



An industry manifesto

# Change the risk and reward of cloud transformation

Introducing Cloud Control for Financial Services

Secured by BT



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# Time to rethink cloud

The allure of cloud for banking and financial services institutions is clear: from reduced cost and complexity to increased business agility and enablement. However, the industry as a whole has been slow to adopt cloud. The perception is that cloud equals a loss of control – control over where data is held, where traffic is directed, how data is secured and, paradoxically, control over cost.

Of course, there's no smoke without fire. Poor implementation, careless or unexpected commercial complexity and unforeseen hurdles can all lead to an unwieldy cloud transformation journey.

Cloud adoption needs to be handled with care. It should be managed holistically, flexibly and securely to avoid project stalls, runaway costs and unrealised RoI.

Cloud control depends on how you connect it, secure it, govern it and manage it – all things BT has been delivering for years.

We couple our strength for managed services with an agnostic approach to private and public clouds to solve your critical cloud challenges. We can help you make use of new, more efficient ways to connect to the cloud, new ways to optimise it and apply new security strategies.

Our Cloud Control for Financial Services solution is a purpose-built ecosystem designed to reformulate your cloud transformation journey. We've done this so you can seize the benefits more quickly, with less hassle, safely.

**Discover how you can take control of cloud, secured by BT.**



***“We believe the digital ecosystem will be the future of trade finance, as it will materially reduce the manual burden, processing time and errors, and improve risk management for all parties involved.”***

**Claire Calmejane,**  
CIO, Société Générale<sup>1</sup>



# Finance, interrupted

Several major trends are shaping financial services today – many of which point to the cloud as both an enabler and a safety net. Here's a look at the top five.

## ① Digital adoption

Coronavirus accelerated branch closures and forced providers and customers to go digital – a shift that was, admittedly, already taking place. As a result, many institutions are now running expensive physical infrastructure for a dwindling number of customers. They need to radically rethink their services to become digital-first.

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**22% 'active' branch users globally in 2020. This is expected to fall to 16% by 2023<sup>2</sup>.**

## ② Going green

There's growing evidence to suggest strong environmental, social and governance policies are now key drivers of financial performance. Investors are increasingly looking to understand the ESG credentials of the companies in which they invest and how they impact returns. At the same time, retail banks are coming under pressure to align with their consumers' ideologies – and new regulations – on these issues.

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**By July 2019, 23 of the world's 50 largest private sector banks had made sustainable finance commitments<sup>3</sup>.**

## ③ Changing customer expectations

Customer experience in financial services is paramount. Institutions are investing in tools like the cloud, IoT and 5G to reinvent services with the goal of making customers more loyal and active, with a lower cost to serve. These changes dovetail neatly with the infrastructure refresh required as a result of shifting to a digital-first, omnichannel approach.

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**51% of consumers expect that banks will anticipate their needs and make relevant suggestions before they even make contact<sup>4</sup>.**

### ④ Workforce rethink

Many finance institutions are adopting a hybrid working model as lockdowns ease. This creates new challenges – like ensuring employees are equipped to work from anywhere, at any time, reducing the real-estate footprint, maintaining network security, and boosting collaboration and productivity levels.

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**69% of financial services companies expect to have 60% of their workforce working from home at least once a week going forward<sup>5</sup>.**

### ⑤ Cybersecurity

New attack vectors have been opening up because of the pandemic. With hybrid working here to stay, banks need to monitor network availability, new strains of malware, endpoint data access, and shorten risk response times in order to protect their data and that of their customers.

