



28 October 2021 – EBF
Digital Thursdays

Cloud and resilience in financial services

The Yin and Yang

SPEAKERS

Our financial services practice is supported by a panel of industry luminaries, including among others:



About Nelson Phillips

Professor of Technology Management, University of California, Santa Barbara

Nelson Phillips is Professor of Technology Management at the University of California, Santa Barbara. Until recently, he was Professor of Innovation and Strategy and Co-Director of the Centre for Responsible Leadership at Imperial College Business School.

Professor Phillips' research interests cut across strategy, innovation, and leadership and he has a particular interest in what happens where digital technology and people come together. In addition to his research, he is currently the co-editor of *Innovation: Management & Organization*, sits on the board of governors of the Academy of Management, and is a trustee of the Society for the Advancement of Management Studies.

Professor Phillips teaches leadership, strategy and digital business, as well as delivering executive education programmes for a wide range of corporate clients including the London Stock Exchange, Savills, Barclays, ASDA, Panasonic, the NHS and Edwardian Hotels.



About Ben Walker

Partner, Airwalk Reply

Ben Walker is Partner and CTO at Airwalk Reply, a consultancy whose focus for the past 12 years has been on assisting Financial Services organisations large and small to transform how they work through adoption of modern technologies and modern ways of working.

Prior to founding Airwalk Reply, Ben spent 15 years in multiple leadership and technology roles in Financial Services organisations leading technology change programmes through integration, separations and mergers both in the UK and abroad.

Ben started his career as a software developer and systems engineer.

Airwalk Reply is part of Reply (www.reply.com), a business and technology transformation consultancy, employing more than 9,000 management consultants and computer engineers in Europe, the United Kingdom, and the United States.



CLOUD COMPUTING: AN ENABLING TECHNOLOGY

Cloud computing is an enabling technology in Financial Services, just as it is in other sectors!



Cloud in Financial Services Survey

29%

29% of the financial institutions identified **on-demand scalability** as the most important benefit of the cloud.

60%

60% of the respondents view it as among the top three benefits of the cloud.

19%

19% of the financial institutions identified **enabling innovation** as the most important benefit of the cloud.

44%

44% believe it to be among the top three benefits of the cloud.



Cloud-enabled health protection for 450 million Europeans...

...since 2018.



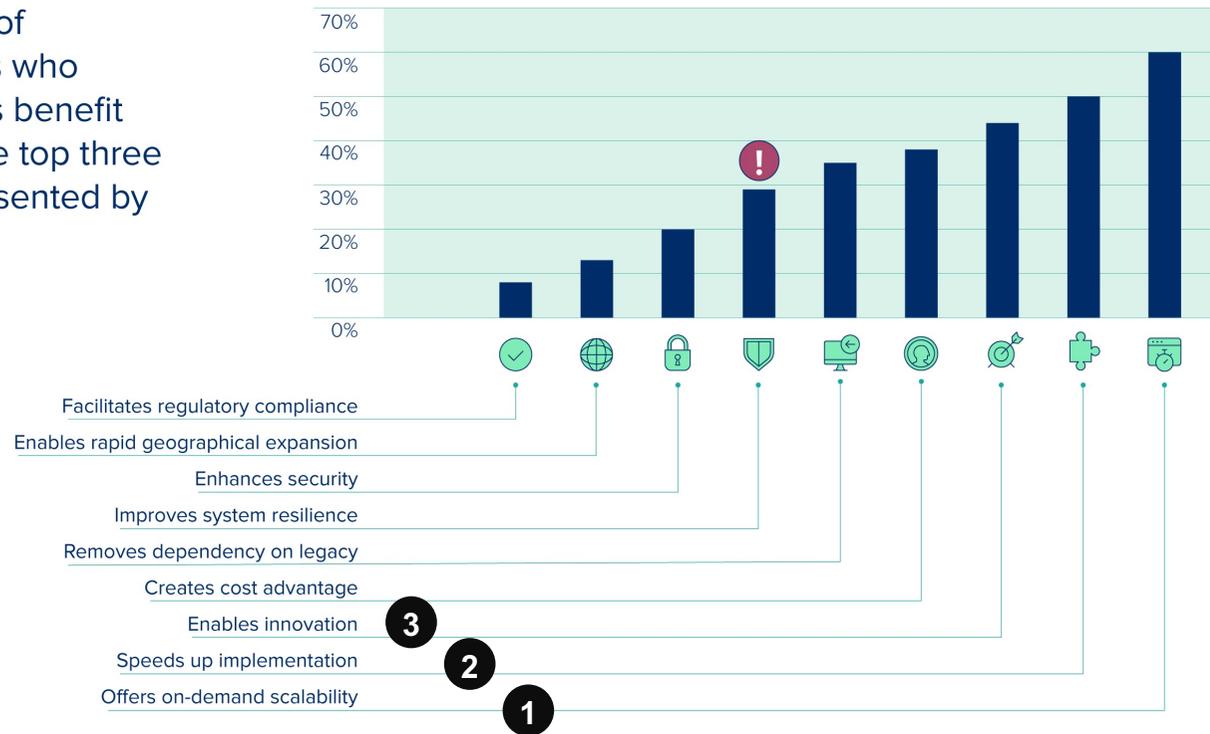
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THE FUTURE IS CLOUD...

