Deloitte.

Together makes progress

How can banks accelerate productivity in ***IT delivery?***

Rethink third-party relationships with Deloitte's GenAI-powered alternative technology delivery model and on-demand talent augmentation.

In brief

1

Deloitte helps global banks deliver technology projects faster by providing skilled teams where and when they're needed.

2

By combining advanced AI automation with proactive solutions, we help organizations boost efficiency and adapt quickly.

3

Our flexible approach ensures access to top tech talent and strong oversight, so every project delivers real value and stays aligned with business goals.

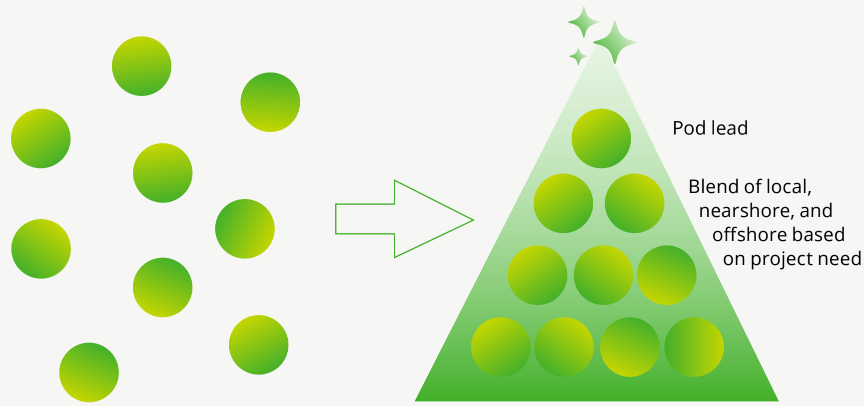
The contingent talent problem

Global banks face a dual problem: they need to keep innovating to stay ahead, but finding the right tech talent to make that happen is harder than ever. New technologies and changing regulations mean banks have to move fast, yet bringing in the right people with the right skills is a constant challenge. Many turn to a mix of hiring, outsourcing, and AI tools, but this often leads to confusion, uneven results, and missed opportunities on their most important projects.

New technologies and changing regulations mean banks have to move fast

Current state

Deloitte staff augmentation and alternative delivery



Current state

- Contingent staff come from many sources
- Highly fragmented and operate independently
- Internal staff are stretched too thin to manage quality
- Hiring across all levels becomes time consuming leading to open requests and increased communication time

Deloitte staff augmentation and alternative delivery

- Pod focused delivery where Pod Lead manages quality, outcomes and resourcing under client
- Pod construct including capabilities, experience level, location can be customized by project need
- Recruiting onboarding and delivery governed by Deloitte
- Delivery accountability and responsibility is done by client
- Deloitte is actively engaged, consulted and informed around team performance management
- Based on scale can construct client-specific upskilling that provide capability and culture training to maintain virtual bench

Global banks and large enterprises are accelerating AI-enabled outsourcing to fuel their digital transformation

