



POINT OF VIEW

Thriving amid financial services disruption

A guide to drive transformation at the intersection of experience and technology with Deloitte and ServiceNow

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The current state within financial services

Regardless of the regulatory, economic, and hiring challenges over the past few years, the financial services industry is more able and ready than ever to approach new, more productive ways to deliver value.



From banking to insurance, to real estate, investment management, and capital markets, financial services have weathered waves of unprecedented uncertainty.

In these challenging times, not all organizations have optimized their technology investments, resulting in increased risk and reactive approaches. This has uncovered new truths—with many realizing they lack the infrastructure to drive end-to-end value.

Yet, amid these challenges, institutions have shown resilience and adaptivity. Globally, the financial services market is expected to grow from just under \$25,900 billion USD in 2022 to nearly \$37,500 billion USD in 2027, at a compound annual growth rate (CAGR) of 7.75%. The coming years hold opportunity to drive speed, scale, and insight with the right strategies and tools.

On the heels of the [2023 Workflow Automation Trends report](#), which dives into five oncoming workplace trends for 2023 and beyond, Deloitte and ServiceNow will outline how they're re-architecting work by helping financial institutions to:

- Effectively adopt new, leaner operating models
- Build a seamless employee experience to better attract and retain talent
- Accelerate and amplify value with mergers and acquisitions
- Proactively manage risk and remain compliant amid increasing regulations
- Adopt an end-to-end technology environment to embrace speed and agility

The uphill climb for financial services



EXPECTATIONS

Customer and employee expectations have drastically shifted over the past few years—demanding more from organizations when it comes to service, support, and topics, like environmental accountability.



TALENT

The onset of hybrid work has reshaped the working environment—putting pressure on organizations and CEOs to increase the effectiveness of their current workforce while attracting new talent to drive the bottom line.



REGULATIONS

Financial regulations are tightening amid new governmental guidelines—intensifying the importance of discipline and agility when it comes to compliance.



ECONOMIC VOLATILITY

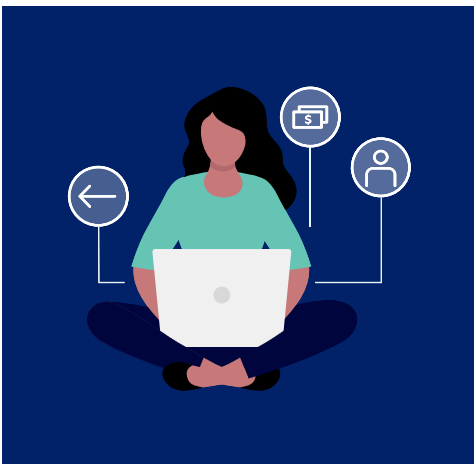
In the wake of economic uncertainty and growing competition from online banks and Fintechs, financial services organizations should build a strong foundation to sustain the potentially challenging times ahead.

The re-architecting of financial services

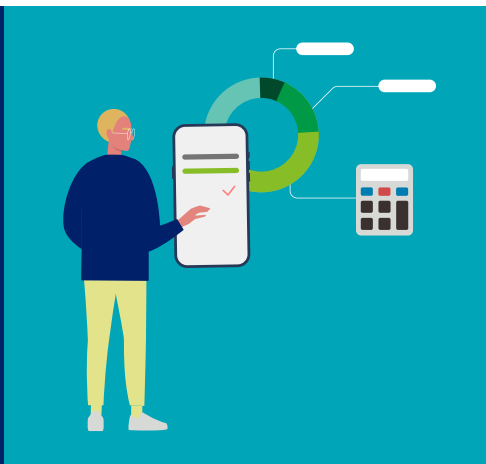
Disruption is everywhere—and it’s interconnected. Market factors, disjointed experiences, unstructured processes, and antiquated, siloed systems can hold organizations back from making an impact.

Today’s organizations should evolve and adapt to stay relevant—connecting insight, experience, and ecosystems to foster growth through transformation. Deloitte and ServiceNow can help organizations to absorb digital disruption with a single financial services system of action.