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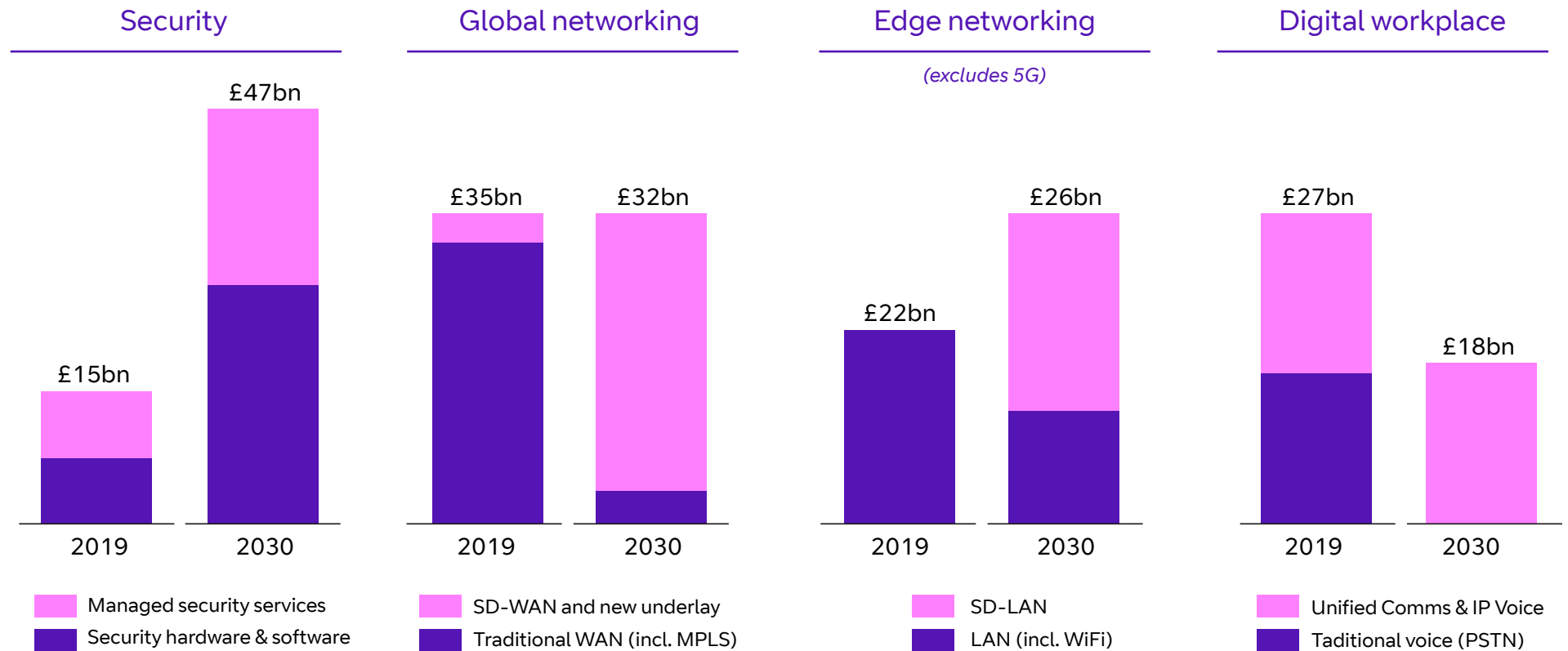
**238% rise in attacks on banks during pandemic<sup>6</sup>.**



## Cloud in context

Given the immense changes taking place across the global financial services industry – many of which hinge on the use of flexible, agile technology – it’s no surprise that organisational spend is shifting toward digital security, software-defined and cloud-hosted services with new network infrastructure.

### Customer spend is shifting



- MNC market, £bn<sup>7</sup>

The cost, agility, resilience and scalability promised by the cloud is too compelling to overlook. For instance, 44% of finance firms cite constrained or reduced IT budgets as the top ‘trigger event’ leading to cloud investment. Meanwhile, 38% says cloud investment is needed to modernise inefficient and inflexible legacy infrastructure that’s incapable of meeting the demand of today and anticipating the trends of tomorrow<sup>8</sup>.

**65% of financial services CIOs plan to increase spending on infrastructure technologies such as APIs, microservices and the cloud in the coming year<sup>9</sup>.**

Despite recognition that change is needed, the business-wide cloud strategies of many finance institutions are at a relatively early stage.

