

# FINANCIAL SERVICES IN A CHANGED WORLD

*Is Your Company Ready to Support the New Ways  
of Working—for Customers and Employees?*

FROST & SULLIVAN VISUAL WHITEPAPER

## CONTENTS

- 3** The Hybrid Workplace Is Here to Stay
- 4** Why Financial Services Institutions Must Lead the Way
- 5** Key Industry Challenges, Trends, and Workflows
- 6** Rethinking How Employees Work
- 8** Reimagining the Customer Experience
- 9** Security, Privacy, and Compliance
- 10** Zoom Case Study
- 12** Frost & Sullivan's Best Practices for Selecting a Vendor Partner
- 13** Helpful Links



## The Hybrid Workplace Is Here to Stay

Globalization and digitization were transforming the way we work even before the global COVID-19 pandemic, but going forward, flexible hybrid workspaces will be the norm. With that comes the expectation of equity and inclusiveness for employees, and more personalized, meaningful experiences for customers.

There's a reason the hybrid model is here to stay. As they moved to a remote work environment, employees gained flexibility, time savings, and better work-life balance, while their employers saw operational savings, better business continuity, and access to a global talent pool.

Like so many other businesses, financial services institutions are undergoing a transformation in how they and their customers and partners do business. The maturity of cloud communications, collaboration, and contact center solutions—as well as flexible deployment options—have increased their appeal to financial organizations, leading to an increasing rate of adoption.

But as firms embrace this change, they must anticipate how technology evolves, as well as where, when, and how people work. As the financial services market gets more competitive, thanks especially to the rise of fintech, companies must do everything possible to ensure customer satisfaction and loyalty while also maintaining enhanced online security and regulatory compliance requirements and supporting their own new business models (including hybrid work). Clearly, financial services institutions must rethink how they can best support their customers and maintain client relationships that deliver higher value and bigger returns.

The right technology can enable this transition and help companies maximize productivity, flexibility, and scalability—all while supporting the privacy, security, and compliance protocols the industry demands.

### TOP 3 DRIVERS FOR INVESTMENT IN COMMUNICATIONS:



Elevating the customer experience



Improving teamwork



Enabling productive remote work

### COMMUNICATION & COLLABORATION TOOLS DEPLOYMENT STRATEGIES

**Key Takeaway:** A majority of financial services organizations are deploying tools to all employees with lesser focus on provisioning based on job roles and employee location.



**SIXTY-SIX PERCENT OF FINANCIAL SERVICES** organizations give all employees access to team collaboration tools. Webinars are provided to all employees within 62 percent of institutions and provided by 35 percent of organizations based on user role.

Source: Frost & Sullivan

## Why Financial Services Institutions Must Lead the Way

The onset of widespread remote work and the increasing digital transformation of traditional services have combined to alter the status quo within the financial services industry and highlighted the necessity for agility. Institutions must now be nimble enough to navigate away from emerging risks and toward opportunities.

In the increasingly competitive financial services landscape, it is imperative that businesses enable effective communications among siloed work groups, including frontline and back-office workers. A highly collaborative environment helps organizations optimize business processes, strategically tailor employee expertise to increase product and services quality, enhance customer service and support, and even uncover new competitive advantages. New tools, such as omnichannel Contact Center-as-a-Service (CCaaS), Unified Communications-as-a-Service (UCaaS), persistent team messaging, enhanced mobility, and robust video conferencing, offer better ways to collaborate with both internal and external users in a hybrid environment.

Like all companies, financial services organizations must deploy solutions that address current priorities and create possibilities to address future technology requirements and goals—but they also have to pay especially close attention to security, privacy, and compliance. To achieve this objective, institutions must leverage flexible application programming interfaces (APIs). Communications and collaboration features integrated with customer resource management (CRM), enterprise resource planning (ERP), help desk, compliance, and other business applications can boost productivity for different types of workers.

When integrated with vertical applications—financial and government databases, RSS feeds and tickers, shift scheduling, and more—collaboration technology can provide considerable value for faster, more informed decision-making in financial services workflows. These integrated solutions will also create opportunities to leverage data analytics on a much greater scale to identify opportunities, threats, trends, as well as inconsistencies and errors.



