sentiment question: 'What is the most important consideration with a new system/solution?' The available responses were: price; best-in-class offering; functionality; plug-and-play; and the ability to seamlessly integrate up/down. The last was narrowly favourite, with 39% of the vote.

"It is all of the above," Lichtenberger said. "Price matters, and to have foundational functionality matters too."

"Functionality is key," added Greenwood. "You need to understand how it will work with your existing systems and how long it will take to implement. Think about the impact downstream; if you are more putting more functionality in for the customer are your staff ready for it?" ■

#### WHERE IS SCALABILITY OF THE PLATFORM MOST LIKELY TO COME FROM?

Consolidation among industry players



New technologies themselves



A change in mind-set to create "commercial" IT teams



Source: Hubbis Redefining the Digital Evolution in Wealth Management 2015 - Singapore