There is a general consensus that the move to the cloud is overwhelmingly positive.

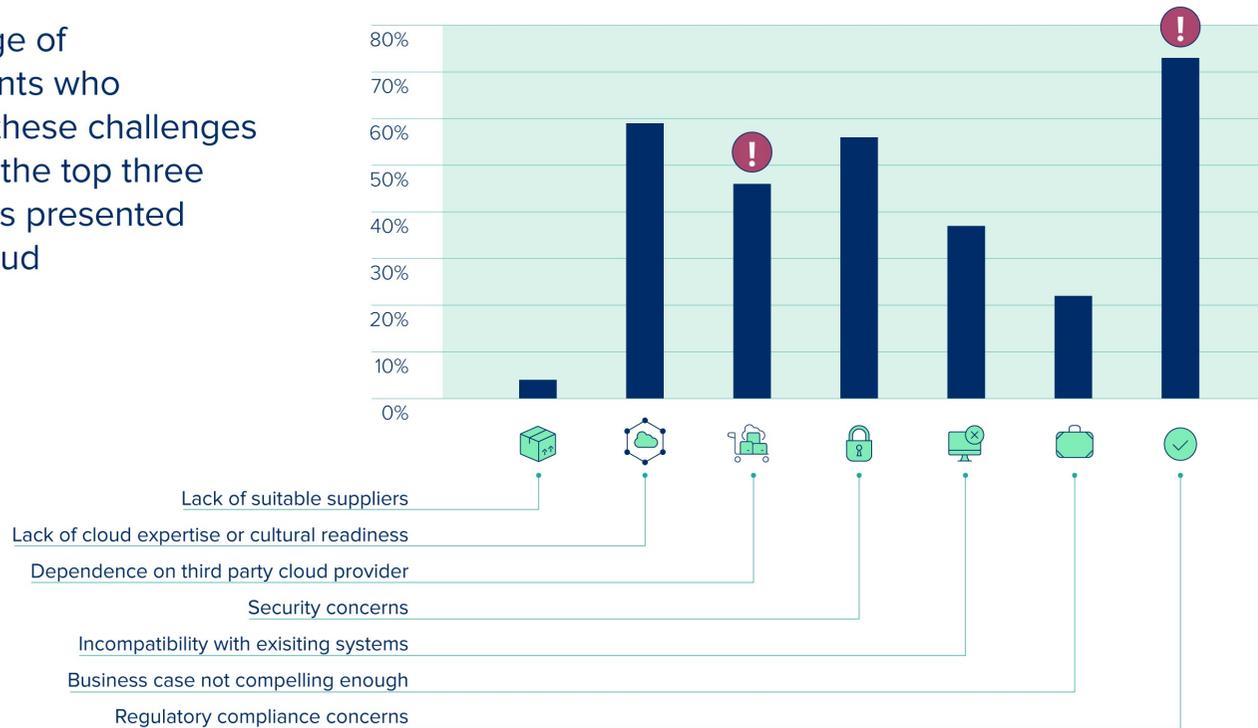
Percentage of respondents who selected this benefit as one of the top three benefits presented by the cloud