Leaders of financial institutions recognize the need to digitize their businesses in order to:

- ▶ Ensure customer satisfaction and loyalty
- ▶ Attract and acquire new customers
- ▶ Continually enhance security
- ▶ Maintain regulatory compliance
- ▶ Support new business models
- ▶ Address intensifying competition
- ▶ Enable employees to work from anywhere



Modern and efficient ways financial services institutions can serve customers include:

- ▶ Omnichannel contact center
- ▶ Multi-channel notifications
- ▶ Digital front door through self-service
- ▶ Integration of communications with vertical-specific solutions
- ▶ Process automation
- ▶ Building trust through rich-media collaboration (e.g., video conferencing)
- ▶ More effective training and information sharing among employees

**LESS THAN HALF OF IT/  
TELECOM DECISION MAKERS**  
in financial services perceive their organization as on track with digital transformation in their industry.

## Key Industry Challenges, Trends, and Workflows



### INDUSTRY CHALLENGES

- Increasing competition
- Customer retention
- Rising cost of capital combined with rising inflation
- Shift to digital and mobile banking
- Managing increasing amounts of digital data
- Need to balance business models and service approaches across different generations of customers
- Security breaches
- Regulatory compliance
- Need for personalized customer experiences
- Worker safety
- Antiquated applications
- Legacy IT and communication systems



### INDUSTRY TRENDS

- Fintech
- Blockchain
- Improving customer experience while reducing costs
- Shift from product/claims-centric to customer-centric services, based upon micro-segmentation
- Enhanced focus on cybersecurity
- Business process automation
- Growing importance of customer intelligence
- Digital platforms and omnichannel single-customer view
- Regulation driving digitization (regulated exchanges for digital securities)
- Leverage of IoT to drive personalization based on predictive modeling
- Decarbonization of the value chain



### INDUSTRY WORKFLOWS

- Client onboarding
- Money depositing and withdrawal
- Financial advisory services
- Investment planning
- Credit risk management
- Application management
- Asset valuation and collateral management
- Policy acquisition and servicing
- Claims processing
- Benefit disbursements
- Billing cycles
- Customer support and complaint management
- Regulatory reporting
- Internal staff coordination and collaboration



## Rethinking How Employees Work

Remote work and work from home are prevalent in the financial services industry; more than 80 percent of organizations have adopted these practices, including 16 percent that are fully remote.

Operationalizing hybrid work requires the redesign of many workflows, internal and external collaboration, and methods of interacting with customers. In the shift to more open offices that utilize less space more effectively, 56 percent of financial organizations plan to increase their small meeting/huddle spaces, and 39 percent will increase adoption of personal meeting spaces (such as phone booths and meeting pods). These will need to be equipped with the right technologies to seamlessly connect in-room staff with a constantly changing mix of remote participants.

**IMPROVING EMPLOYEE ENGAGEMENT** through unified communications and collaboration (UCC) investments **IS A STATED PRIORITY** among financial services organizations.



