

THE FINTECH REVOLUTION: DIGITAL INNOVATION AND TRANSFORMATION IN FINANCIAL SERVICES

AGENDA

Innovation for Market Leadership

The Risks of Risk-Aversion

Creating a Culture of Innovation

Challenge #1: Legacy Technology and Infrastructure

Challenge #2: Lack of Enthusiasm and Support for Change

Challenge #3: Lack of In-house Technical Skill

Finding the Right Path Forward

Building Sustainable Innovation

DIGITAL TRANSFORMATION

The change associated with applying digital technologies to all aspects of a business, is beginning to impact financial services organizations in a big way.

INNOVATION FOR MARKET LEADERSHIP

- Increasing competition from disruptive, fast-moving fintech companies.
- Consumers expect the agility of smaller fintech companies from longer-running financial institutions.
- Financial institutions must modernize their digital strategy to remain (or become) market leaders.

23%

SAY THEIR
COMPANY IS
BEHIND THE
DIGITAL CURVE.

PROGRESS IS TOO SLOW

- Innovation through technology is a vital component of staying competitive.
- Risk-aversion, the uncertainty that comes with experimentation and innovation can paralyze digital efforts to the point of inaction.
- Doing nothing is riskiest long-term strategy we can take.

47%
ARE WORKING TO
IMPLEMENT NEW
TECHNOLOGIES.

WHAT'S HOLDING US BACK?

Building enthusiasm and support
for change.

CREATING A CULTURE OF INNOVATION

- Before any digital transformation can start, a culture of innovation is vital.
- Making the decision to move forward with innovation and digital transformation is a first step towards finding stability and success.
- Build enthusiasm and support for change with key stakeholders.

34%

SAY LACK OF
SUPPORT FOR
CHANGE IS A BIG
CHALLENGE.

KEY CHALLENGES

Greater understanding of the problem, will enable us to overcome our challenges.

#1 LEGACY TECHNOLOGY & INFRASTRUCTURE

- Legacy technologies and infrastructure will be an obstacle we need to plan for.
- Audit existing hardware, past software deployments, and dependencies.
- Digging out of technical debt will be necessary in building a robust digital business that will survive long-term.

51%

BELIEVE THEIR
EXISTING TECHNOLOGY
IS HOLDING THEM
BACK.

#2 LACK OF ENTHUSIASM FOR CHANGE

- Technologies are selected and deployed independently by different departments and lines of business.
- Lack of company-wide alignment can lead to conflicts down the road.
- Teams must work off of the same playbook to build on technologies being deployed throughout the organization.

39%

SAY TECHNOLOGIES
ARE DEPLOYED
BY DIFFERENT
DEPARTMENTS.

#3 LACK OF IN-HOUSE TECHNICAL SKILL

- We may lack the people or skill sets to adapt to modern technologies successfully.
- Finding the right third-party to validate our vision and build support with stakeholders will be key.
- Need a hands-on team to help us strategize, prototype, and test the right course of action to reduce development risk.

42%

OF THOSE
WHO WORKED
WITH A LARGE
CONSULTANCY,
SAY THEIR
PROJECTS FAILED.

FINDING THE PATH FORWARD

True transformation begins with building
blocks that culminate over time.

BUILDING SUSTAINABLE INNOVATION

- Develop a strategy for legacy modernization and integration.
- Evaluate our current infrastructure to assess how we can architect for sustainable innovation.
- Build a flexible enterprise architecture that will help us dig out of technical debt.
- Create building blocks that can be swapped out more easily down the road as our business evolves.

ABOUT THE REPORT

Janeiro Digital, a digital business consultancy in Boston, surveyed 95 middle- and senior level managers in the financial services industry to learn about their organizations' attitudes and progress when it comes to digital transformation.

These findings reveal changing mindsets, but also many opportunities for improvement as organizations embrace the shift to fintech.

[**DOWNLOAD THE FULL REPORT**](#)



**“DIGITAL TRANSFORMATION ISN’T
ELECTIVE SURGERY, IT’S THE CRITICAL
RESPONSE NEEDED”**

—Forrester Research



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