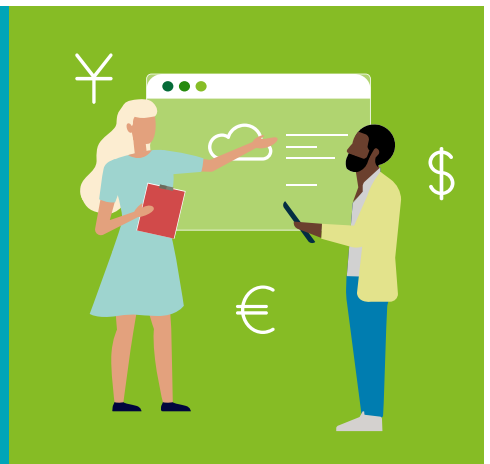
Combining deep industry knowledge with automation through process bionics, organizations can optimize operations and make proactive business decisions. Deloitte and ServiceNow are helping create a more efficient industry and building towards a brighter future by focusing on three paths.



1
Digitize workflows for more streamlined operations



2
Connect the enterprise to help elevate experience



3
Use technology to help build a proactive, digital business



1

Digitize workflows for more streamlined operations

Customer expectations are on the rise with **59% of retail bank customers** expecting their financial firms to provide more than just services—instead actually helping them improve their financial health. But the paper- and email-based processes that still run rampant in many institutions can create poor, disjointed experiences for customers that ripple across the organization. As pressures from digital banks and Fintechs intensify, traditional financial institutions should focus on optimization tactics to compete.

CUSTOMER STORY

Global asset management company

Transforming client service by automating requests into a single channel

3,500+ financial advisors were having to raise issues and queries via multiple manual channels, including email, phone, and paper. The internal team of around 120 employees were responding to and monitoring these requests using ineffective tools like email and spreadsheets—risking siloed working and resulting in poor client and employee experiences.

THE SOLUTION:

Deloitte and ServiceNow implemented a financial services operations workflow solution to create a single external portal for client issues and inquiries. With automatic workflows and tasks, cases were assigned and fulfilled rapidly, so financial advisors could ensure client satisfaction.

- | | | |
|--|---|--|
| 8
catalogs centralized into a single portal instance | 3,500+
advisors accessing the FSO portal on a regular basis | 10+
teams following a standardized fulfillment process |
|--|---|--|

BUILD LEANER, FASTER OPERATING MODELS

Financial firms are tasked with a balancing act—navigating the economy, satisfying customers, preparing for high-impact events, and keeping up with regulations. Over **60% of global CXOs** believe we could see occasional or regular disruptions of the same scale as the pandemic in the future—meaning leaders need to be able to deal with multiple high-impact, unlikely events at any moment. When operations can run more smoothly, it gives leadership teams the space to focus on critical issues.

Injecting efficiency into operating models is paramount to muffle the noise that distracts employees and leaders from what’s most important. At best, the right operating model can reduce cost pressures and bring focus to operations without losing capability or quality. In doing so, the customer experience can drastically improve—often leading to more satisfied customers and better business outcomes.

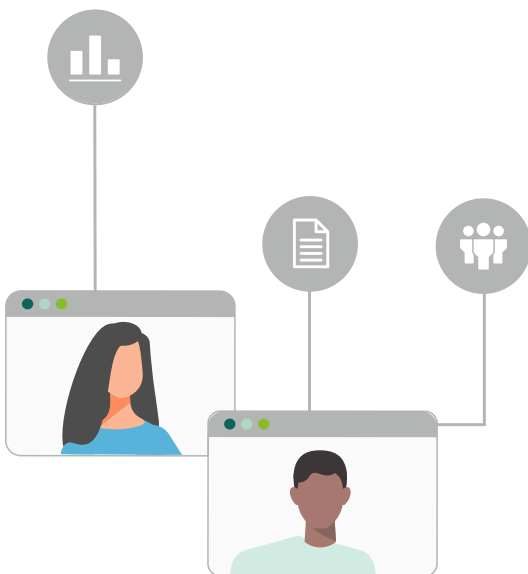
But identifying the best opportunities and knowing where to start isn’t always clear. That’s where Deloitte and ServiceNow specialize. By building digitally enabled workflows and automated controls, firms can empower the front office to deliver the best experience possible while the middle and back-office focus on the work that matters most.