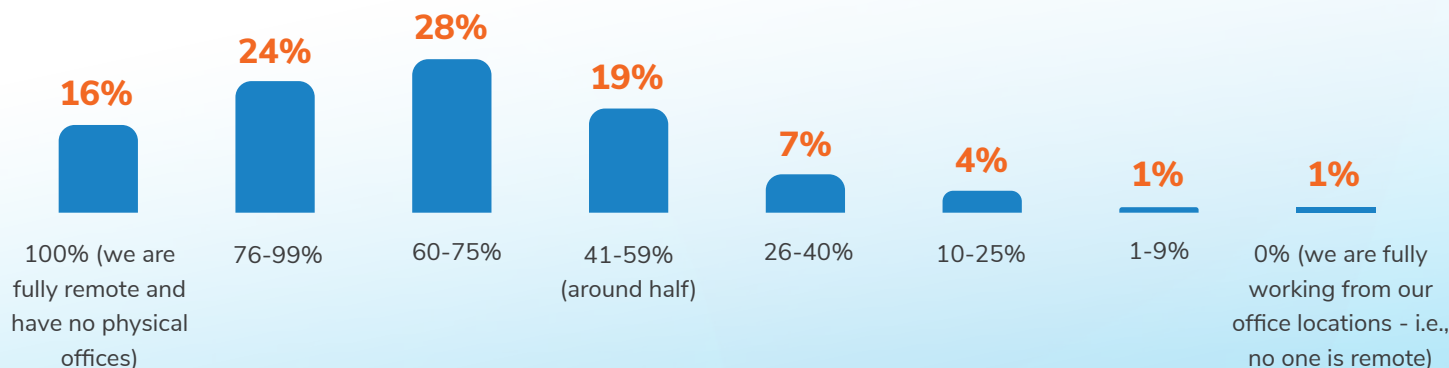
### FOCUS ON IN-PERSON EMPLOYEES

According to a recent Frost & Sullivan survey, 87 percent of IT/telecom decision makers in the financial services sector said their organization employs frontline workers—such as bank tellers, wealth management associates, insurance claims adjusters, and receptionists—who are in direct contact with and physical proximity to their customers in the office, on campus, or in the field. Increasing the availability of mobile-ready communications and collaboration solutions creates opportunities to empower these essential workers to make better decisions, faster as they work in real time with clients. Providing business-class communications and collaboration capabilities on mobile devices, modern cloud-based meetings, team messaging, and calling solutions helps align in-office and remote workers, increases employee productivity, and optimizes customer workflows.

# Rethinking How Employees Work

## WORKING FROM HOME

**Key Takeaway:** A large majority of financial services organizations have adopted work from home practices leading to hybrid work models, with more organizations going fully remote vs those that are fully in the office.



## WORKPLACE EVOLUTION OVER NEXT YEAR

**Key Takeaway:** With shifting employee preferences for improved work-life balance and focus on well-being combined with employer challenges to attract and retain talent, hybrid work will continue in the long term.



Source: Frost & Sullivan

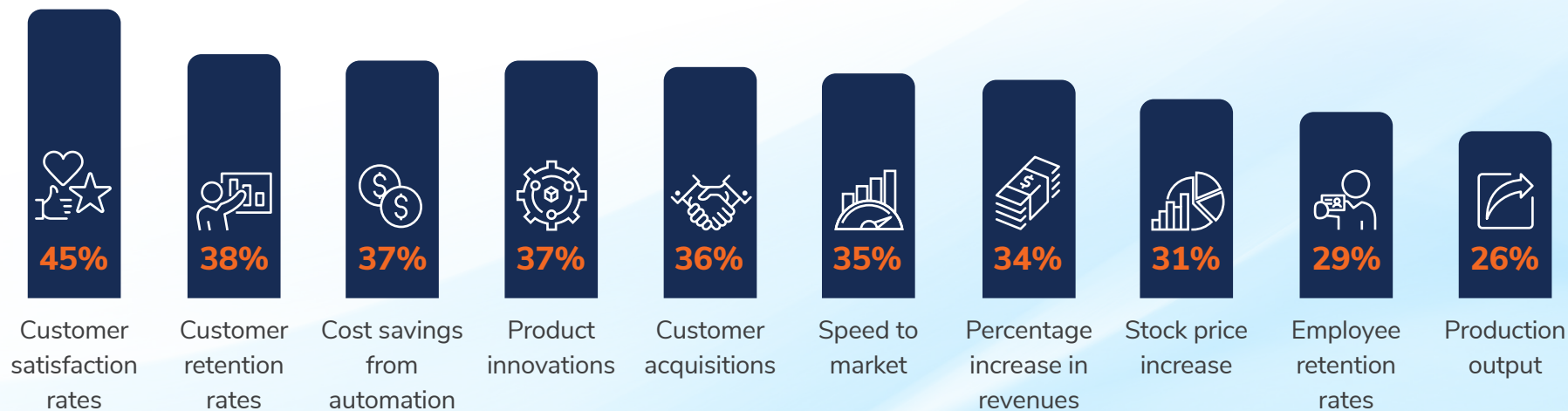
## Reimagining the Customer Experience

Customers want to be able to engage with a company on any channel, at any time, and on any device, all while getting a consistent, seamless experience. To stay competitive, financial services firms must be prepared to always meet customer expectations—and realize that those expectations are not only shaped by prior interactions with your organization, but also by those they've had with any organization in the past few months.

Many financial services institutions are turning to video and other communications tools to improve customer interactions outside of the traditional contact center toolset. Frost & Sullivan research shows that investing in customer experience technology is a comparatively higher priority among financial services institutions, and improving the customer experience is the top driver for their collaboration investments. Financial services firms are also increasingly integrating contact centers with conferencing and communications tools to collaborate with other departments. Improving teamwork is a top-three UCC investment factor.