Adoption at scale requires significant change to existing

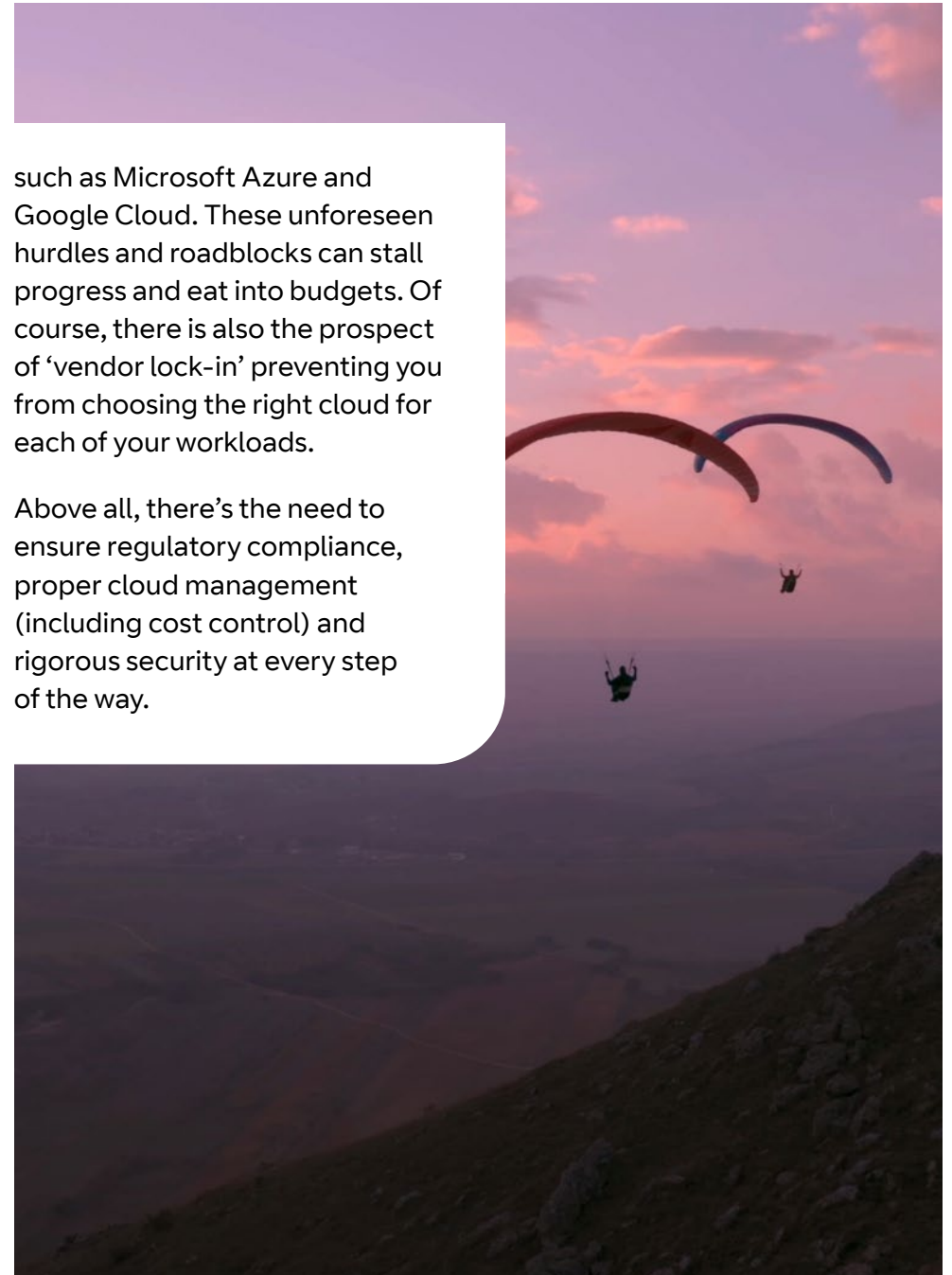
IT architecture and existing operating models. Strategic transformation and investment are needed to embed public clouds beyond existing simple uses for specific functions - like IT test environments - and into more end-to-end activities, such as trade execution. Of course, this may conflict with existing priorities or challenges.

The perennial challenge of legacy IT architecture is a common barrier to large-scale transformation. Sprawling systems with complex dependencies may make the transition of specific processes or business areas to the cloud more challenging. A shortage of skills to deploy and manage the cloud environment add to the difficulties.

Large-scale transformation is also likely to deliver hidden costs and ‘gotchas’ that arise when working with large hyperscalers,

such as Microsoft Azure and Google Cloud. These unforeseen hurdles and roadblocks can stall progress and eat into budgets. Of course, there is also the prospect of ‘vendor lock-in’ preventing you from choosing the right cloud for each of your workloads.

Above all, there’s the need to ensure regulatory compliance, proper cloud management (including cost control) and rigorous security at every step of the way.



# Cloud simplicity, secured by BT

When it comes to the cloud, there's only one way to guarantee service and security – and that's to have a single, end-to-end global network that can prioritise applications, manage access to data and optimise performance. Cloud Control for Financial Services offers that single, end-to-end proposition that lowers the risk and increases the reward of your cloud transformation journey.