Digitize workflows for more streamlined operations

KEEP PACE WITH EVOLVING REGULATIONS

From sustainability and privacy to financial inclusion, diversity, and equity, regulations are being driven by a variety of governing functions. As the regulatory perimeter expands, firms should respond quickly while remaining disciplined in how they manage critical aspects of their business. And, while many regulations may apply globally, some are specific to certain geographies—making it critical to address regional differences and act accordingly.

With the consistency of an end-to-end system view, institutions can adapt to regulatory changes as they arise and keep pace with compliance requirements. Deloitte and ServiceNow help guide organizations through the evolving regulatory landscape, across a range of financial services specialty areas. Together, we take a proactive approach to regulation and compliance—designing workflows and controls that satisfy regulatory bodies. Our top-tier governance, risk, and compliance model is built-in and constantly monitoring for gaps, so you remain compliant amid the ever-changing regulatory environment.



Capture the opportunity

Starting with a foundation of optimization is critical to financial services success. A lean, fast operating model backs an organization with the agility needed to absorb change and remain compliant.

CUSTOMER STORY

Global universal bank

Building an automated solution for complying with a UK financial services regulation

A new regulation meant banks needed to respond quickly and effectively to requests for information by the UK court and law enforcement, but manual collection and assignment of incoming requests through email was highly inefficient and delayed the process.

THE SOLUTION:

Deloitte and ServiceNow designed and built an external portal for agencies to request information directly. With a streamlined case management tool that used trackable case e-receipts instead of email, the automated process made the request process more efficient and effective for all parties. Real-time monitoring and automated reporting dashboards helped to assure that everything was running smoothly and met regulatory compliance requirements.

80+

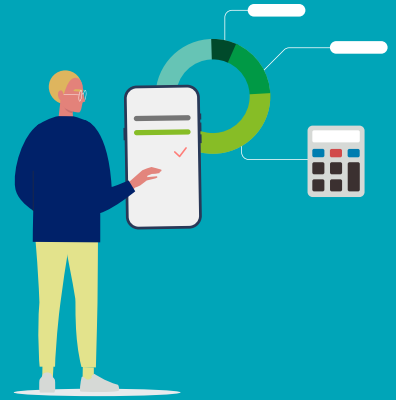
manual hours saved over 3 months

97%

decrease in breaches

1

day average request turnaround



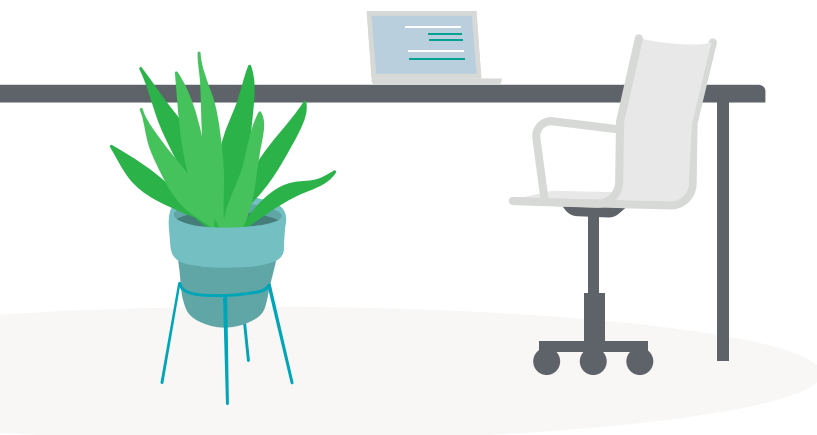
Connect the enterprise to help elevate experience

Employees have come to expect more from their work environments and employers. Today, **62% of financial services employees** say their experience as an employee can positively impact their ability to serve their customers. Yet, less than half of employees say their organization delivers on employee experience and satisfaction. Employees are a key piece of building a connected enterprise. With a correlation between employee satisfaction and organizational success, maximizing the effectiveness of the current workforce is more important now than ever.