### DIGITAL TRANSFORMATION SUCCESS MEASURES

**Key Takeaway:** Customer satisfaction and retention rates are the top-two indicators of digital transformation success.



Today, 50 percent of financial services firms employ **VIDEO CHAT FOR CUSTOMER INTERACTIONS**; another 44 percent expect to do so in the coming year.

Source: Frost & Sullivan



## Security, Privacy, and Compliance

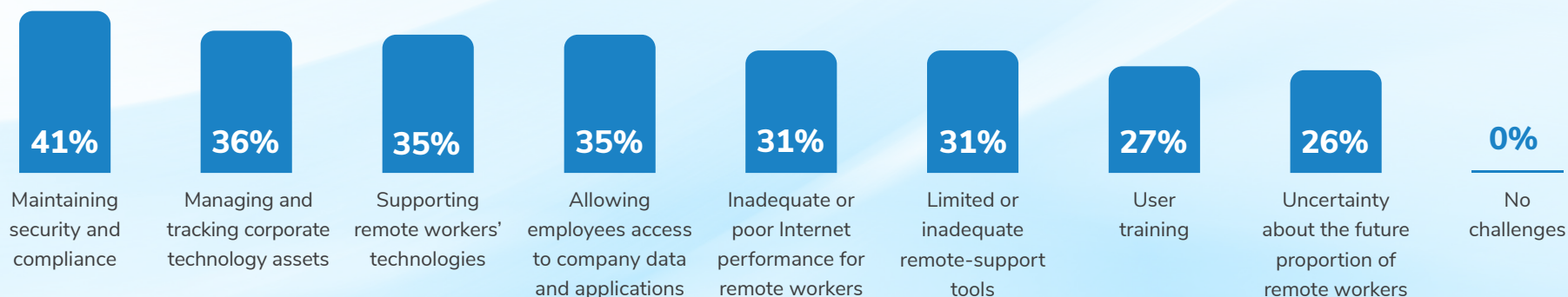
Financial services firms are ready to embrace the hybrid workplace. However, concerns about privacy, security, and compliance are heightened due to the implications of sharing sensitive customer and company information via digital tools, and by leveraging communications infrastructure shared with other organizations (such as through multi-tenant platforms). The nature of the financial services industry makes these concerns especially relevant here. Companies are rightly focused on the amount of personal data and private information they routinely exchange (and with whom), as well as the complex, strict, and ever-evolving regulatory landscape. Digital tools must take these factors into account and build security and privacy into their architecture.

Any communications and collaboration tools used by employees must meet regulatory and legal requirements. This makes it especially critical that organizations do everything they can to obviate the need for employees to look for and use their own technology for these purposes (BYOT). Instead, companies should deploy the necessary tools to all employees who need them, and then make sure those workers are trained on the technology to use it as protocols and regulations require.



### IT CHALLENGES IN SUPPORTING REMOTE WORK

**Key Takeaway:** Several top IT challenges are highly correlated, such as limited or inadequate support tools versus ability to support remote worker technologies and managing and tracking corporate technology assets, which are also affected by user training issues.



Source: Frost & Sullivan

## Zoom Case Study

Innovation and technology are part of Capital One's DNA. The financial services leader has embraced digital transformation throughout its journey from startup to top-10 US bank. So when employees began working from home during the COVID-19 pandemic, Capital One used Zoom to give them everything they needed to continue collaborating without interruption.

Managing Vice President of Technology, Melanie Frank, and Director of Unified Communications and Collaboration, Fred Love, shared five ways Zoom has helped the Capital One workforce stay agile, efficient, and productive inside and outside the office.

**1**

### An intuitive user experience

Capital One adopted Zoom as part of an enterprise-wide digital transformation, and "it took off like wildfire," Love said. "Users found it to be completely frictionless to start or join a video conference. It was so simple."

"Zoom was the easiest part of [our digital transformation] — it was the intuitive nature of the experience," Frank said. "People just picked it up, adopted it, and automatically saw it as better than the prior solution."

**2**

### "We can work from anywhere"

"With Zoom, we can absolutely work from anywhere," Frank said. "I can connect from wherever I am — in my makeshift home office, on my iPad from my back patio, from one office to another. It creates a feeling that we're all in the same room, no matter where we are."

