

SECTOR

# Financial Services

## A key moment; some big opportunities.

We've worked with our Financial Services clients over many years on a broad range of activities, from strategy development through to delivery of large-scale transformational change. However, it is far from business as usual in the sector at the moment. The industry is going through a significant period of change and there are many challenges that financial institutions are facing. But there are also some big opportunities.

Below, we have highlighted four areas which are currently particularly relevant to many FS organisations. They are also ones where we have both significant insight and capability.

### Implementing regulatory reform and compliance

More significantly, however, many organisations are struggling to deliver successfully the scale and complexity of change that is required. With over 40 further pieces of European and UK legislation potentially coming into force over the next five years, including major elements such as MiFID II and MAR, the regulatory burden is unlikely to ease. Meanwhile compliance continues to be a major issue, as indicated by recent examples of major breaches of rules and regulations.

### Managing operational risk

Since the financial crisis, the regulatory bodies have tightened up requirements on the management of operational risk significantly. Financial institutions are finding it hard to build the capability to identify and monitor risk to ensure compliance, especially when they are operating across so many markets and territories. This failure to deliver a more robust response to managing operational risk can be expensive both in terms of the significant fines being imposed for compliance breaches and the impact it can have on capital requirements.

### Delivering digital transformation

The business world has increasingly become a digital world. As many financial services organisations are discovering, this is both an opportunity and a threat across the retail and wholesale markets. Making the most of digital opportunities and successfully landing the organisational transformation that this requires has become critical. The challenge is how to ensure differentiation by redefining and

*"In financial services, changing behaviours to restore trust and reputation is currently one of the most important challenges, and one of the hardest. We can help you accelerate your culture change by making it come to life through your business strategies, your projects and the way you lead and manage your people."*

**Simon Close**  
Partner



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reinventing the customer experience. In retail markets this is particularly challenging, requiring insight into the needs of the next generation of financial services customers.

### Exploiting big data and analytics

The combination of better analytics capabilities and the availability of large volumes of data means that 'big data' is more important now than ever before. The vast amount of data that most financial services firms have to deal with means that the opportunity to exploit 'big data' is particularly relevant to the sector, ranging from new customer insights through to enhanced fraud management and more effective operational management.



### How can we help

We know financial services well with a broad range of experience across the banking, trading, insurance and investment management sectors.

We understand the regulatory and operational risk environments particularly well and are in the relatively unique position of working with both the key regulatory bodies and a number of leading market players. As a result, we genuinely know what it takes to tackle the big complex demands of responding to regulatory change and managing operational risk more effectively.

In the areas of digital and 'big data' our experience of working in other sectors such as retail and FMCG gives us some real

insight into what the leading organisations are achieving and what is key to their success in exploiting these technologies.

Across all four areas that we have highlighted, developing the right strategies and then delivering effectively is key. Effective delivery, for example, requires the right people in the right place; a clear direction on what to do and when; setting strong foundations at the start of the projects; controlled onward delivery and visibility throughout to avoid any unpleasant surprises. We exploit our expertise of delivering excellence in all these areas to fill the gaps in your teams and do what it takes for your organisation to be successful.



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### We are often asked to:

- Set executable Finance, HR, IT, Digital and Business Strategies.
- Lead Finance, HR, IT, Digital Transformation.
- Make your technology work for you through maximising use of Big Data and Analytics, Leveraging the Cloud and Implementing Major Technology Programmes.
- Facilitate transformation through delivery, mobilisation, turn-around, Change Management, Portfolio Management and selecting the right suppliers.
- Maximise business performance through developing and embedding Business and Financial Modelling, Target Operating Models and post-merger Integration.
- Lay the right foundation for success through Investment Appraisal, Operational Due Diligence and Programme Assurance Reviews.
- Get the most out of your people through Coaching.

The full range of our services can be found on the [website](#).

## Our experience

Berkeley has worked in Financial Services since the day we were formed. We've worked across all of the major Financial Services sub-sectors including retail banking, capital markets, insurance, investment and wealth management, market bodies and regulators.

### Below are some examples of current and recent work across the Financial Sector:

- Working with a key financial regulator to implement a customer credit regulatory regime bringing 50,000 new firms under the jurisdiction of the regulator.
- Working with a leading global bank to transform its operational risk management capability in a three year programme that will impact each of the bank's four global lines of business and 74 countries of operation.
- Creating and implementing a transformative HR strategy for one of the world's largest banks.
- Developing a new operating model for an investment management business in response to opportunities created by proposed regulatory changes in the market.
- Defining an IT strategy for a leading London Market insurer, focused on delivering right-sized front-office capability for new markets and lines of business, supported by a core set of platforms for the back-office and claims handling.
- Helping a leading UK-based specialist financial services group to define and deliver a new customer service programme.