TRANSFORM EXPERIENCE TO NAVIGATE A TIGHT HIRING MARKET

Nearly every industry has been impacted by the evolving labor market. Especially with the growth of the financial services market, it's becoming increasingly challenging to find, hire, and retain the right talent. Increasing technology needs have amplified skills gaps, so when institutions find the right people, it's critical they think about the required infrastructure for employees to succeed. Outdated point solutions will no longer cut it. With siloed, disconnected systems, employees deal with a mountain of friction points in their day-to-day work.

Deloitte and ServiceNow help empower the people who power the business. By building a tailored experience to access services across the enterprise, companies can equip their employees to seek out information and support on their own. When that information is relevant and applicable to their role, organization, and geography, they're more likely to be successful in their role. As a result, employees can focus on the work that drives the most value. This creates a more connected ecosystem to build on the foundational operation models already discussed.



Connect the enterprise to help elevate experience

ACCELERATE VALUE WITH MERGERS AND ACQUISITIONS

Mergers and acquisitions (M&A) can be game-changing moments for an organization as they create a new trail of positive impact and uncover new opportunities. While the impacts of the COVID-19 pandemic slowed M&A progress, 2021 was a record year for M&A activities with \$5.9 trillion USD announced globally.

As M&A ramps back up, they're driving companies to focus on process changes that bring efficiency and optimize spend. But to successfully migrate, organizations need a strong foundation with a unified experience so that they can realize benefits and synergies early while they go through often lengthy post-merger integration activities. Streamlining should be a top priority—removing duplication of systems while integrating processes and consolidating operations.

Deloitte and ServiceNow understand the world of M&A activities. ServiceNow provides an effective integration fabric to use workflows to integrate and consolidate previously separate and duplicate processes. With an experienced team supported by the workflow execution of ServiceNow, organizations can tackle M&A activities with less uncertainty and a clearer path to accomplish more.



Capture the opportunity

In the new digital-first world, experience is everything. With unified access to services across the enterprise, organizations can remain agile amid changes like M&A activities to provide clients with the service they expect.

CUSTOMER STORY

Australian health care insurance provider

Implementing low-touch employee onboarding and offboarding to help streamline seasonal hiring

With a vision to deliver a simplified and human-centered approach to employee experience, the current manual and disconnected onboarding process wasn't cutting it. It required significant employee time and did little to engage new employees. An efficient and streamlined onboarding process was needed to bring employees up to speed faster and keep operations moving.

THE SOLUTION:

Deloitte and ServiceNow were able to connect three siloed systems and processes for hiring managers into a single and unified experience across health insurance, health services, and aged care. Together, we reduced time to resolution on onboarding issues from weeks to one day. Data insights across the entire process provided better visibility of non-compliance, which empowered the hiring managers and support groups that are involved. New employees now have greater visibility into their manager and team—helping establish connections to provide an even better Day 0 and Day 1 experience.

3

siloed hiring systems unified into a single experience

1

day resolution for onboarding issues, compared to weeks

Visibility

into manager non-compliance throughout the process

Use technology to help build a proactive, digital business

Once critical workflows have been digitized and there's a connected services experience, firms can work to scale technology across their business. In many traditional institutions, technology has been scattered across the enterprise in the form of point solutions and one-off tools. Cloud migrations are one tactic to unite the technology landscape—**85% of businesses** are using two or more cloud platforms, and 25% are using at least five. But as the world of multi-cloud grows more complex, it presents its own set of opportunities and challenges for IT departments.