"When we made that transition to working from home, it was almost seamless," Love said. "We had users who went from using Zoom in our office conference rooms, to using it on their home networks, and the experience was outstanding. Zoom can scale to support all our users working remotely."

## Zoom Case Study

3

### Collaborative features that “close the distance”

“Zoom closes the [geographic] distance and removes boundaries. Users can see each other, share content, and collaborate with colleagues across the US, UK, India, and the Philippines,” Love said. “Without Zoom, we would be struggling right now trying to search for a solution to allow our employees to collaborate while they’re remote.”



“Within Capital One, we use Slack as a collaboration solution and a workflow tool. We deployed an integration so users who are collaborating in Slack can very easily elevate that conversation to a Zoom Meeting,” he added.

4

### Enables human connection

“The quality of the video is so much better than what [employees] have experienced in the past — it just opens up brand new interactions. And even as we’ve moved into our current environment with working at home, we’re finding that people are much more open now to turning on their video, sharing more about themselves, and allowing that closer connection,” Love said.

“Now you’re coming into my home and I’m going into your home,” Frank said. “I might meet your kids and dog. We might have a show and tell, or a happy hour. That never would have happened if we were in the office or just connecting for a meeting like in the past.”



5

### Improves efficiency and “makes life easier”

Working from home has unlocked a new way of doing things at Capital One. “It’s forcing us to think and work differently,” Frank said. “Employees have gone from being able to meet with one or two clients per day, or even per week due to the travel aspect, to talking with four or five a day over video.”

“One of the key features we use in G Suite is the ability to schedule Zoom meetings from Google Calendar,” Love said. “The Zoom integration makes that process seamless so you don’t even have to think about it.”

“It saves time. It’s more convenient and more efficient,” Frank added. “It makes life easier.”



## Frost & Sullivan's Best Practices for Selecting a Vendor Partner

A combination of legacy and next-generation tools, tailored for each industry segment, can provide the greatest value to different workers based on their location and job role. Alongside the communications and collaboration technology typically used by office workers, financial services employees may also require specific integrations with the business software they use every day to do their jobs.

**Partner with expert providers that can assist with roadmap development and migration schedules,** integrations, and advancing your deployment to reap more business value from it.

**Rationalize investments that are not fit for your roadmap** or do not integrate with other investments.

**Extend and scale investments** to become available for more users and locations in the organization and ensure they are integrated with additional workflows.

**Seek solutions that deliver meaningful and actionable data** to use as part of your cloud migration strategy, as well as to better anticipate potential disruptions and opportunities.

**Prepare to support work from anywhere for the long run** by giving remote employees the appropriate tools for their tasks and locations, such as mobile devices, peripherals, and access to UCC functionality.

### KEY TECHNOLOGIES TO DEPLOY RIGHT NOW:

Communication and collaboration services that fully enable and support hybrid work

Business-grade devices based on user roles, including standard and ruggedized mobile phones and tablets, professional wired or wireless headsets, and wireless business phones

API-enabled integrations to embed communications within CRM, ERP, scheduling, financial, and productivity application

Training and support platforms

Sales and marketing automation solutions

Notification systems

eSignature, file-sharing, and document management software

Solutions that support industry compliance (including Gramm-Leach Bliley Act, NY DFS, PCI, GDPR, ISO/IEC 27000-series, SOC 1 & 2, Sarbanes-Oxley, Basel II)

Vertical-specific integrations and deployments (e.g., portfolio/asset management, debt collection, claims processing)

Artificial intelligence (AI)-enabled data reporting analytics

API/Communications Platform-as-a-Service (CPaaS)-enabled notifications and alerts

### LOOK FOR A PARTNER WITH INDUSTRY EXPERTISE:

- ▶ Internal subject matter experts (SMEs), channel, and technology partners
- ▶ Industry-specific certifications
- ▶ Tailored packaging and pricing
- ▶ Customized professional services



## Helpful Links

With **Zoom**, financial services institutions can build closer customer and employee connections and future-proof their business, all with the security and privacy controls in place that they need to remain compliant while they collaborate with confidence.





Growth is a journey. We are your guide.

For over six decades, Frost & Sullivan has provided actionable insights to corporations, governments and investors, resulting in a stream of innovative growth opportunities that allow them to maximize their economic potential, navigate emerging Mega Trends and shape a future based on sustainable growth.

[Contact us: Start the discussion](#)