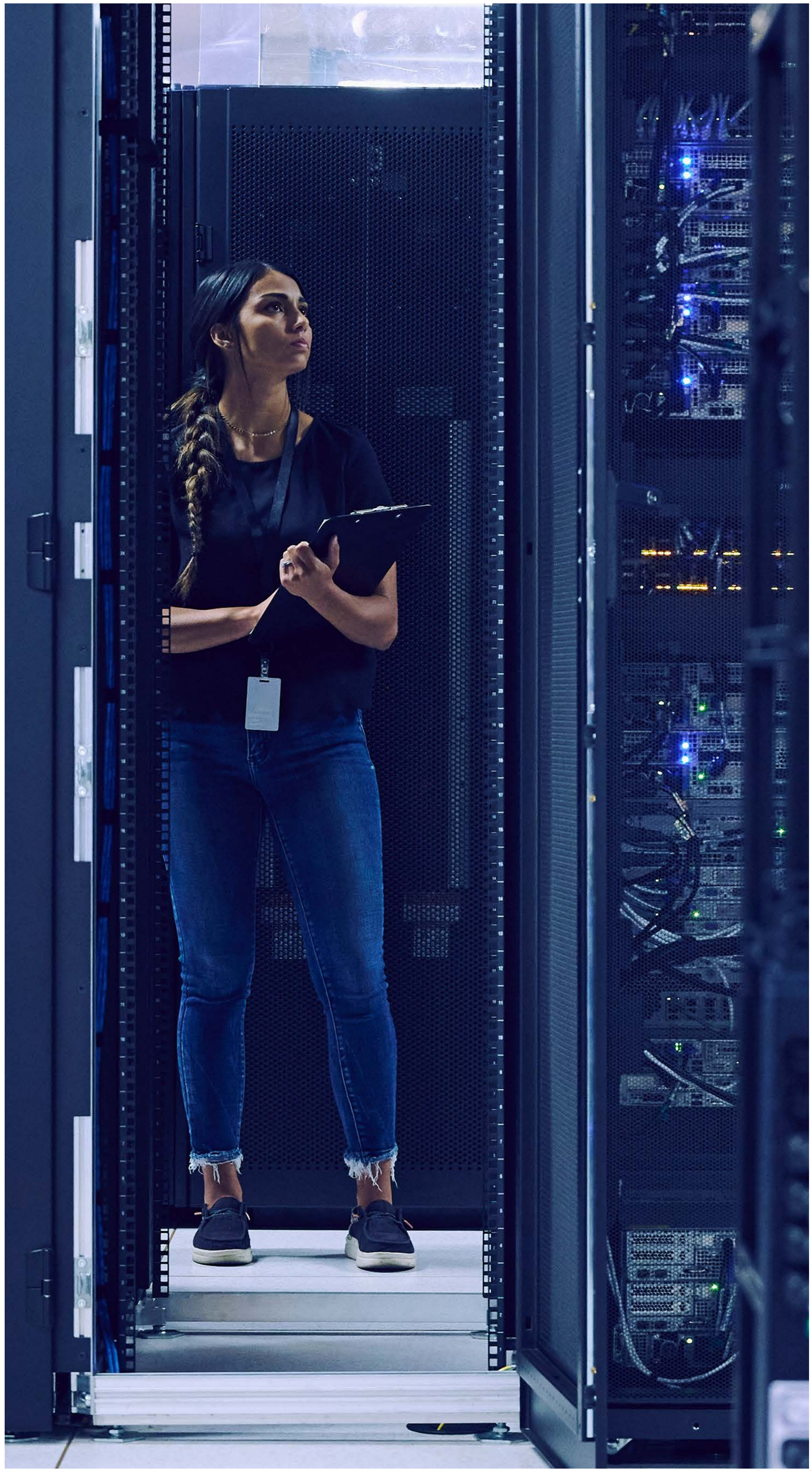
1. The banking industry ranks as one of the largest spenders on technology. According to Gartner, the banking and financial services IT spending as a percentage of revenue is 6.8%, and the IT spending distribution on application development is 28%.[1]

2. 67% of executives now prefer outcome-focused managed or operated services compared with just 29% using traditional talent augmentation, 83% already embed AI in outsourced services; and only 20% have a formal “digital workforce” strategy.[2]

3. By 2027, more than 40% of large enterprises are expected to deploy agentic AI agents for IT operations, up from less than 10% in 2023.[3]

4. Only 20% of executives report their Vendor Management Office (VMO) oversees extended workforce strategy; 70% acknowledge gaps in governance maturity.[4]

5. AI could boost engineering productivity by 55% and reduce banks software investments by up to $1.1 million per engineer by 2028.[5]



The problem to solve

The old way of running IT in banks is facing extinction. AI and new technologies are rewriting the rules for how banks build and manage their systems. Sticking with outdated tools and patchwork solutions is no longer an option. Banks need to adapt to survive in this new world.

Key challenges:

1. **Outdated operating and IT delivery models:** Agentic AI is driving the convergence of product and technology delivery, enabling teams to co-create solutions that respond instantly to market shifts. Large global banks need to rethink their talent and delivery continuum.[6]

2. **Legacy technology infrastructure:** Legacy systems can be particularly problematic for next-gen business outcomes. Consequently, deploying modern, efficient software can be a daunting task.

3. **Increased scrutiny for regulatory compliance:** All stages of the SDLC must adhere to checks and controls to ensure security, privacy, and legacy system compatibility.

4. **Lack of predictability and tracking of productivity:** Ability to reliably measure and forecast the output of their IT delivery teams. Fragmented metrics, inconsistent reporting, and varying skill levels across teams create uncertainty in project timelines, cost management, and overall transformation effectiveness.

5. **Shortage of specialized talent:** Competition with fintechs and big tech makes it hard to secure top engineers, AI specialists, and data scientists.