CHALLENGES REMAIN...

At the same time, financial institutions face a number of challenges when moving to the cloud.

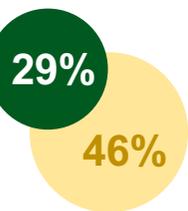
Percentage of respondents who selected these challenges as one of the top three challenges presented by the cloud



OPERATIONAL AND CYBER RESILIENCE...

The cloud is perceived as a positive contributor in terms of operational and cyber resilience but...

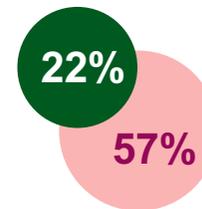
Cloud & Operational Resilience



For 29% of the financial institutions, across all levels of experience, one of the cloud's many benefits is to improve **operational resilience**.

This needs to be balanced with the risk of (excessive) **reliance on third-party suppliers** (i.e., CSPs), a point of concern for 46% of the financial institutions.

Security: The Striking Paradox...



For 22% of the financial institutions, **enhancing security** is one of the top three benefits of the cloud.

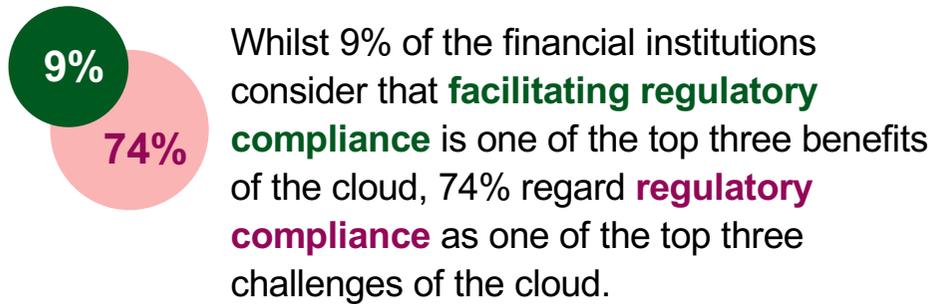
However, for 57% of the financial institutions, **security** is one of the top three challenges of the cloud.



REGULATORY FRAGMENTATION...

Regulatory and compliance concerns is a predominant challenge of migrating systems to the cloud.