**We're an expert in cloud connectivity**



Cloud expertise in assessment, migration, deployment and managed services.

**We offer global network and security**



Virtual networking at scale and the highest levels of security in a hybrid environment.

**We manage your sophisticated environment (public and private)**



Manage complexity and free up your resources whilst keeping control.

**We have deep finance industry partnerships**



Work with fewer suppliers, while we work with our partners to create more possibilities.

**Underpinned by a longstanding heritage and trusted role in powering and safeguarding critical national infrastructure, and a service excellence that cannot be beaten**



# Bringing you the benefits of the cloud – and more

## Enhancing customers' journey

Modernising core business applications by using cloud platforms radically improves your ability to serve customers in the way they want – whether this is in-branch, online, via an app or over the phone.

However, as new apps and services drive the need for ever greater bandwidth, you also have to be able to support a more agile, flexible organisation. Put simply, the demands on your infrastructure are always changing.

Using the infrastructure-on-demand services found within our Cloud Control for Financial Services portfolio, you can scale up and down to meet seasonal or planned changes.

Links to cloud providers from AWS to Google to Microsoft Azure – are pre-connected, so you can jump to a new provider and gain extra bandwidth in a fraction of the time this might have otherwise taken.

Our experts will help design and build your cloud infrastructure, based on what you're trying to achieve and a converged (not siloed) view of your organisation.

So, if you want to offer customers an omnichannel experience where calls are “handed off” without breaking the flow, losing context, or having to end the conversation and pick it up again later, we can ensure that's supported in your back-end infrastructure.





## Regulation, compliance and security

Banking executives put 'IT governance issues' at the top of their main concerns when evaluating the public cloud<sup>10</sup>. Tight privacy and data sovereignty rules add complexity to a cloud strategy for any banking and financial services organisation that expects to do business across borders. That's why control and insight are paramount for staying secure and compliant.

We can build a hybrid environment of servers and storage to run applications and workloads. In consultation with our architects, you can decide where applications and data reside to ensure its secure, protected and compliant with local regulations. You'll be able to see across your entire cloud infrastructure in real-time, and our team of dedicated security experts can help you prioritise and validate the threats that could really impact your business. They use a tried-and-tested control framework to assess any gaps and help you stay compliant.

## Upgrading legacy IT infrastructure

While the cloud theoretically allows institutions to replace hardware-centric processes with as-a-service alternatives, legacy IT architecture can make this extremely difficult to implement. Systems built over time become interconnected and mutually reliant. Legacy code is often highly effective and, in any case, moving to the cloud can prove expensive.

Our experts will help design and build your cloud infrastructure, based on what you're trying to achieve. We work with market-leading organisations to understand your current estate and the cloud infrastructure you'll need to support this in the future. We provide the ready to use 'fabric' that connects your private systems, data storage, public cloud and other services or platforms. This creates a hybrid infrastructure over a Software-Defined (SD) framework that is flexible, highly available and feature rich. You'll benefit from global connectivity directly from our MPLS platform to leading third-party cloud providers and data centre services.



### Reducing capital expenditure

A SaaS model can provide the advantage of scalable IT infrastructures and multiple operating platforms for deploying applications. However, a small-scale, proof-of-concept might clearly show significant savings, but such isolated projects can be deceptive.

Instead of looking at business functions as silos, we offer a highly-flexible commercial framework – a combination of OpEx and pay-as-you-go. This means there are fewer unforeseen costs and also benchmarking to achieve an efficient cost structure within a budget.

### Better employee experiences










Hybrid working has created a number of challenges around productivity, collaboration and security. How do you keep your staff connected and secure, with all the data they need at their fingertips? With cloud adoption and burgeoning technology like 5G connectivity, you can bring all the tools your employees rely on together, creating an evergreen and accessible platform with low latency and high performance.