CONNECT SPEED AND AGILITY WITH MULTICLOUD ENVIRONMENTS

Cloud migrations and agility go hand in hand, but as the number of tools and capabilities grow, many organizations aren't seeing the returns they expected. Building a solid foundation for migration and financial management of cloud operations can help technology hyperscale across the enterprise with a higher level of scrutiny.

Deloitte and ServiceNow help institutions rise above multicloud complexity with a single pane of control. The plan, build, and run approach gives IT departments an end-to-end picture of their technical elements, how they're operating, and a view into financial spend across one or many cloud providers. With a fully connected IT landscape, institutions can better absorb change and optimize costs while keeping pace with more technologically advanced Fintechs.

Capture the opportunity

Many financial services firms aren't seeing the returns they expected from their cloud migrations. But by taking a step back and uniting around a plan, build, run framework, firms can create a connected technology ecosystem to realize operational gains.

CUSTOMER STORY

Global investment bank

Creating service mapping to support global cloud transformation

As an early adopter of ServiceNow, the bank's existing ServiceNow instance had become heavily customized and increasingly complex over 10+ years. To support the migration of their 4,000+ applications to the cloud, the bank needed to create a standardized approach to evaluate, model, and validate their business and application services against the dynamic infrastructure that the public cloud would introduce.

THE SOLUTION:

Deloitte and ServiceNow were engaged to evaluate the existing configuration management database (CMDB) structure, create a roadmap and standardized data model, and implement a repeatable template for item mapping. The bank now has a standardized data model for the mapping of business and application services to guide the migration of services from the legacy on-premises environment to the public cloud—allowing for expanded visibility, improved SLAs, and greater efficiency.

1

standardized data model to guide migration

Expanded

visibility, improved SLAs, and greater efficiency

THE ROAD AHEAD

Our financial services approach



As the pace of change continues to accelerate, multi-year transformations take up valuable time and emphasize execution risk. Financial institutions across the globe must harness an agile operating model at speed to navigate the path ahead.

The new, more complex world of financial services requires a single platform to connect everything in one place. By building the right foundation through these three paths, financial services institutions can make the most out of their investments to compete in a crowded market.

But the answer is about more than technology—business advisors and trusted knowledge are needed to drive operational transformation at scale. Deloitte and ServiceNow can empower financial services leaders at the intersection of capability and technology.

Deloitte has an extensive list of specialists who live and breathe financial services, while ServiceNow provides the support and enablement capabilities to bring strategy to life. Together, Deloitte and ServiceNow help clients get solutions up and running in weeks, not years. Our combined approach addresses transformation through an incremental approach to realize value faster.

By tapping into the extensive financial services knowledge of Deloitte, and the low-code platform of action from ServiceNow, together we can build a better tomorrow for the industry and the people it serves.

“The future of financial services rests on the ability to future-proof operations and rise above unavoidable challenges. Deloitte and ServiceNow can provide you with the industry knowledge and technology to help you operate with confidence and stay one step ahead.”

LUCINDA CLEMENTS Global Alliance Lead, Deloitte MCS Limited

The climb to excellence will always be upward.

Deloitte and ServiceNow help financial institutions absorb the continuous flow of disruptions and build transformation into their DNA.

CONTACT OUR FINANCIAL SERVICES TEAM



Asish Ramchandran
Global Chief Commercial Officer
ServiceNow Alliance
Deloitte Consulting LLP
aramchandran@deloitte.com



Lucinda Clements
Global Alliance Lead
Deloitte MCS Limited
lclements@deloitte.co.uk



Larry Larmeu
UK Alliance Lead
Deloitte MCS Limited
llarmeu@deloitte.co.uk



Roderick de Guzman
APAC Alliance Lead
Deloitte Touche Tohmatsu
roddeguzman@deloitte.com.au



Justin Chu
Canada Alliance Lead
Deloitte Canada
juschu@deloitte.ca



Andre Pedro
EMEA Alliance Lead
Deloitte Portugal
apedro@deloitte.pt



Travis Budisalovich
US Alliance Lead
Deloitte US
tbudisalovich@deloitte.com

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