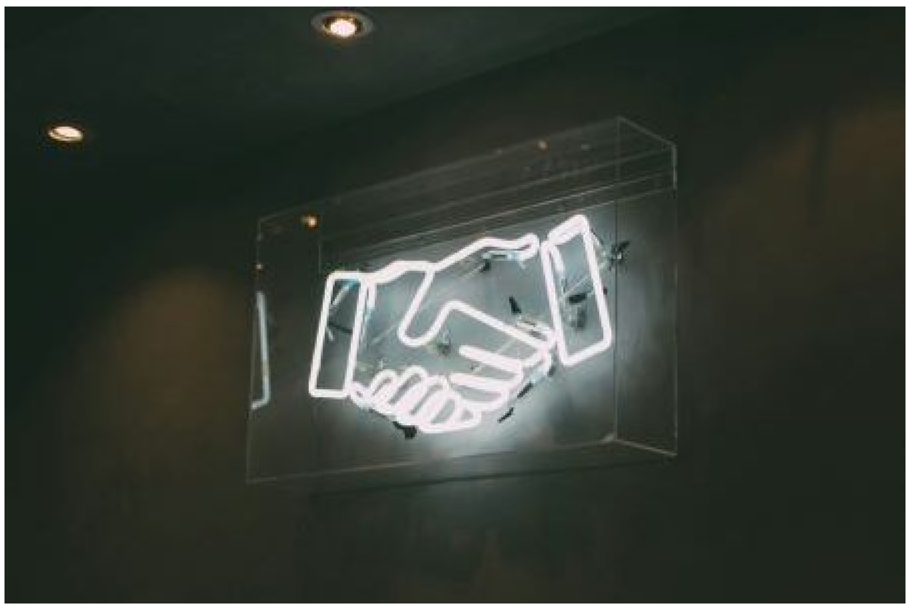
March 20, 2024

The Power of Collaboration

Iram Cook-Monie

Marek Lewandowski

To enable greater collaboration across the enterprise, banks need to look beyond the status quo and invest in innovative new technology that delivers a strong data strategy and uses AI, writes Mosaic Smart Data's Iram Cook-Monie and Marek Lewandowski. Collaboration is critical for banks seeking to get a holistic view of their transaction data and for different teams to be able to gain actionable intelligence from it.



Banks' IT spending has been consistently on the rise for the last two decades. In 2023, Gartner predicted that banks would spend around $650 billion on technology, and in a recent study about three-quarters of those queried said they were planning to invest more in 2024. A large portion of this spending, however, is likely to go to the same legacy software platforms that have created the spaghetti junction of siloed technology platforms banks are forced to deal with today. In reality, banks' priority should now be on investing in solutions that enable greater collaboration across the institution.

The challenge, however, is that while it's easy for banks to stick to the status-quo of existing siloed systems, driving adoption of innovative new solutions that enable collaboration requires a careful approach to change management.

WHY COLLABORATION MATTERS

In research conducted by MIT Sloan Management Review and Boston Consulting Group, more than three quarters of respondents reported improved collaboration within teams as a result of deploying a strong data strategy and use of AI. Collaboration is critical for banks seeking to get a holistic view of their transaction data and for different teams to be able to gain actionable intelligence from it.

Collaboration between the bank's sales and trading desks and across global departments ensures everyone has the same, standardised view of transaction data and delivers greater transparency and consistency. In addition, collaboration between a FICC desk and its clients and trading venues is enabled by achieving greater insights from transaction data and being able to suggest appropriate trade ideas at the appropriate time. This helps clients become more profitable and improves the strength of the relationship, improves trading venue management and performance and reduces fees if proactively managed.

Ultimately, the right set of data-driven collaboration tools can enhance productivity, maximise the output of a bank's transactional data, and make sure the business strategy is supported with FICC and data science expertise.

WHY EFFECTIVE CHANGE MANAGEMENT IS CRITICAL

Banks often task quants or internal development teams with building a solution from scratch or attempting to contort a generic analytics tool to meet their needs. Taking the latter approach can often feel like trying to fit a square peg into a round hole given the nuance of financial markets.

Once built, banks often don't see the widespread adoption across sales and trading that is needed to drive collaboration. Instead, only the most tech savvy can learn how to use the tool and others rely on them to fetch and sense check the data.

With any new solution or process, change management is required to successfully alter people's habits. This involves training, educational resources, updates and support as well as a way to understand if the project was successful and which metrics to track. Banks don't traditionally have anyone dedicated to this role, particularly given the current talent shortages. This means that MDs, business analysts, quants or technical teams must take on these roles on top of their day jobs, often without any change management qualifications or experience.

Working with a forward-thinking vendor can be a true bilateral relationship where the vendor plays a collaborative and supportive role and helps companies and desks advance and accelerate their existing agendas, without banks needing to do the heavy lifting.

Of course, the vendor must work with the bank's IT team to speed up the data strategy with a thorough implementation analysis, or IA, which helps produce benchmarking and a best practice plan of action. The end result is one database for multiple asset classes using the best of class data models – a fast and cost effective route to market.

This also helps circumnavigate the issue of data management teams and quants spending time on cleaning data instead of applying data to generate alpha or learning. The right vendor can provide clean data and advanced analytics that they can build on to focus on their core roles.

This is an important consideration against the backdrop of a widespread talent shortage, which is the number one challenge complicating the adoption of digital technologies, according to KPMG. Finding individuals who hold the required depth in technical knowledge and business understanding to implement digital tools in a sophisticated manner has become increasingly challenging. Partnering with the right vendor can be a solution to this challenge.

CHANGING HEARTS AND MINDS

Today, there are financial services specialists who know and understand the sector their customers work in and have already thought about, built and implemented the solutions to the collaboration challenges they face.

If you're a bank looking to make your FICC operations more collaborative using data, the case is clear. A use-case specific analytics offering with rich, tailor-made functionality is the quickest, most effective and future-proof route to deriving actionable intelligence from client transaction and market data across your entire FICC business.

• • • •

Iram Cook-Monie (https://www.linkedin.com/in/iramcook-monie/) *is Head of Customer Success at* ***Mosaic Smart Data (https://mosaicsmartdata.com/)****. With a background in science and sales, Iram is obsessed with making both customers and organisations wildly successful. By keeping her finger on the pulse of CS best practice and the voice of the customer, Iram has increased customer satisfaction, retention and revenue. Additionally, Iram has built CS functions from the ground up as the first CSM across various industries (FinTech, PropTech & LegalTech).*

Marek Lewandowski (https://www.linkedin.com/in/marek-lewandowski-70178725/details/experience/) *is Head of Sales at* ***Mosaic Smart Data (https://mosaicsmartdata.com/)****. Mr. Lewandowski has 20 years of experience selling technology solutions into Capital Markets, including multi-asset sales experience (FX, Rates, Equities) that includes stints at FlexTrade, HSBC, TradingScreen, Tradeweb and Bloomberg.*

Photo Credit: charlesdeluvio (https://unsplash.com/@charlesdeluvio?utm_content=creditCopyText&utm_medium=referral&utm_source=unsplash) on Unsplash (https://unsplash.com/photos/human-hand-neon-signage-AT5vuPoi8vc?utm_content=creditCopyText&utm_medium=referral&utm_source=unsplash)