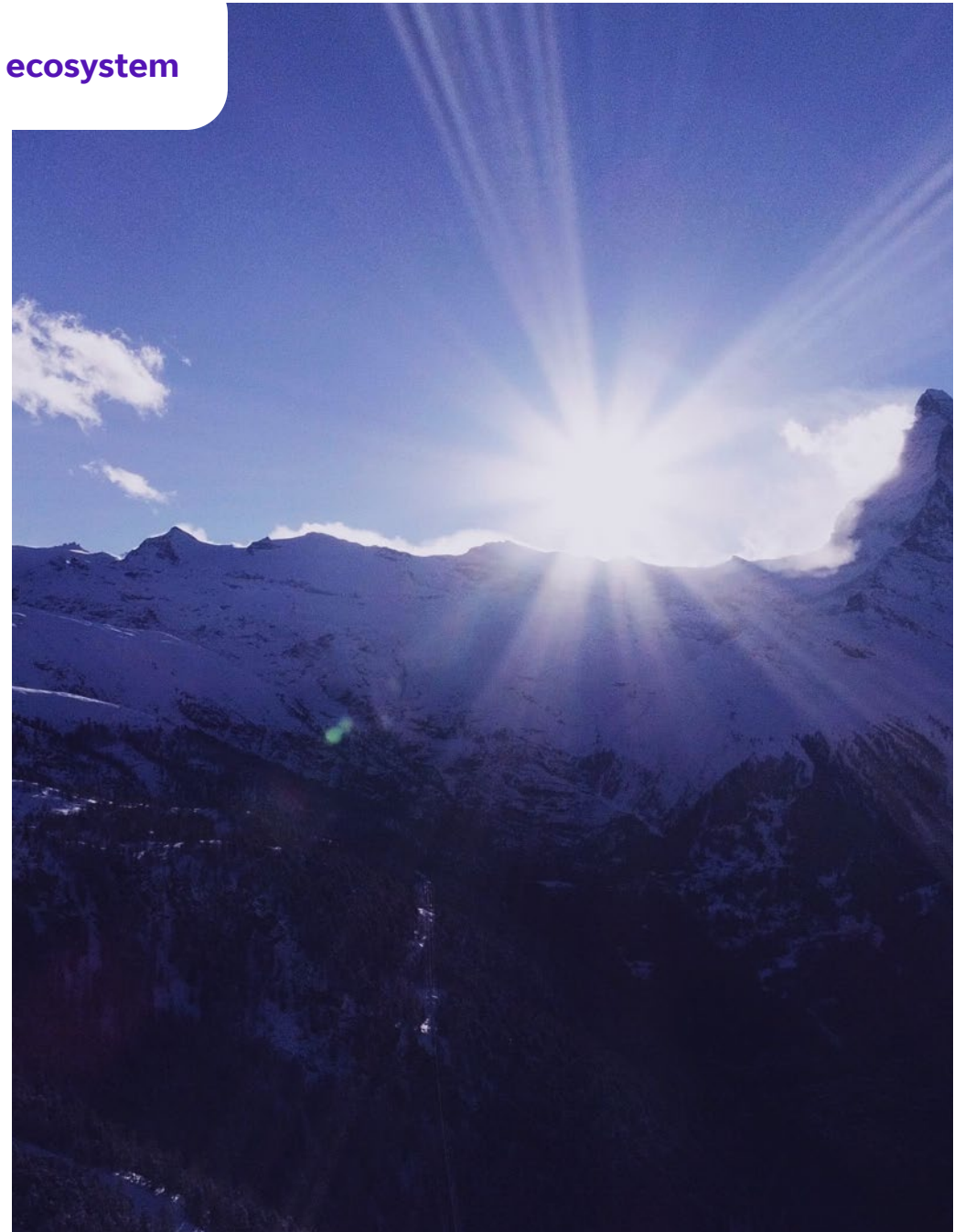
We use highly automated, portal-based orchestration for testing, simulation and implementation to achieve the best application performance and user experience. We also enable multi-channel communications, so your teams can communicate using speech, video and messaging across fixed and mobile devices and applications, including Cisco, Zoom and Microsoft Teams.



## The broadest financial cloud management and control ecosystem

We've the broadest and deepest cloud transformation and management solution on the market, meaning **you're in secure hands.**

-  BT portfolio – BT Compute and Connect, Contact, One Cloud Services
-  Award-winning financial services community cloud services Radianz and BT Trading and Command
-  Security built-in above and beyond standard requirements
-  Financial services regulatory compliance
-  No plans to enter the app space – ensuring non-competition with hyperscalers or SIs
-  Industry innovation via blockchain, AI and robotic process automation (RPA) patents
-  Vetted, trained and auditable professional services for design and delivery
-  Smart transformation consultancy to plan, roadmap and business case
-  Cloud partner ecosystem