Regulatory and Compliance Concerns

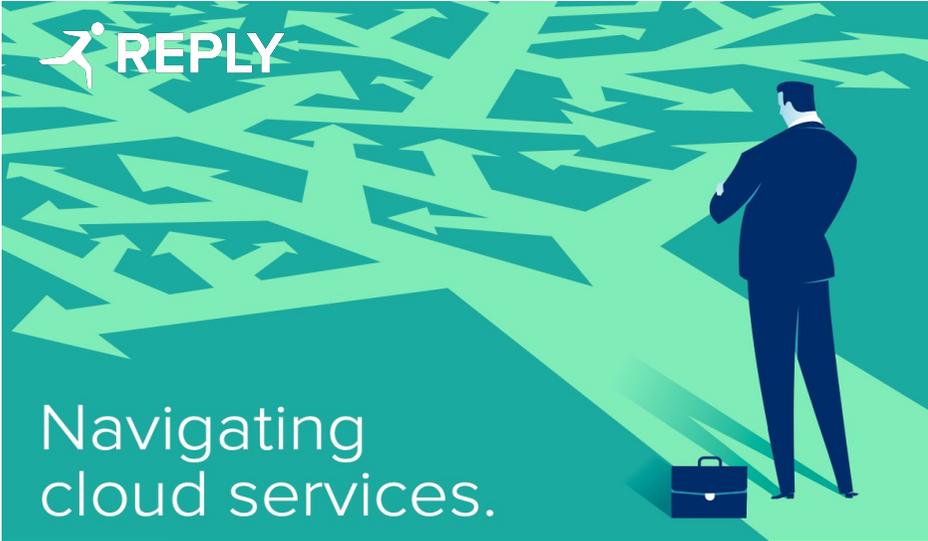


Progress is being made, not least in Europe, but much remains to be done.



CLOUD ADOPTION IN FINANCIAL SERVICES

Insights from the Imperial College Business School / Reply Survey



REPLY

Navigating cloud services.

Key insights into cloud adoption in financial services

 BENEFITS OF CLOUD IMPLEMENTATION	 CHALLENGES OF CLOUD IMPLEMENTATION	 FACTORS AFFECTING THE TIMING OF ADOPTION
The adoption of cloud has important benefits:	But significant challenges still face firms that seek to adopt:	Timing and speed of adoption are affected by a number of factors:
<ul style="list-style-type: none">SCALES ON DEMANDENABLES INNOVATIONSPEEDS UP IMPLEMENTATIONDECREASES RELIANCE ON LEGACY SYSTEMS	<ul style="list-style-type: none">LACK OF SUITABLE SUPPLIERSLACK OF CULTURAL READINESSDEPENDENCE ON THIRD PARTY SUPPLIERSSECURITY	<ul style="list-style-type: none">REGULATORY REQUIREMENTSINCOMPATIBILITY WITH EXISTING SYSTEMS

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REPLY IN FINANCIAL SERVICES...

We combine geographical footprint, scale and financial services expertise.

Financial Services Expertise

In every market segment in which we operate, Reply combines specific sector expertise with wide experience in the provision of services and a wealth of advanced technological capabilities.

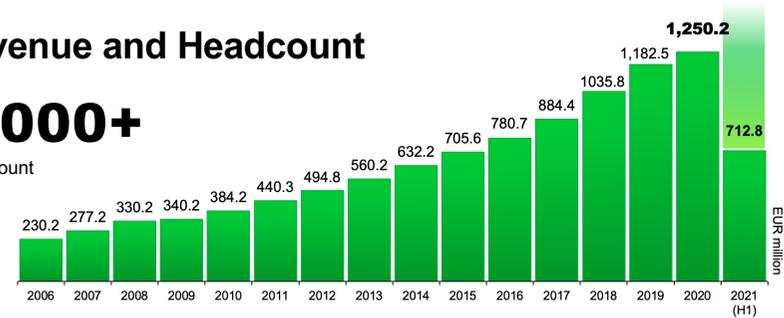
Geographical Footprint



Revenue and Headcount

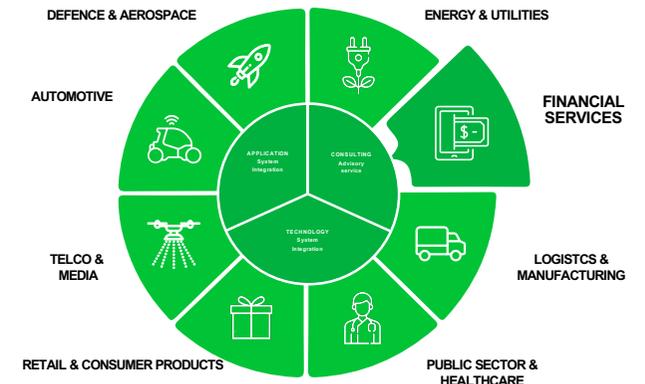
9,000+

Headcount



Financial Services: Reply's largest Vertical

Financial services accounts for over 27% of Reply Revenue (i.e., EUR 340+ million as at end 2020).



THANK YOU

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