6. **Cultural inertia:** Slow adoption of new technologies and ways of working reduces impact and speed-to-market.

7. **Lack of agility and productivity:** Traditional operating models slow product launches and limit competitiveness.

8. **Governance gaps:** Fragmented sourcing leads to inconsistent quality and poor accountability.

9. **Overstretched internal teams:** Leaders must manage multiple vendors, reducing focus on outcomes.

10. **Inefficient hiring processes:** Long recruitment cycles delay delivery and compromise quality.

Going beyond traditional talent augmentation: Rethinking third-party relationships and technology outsourcing models

Third-party relationships have been critical to accelerating digital transformation journeys across all global banks. Though each has taken different strategies, balancing in-house and third-party outsourcing and ensuring value from investment has been an evergreen challenge.

Talent augmentation remains a valuable lever—particularly in sustaining legacy systems and ensuring operational resilience. Outsourcing is no longer just about adding capacity; today, augmented teams can be equipped with AI-driven tools that enhance productivity, streamline delivery, and unlock new efficiencies. However, banks that rely solely on talent augmentation risk addressing only part of the equation: keeping the current infrastructure running.

For long-term results, relationships must evolve beyond cost arbitrage toward delivering strategic value. The most effective alliances combine talent augmentation with AI-enabled accelerators, business-aligned outcomes, and capability-building to support modernizing systems, driving digital transformation, and positioning banks to achieve sustainable value rather than temporary efficiency.

AI-driven tools enhance productivity, streamline delivery, and unlock new efficiencies

Deloitte's AI-augmented solutions for technology delivery

Deloitte helps leading banks bring their technology ideas to life and works together to solve problems, build better systems, and find smarter ways to work. With advanced AI tools, we make it easier for banks to get things done and deliver results faster.

Deloitte's GenAI-powered tools are designed to transform software engineering delivery via an integrated productivity platform that augments software development processes to improve outcomes, efficiency, and quality. It caters to various roles such as product owner, architect, developer, QA engineer, and data engineer involved in the digital products and engineering project lifecycle. It learns clients' work patterns, standards, and methodologies autonomously, adapting seamlessly to the client-specific environment and brings in digital capabilities to deliver final outputs significantly enhancing throughput and efficiency.

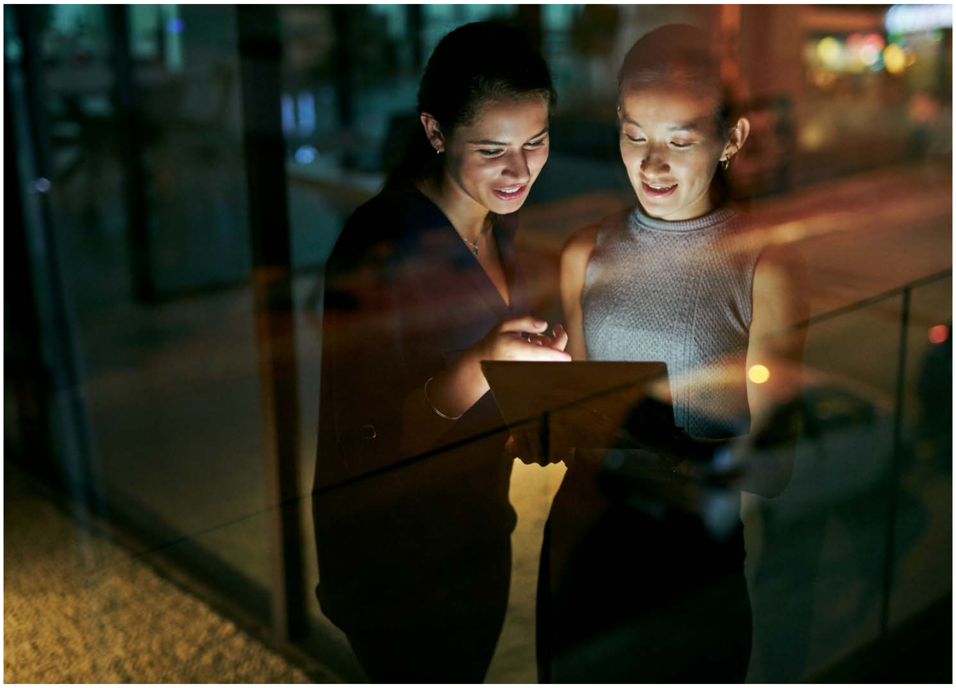
Deloitte's technology delivery solutions	Outcomes enabled by AI across the SDLC
GenAI for software development: An end-to-end accelerator that embeds Generative AI capabilities into every phase of the software development life cycle (SDLC), enhancing efficiency, productivity, and consistency across teams. By integrating new capabilities into existing workflows, creating a more cohesive process, and automating mundane tasks, AI Assist helps teams increase productivity, improve product quality and output, and ultimately drive innovation.	• **30-50%** reduction in development and implementation timelines. • **30-50%** reduction in resource effort required across delivery phases. • **10x** engineer productivity in software delivery. • **AI Assist is seamlessly integrated** into every single task for every single role within the SDLC. • **~25%** increased quality and predictability of software development.
Application Engineering: Agile/DevOps transformation, legacy and modern system development, application modernization, quality engineering, automation, and managed services.	
Cloud, Infrastructure & Cybersecurity: Cloud migration, modernization, and managed cybersecurity for secure, scalable operations.	
Data, Analytics & AI: Analytics, robotics, and artificial intelligence (AI) to generate insights that catalyze growth and efficiencies. This improves decision-making, increases operational efficiency, mitigates risk, and more.	
Packaged Applications: Implementation and management of software and application solutions.	
Digital Solutions: Digital strategy, experience design, mobile development, and customer engagement solutions.	
Engineering-as-a-service: Maximize your technology's potential with Deloitte's cutting-edge Engineering-as-a-service/Operate capabilities and our *"Operate to Transform"* approach. Using modern delivery models, AI/GenAI embedded assets and accelerators, we optimize your operations and drive innovation to help reduce costs while increasing agility and scalability.	