## Partner and platform agnostic

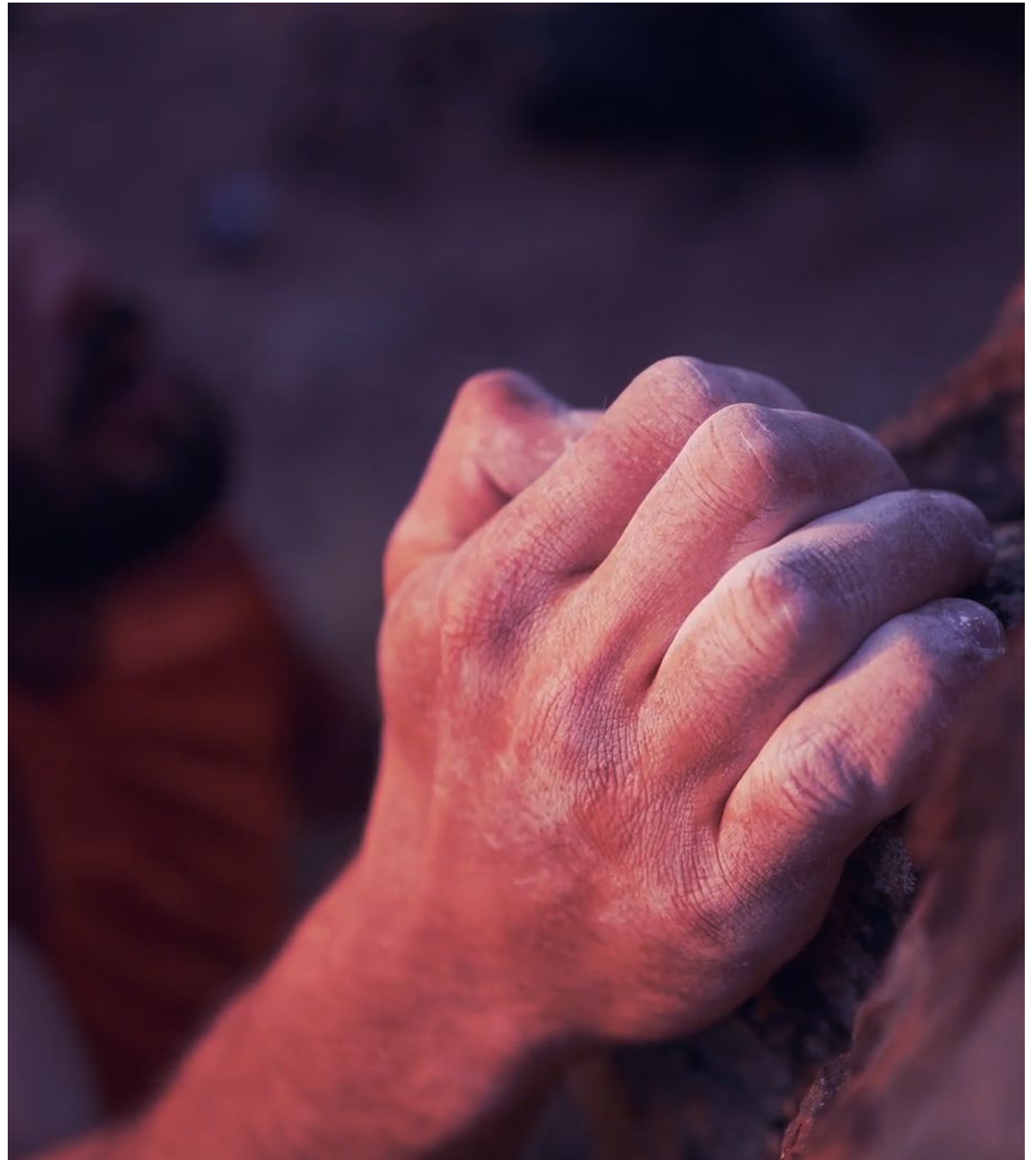
Our proprietary infrastructure and partnerships mean we plug into - and complement - the world's leading hyperscalers, SIs and in-house teams, so you have access to the best tools via a single provider.

## Skills oriented

We provide tools, training and expertise to complement your internal resources and make sure you maintain the right in-house skills for implementing, designing and optimising your cloud environment.

## Consultative

We're here to advise you on the best route to optimising your infrastructure and moving resources to appropriate clouds. We'll reliably connect your sites, people and customers to your secure, scalable cloud services. We'll underpin the provision of getting the right experiences to the right people



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**Reduce risks and increase rewards by talking to us today.**

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[Contact a specialist to find out more](#)