



## Bob Contri's speech at Lugano Banking Day Lugano, 20 March 2018



**Robert (Bob) Contri**  
Deloitte Global Leader, Financial Services Industry

### Fintech – An Opportunity for the Financial Sector

Deloitte's financial services practice is the largest professional services organization in the world. This offers me the daily opportunity to work with clients and address their heart of business issues. It means that I see global, regional, and national financial services organizations in action. I see how they face the current market and how they plan for the future offered by the disruptions taking place.

We are in the early stages of a technology driven transformation of the financial services industry globally.

Whether at meetings like this or the various Fintech festivals in Singapore, Brazil, New York or London, now in their 3<sup>rd</sup> or 4<sup>th</sup> years, we are seeing a broader dialogue between incumbents, innovators and regulators and in face seeing more collaboration.

With all this upheaval it is hard to predict how it plays out in the final innings; but change is a constant and its pace is accelerating as we see technology convergence.

Today I will share six factors that firms can leverage in order to take advantage of the opportunity technology will bring and drive competitive advantage:

1. **Process** – innovations in technology are offering the opportunity to transform end-to-end processes while maintaining a focus on the customer. In the front office digital disruption is threatening firms' control over the customer experience, causing firms to reconsider the makeup of their front office. The middle office which supports the front office with resources drawn from finance, accounting, and IT—bears enormous responsibility. This office is on the front lines of regulation, standards, and compliance. Financial infrastructure technologies and distributed ledgers are having a real impact on this group. Finally, the back office is the engine of a financial institution which until now, meant structure, reliability, and efficiency—all things that are independent of revenue. But technology innovations are also changing the way we ordinarily think about financial operations
2. **Organizational agility is key.** In an industry facing accelerating change driven by technology, agility is paramount to adapting to the new environment. Established companies often struggle to become more dynamic. In Deloitte's Global Digital Preparedness survey we saw that agility is a key factor in addressing emerging market forces and specifically digital disruption. Yet only 19% of the financial services institutions surveyed recognized themselves as agile organizations.

Legacy systems, operating models and silos are a few of the factors impeding agility within the industry.

3. **Data is the currency of the future** and not just unlocking data that exists within legacy systems, but harnessing the value of data flows that continue to be created. The industry is being impacted by adjacencies and we see the digital giants, i.e., Apple, Google or Facebook, utilizing the value of data and potentially competing with financial services.
4. **Open talent models are arising** as a result of technological changes and while technology, automation and machine learning will free up employee time and potentially displace some parts of the workforce, skill shortages, contractors, specialized services providers all become part of an extended labor force that needs to be attracted, managed and we will see humans and bots working together in a more efficient way.
5. **Platforms are on the rise** and we need to recognize that they are here to stay. One only has to look at China and the Asian markets to see the potential disruption they offer to financial services. To that end, do the incumbent players learn how to leverage them to create an advantage or partner with them?
6. **Cyber risk will keep growing** in importance as technology increases the level of cyber exposure and risk with each advancement. In this cyber arms race will only the large survive? It is key to stay focused on cyber risk, resilience and advancements.

In summary, there is incredible opportunity for our industry to be fundamentally changed. The environment we find ourselves in requires bold leadership and willingness to embrace new business models.

**About Bob Contri:**

*Robert (Bob) Contri is the Global Financial Services Leader for Deloitte Global (Deloitte). In this role, Bob is responsible for overseeing Deloitte's four global financial services sector groups—banking and securities, insurance, investment management, and real estate & construction –across all of Deloitte's businesses and member firms.*

*Bob is charged with developing and executing the industry group's overall strategic direction and go-to-market strategy. A group which includes over 45,000 people in more than 40 countries.*

*In addition, Bob sits on the board of the Deloitte United States firm. He also leads the global Deloitte relationship for a major financial institution.*

*Bob has nearly 30 years of experience at Deloitte and has extensive global experience working with large financial services clients. Prior to his current role, Bob served as the Deloitte U.S. Financial Services Industry leader.*

*Throughout Bob's career, he has helped clients in the financial services industry address a range of issues, including strategy, restructuring, regulatory requirements, and culture. His clients have included large regional and multinational organizations.*

*Bob is a frequent presenter at financial services conferences and client events and has been featured in industry publications offering his views on industry trends and regulation.*

*Bob has an MBA from Rutgers University and a BA from Gettysburg College. He is based in New York City and is married with three children.*

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