How we deliver

Whether through traditional talent augmentation, pod delivery model, or as a managed service, we bring all necessary skills to deliver the work based on the functional scope and technical needs.

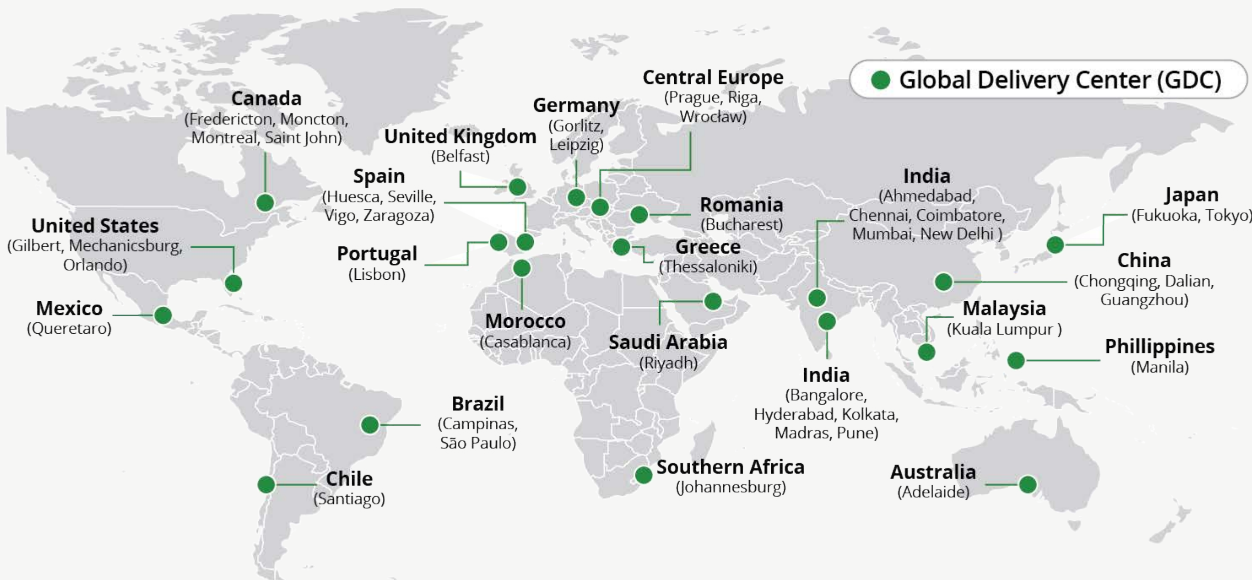
AI-enabled accelerators
By integrating new capabilities into existing workflows, creating a more cohesive process, and automating mundane tasks, *AI Assist*™ can help teams increase productivity, improve product quality and output, and ultimately drive innovation. Accelerate software delivery, project timelines, efficiency, and reliability across the SDLC.

Advantages: Prevent and illuminate incidents, accelerate incident resolution, and increase productivity.



	Traditional talent augmentation (enabled by AI):	**Full local/nearshore pod:**	**Full offshore pod:**	**Hybrid pod delivery:**
WHAT IT OFFERS	Traditional talent augmentation provides individually contracted resources, recruited by Deloitte and interviewed by the client, available onsite or remotely (local, nearshore, or offshore).	A fully managed local or nearshore pod service where Deloitte handles recruitment and staffing, with the client interviewing only the Pod Lead, available onsite or remotely.	A fully managed offshore pod service with all resources in a low-cost centre, where Deloitte oversees recruitment and only the Pod Lead is interviewed.	A hybrid pod delivery service with resources distributed globally for capability coverage and cost optimization, fully managed by Deloitte with the client interviewing only the Pod Lead.
THE ADVANTAGES	• Direct resource management • Access global talent	• Streamlined communication • Rapid prototyping • Consistent standards • Less management • Pod led oversight	• Extended work hours • Strong documentation • Unified team time zone • Pod led oversight	• Faster, lower-cost delivery • Talent/capability coverage • Independent offsite teams • Quick issue resolution

Deloitte's global delivery network



Benefits

70K+ technology practitioners globally

35+ global delivery centres

266 alliance awards for collaborating with major technology providers

Preferred tech provider for over half of the world's largest banks

The Deloitte difference

Advisory: Senior Deloitte leadership oversight and governance.

Deliver on outcomes: Delivery measured against business results, not hours billed. Proprietary quality and risk management processes ensure consistency.

Modern delivery methodologies: GenAI tools for everyone in software development to help teams increase productivity, improve product quality and output, and ultimately drive innovation.

Flexible delivery models: Local, nearshore, offshore, or hybrid pods.

Deep banking expertise: Access to top engineering talent with functional and industry expertise, serving the largest banks and bringing a broad range of technology staffing capabilities.

Proven experience in global financial services

1. **Top 15 Global Bank:** Deployed 500 developers across 4 countries in 75 days to meet OCC consent order requirements. To help ensure quality delivery, Deloitte proposed a pod model with sizes ranging from 5 to 20 people depending on needs and outcomes.

2. **Top 5 North America Bank:** Enabled product-focused operating model, improving agility and time-to-market through broad technology modernization.

3. **Top 3 North America Bank:** Built enterprise-level data platform integrating risk, finance, and regulatory reporting for unified insights.

4. **Top 3 global investment management firm:** Lacked required domain knowledge. 600+ roles were transitioned to Deloitte, deploying "T-shaped full-stack developers" with strong technical expertise and industry acumen resulting in higher quality and faster time to market.

5. **Global wealth management firm:** Established a Cloud Nerve Centre using Cloud Architecture Patterns from the early foundation stage to production operation readiness. Enabled 35+ AWS Services and third party integrations across the cloud foundation to ensure support for mission-critical applications.

6. **Deloitte has been recognized as a leader** in the *2024 Gartner Magic Quadrant* for *Custom Software Development Services,* positioned highest for its ability to execute and furthest in its completeness of vision.

7. **Deloitte named a leader in worldwide artificial intelligence services by IDC MarketScape.** Deloitte's AI and Data practice combines the firm's business value-led approach with a growing portfolio of AI-enabled tools, frameworks, and methods to assist clients in achieving sustainable business outcomes through AI and data-driven transformations.

Conclusion

Banks cannot afford fragmented talent strategies to slow transformation. Deloitte helps modernize talent models, strengthen governance, and deliver results at speed and scale.

Accelerate your bank's digital transformation with the right talent, capabilities, and governance, designed to deliver on your outcomes.

Endnotes

1. Deloitte, How should banks respond to the current disruption in software engineering, February 6, 2025
2. Deloitte. Global Outsourcing Survey 2024
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4. Deloitte, 2025 Human Capital Trends, March 24, 2025
5. Deloitte, AI can help banks unleash a new era of software engineering productivity, April 24, 2025
6. Deloitte, The Technology Operating Model of the Future: Rise of the Agentic Enterprise, October 14, 2025

Continue the conversation

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