

# Are you ready for a cloud-first approach to Client Lifecycle Management (CLM)?

## Executive Summary

Here at Fenergo, we are hosting a series of webinars that unite leading thinkers from across the financial services sector to discuss the central challenges facing the industry. In this summary report, we cover the key points discussed in our recent webinar on cloud-based Customer Lifecycle Management (CLM).

Why is cloud-based CLM such a hot topic right now? How should Financial Institutions (FIs) build a cloud strategy for CLM? How can cloud project leaders secure senior buy-in?

We discuss this - and much more - with four leading experts in the industry:



**Colin Sweeney**

VP Cloud Operations,  
Fenergo



**Greg Watson**

Global Head of Corporate  
& Institutional Banking,  
Fenergo



**James Craig**

Senior Financial Services  
Solution Architect, AWS  
(Amazon Web Services)



**Aman Kohli**

CTO for Banking  
and Capital Markets,  
DXC Technology

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## Cloud-based CLM: Lessons Learned

Financial institutions (FIs) are under pressure to digitalize their operations in the face of multiple challenges. These include the emergence of new challenger banks and the worldwide COVID-19 pandemic, which has forced many FIs to adopt virtual and remote models. However, migrating to the cloud is a long-term, strategic project. In this session, our four panelists explore the challenges FIs face and discuss best practice of how they can integrate cloud-based CLM into their businesses.

## What trends are we seeing behind the use of cloud technology?

Our panelists agreed that an increasing number of FIs were moving towards cloud-based Customer Lifecycle Management solutions. Fenergo's Colin Sweeney emphasized the importance of having an overall cloud strategy in place to manage costs effectively.

Sweeney highlighted the current trend towards customers moving non-critical workloads to the cloud. He also underlined that a cloud-first approach would enable FIs to move to a more flexible, manageable operational expenditure model.

Building on Sweeney's comments, Aman Kohli of DXC Technology added that FIs need to react to market shifts and new challenges. Kohli reported that business continuity is currently driving an increased focus on the distributed nature of cloud and the use of security solutions.

Fenergo's Greg Watson added that cost continued to be a common thread for customers. In order to reduce operational costs, customers were breaking down departmental siloes and looking at organizational set-up. Watson underlined that unlocking data assets enabled by cloud presents a big opportunity for FIs.

## Which strategies should Financial Institutions actively focus on?

FIs should identify where they would most benefit from greater agility, advised Fenergo's Greg Watson. When developing a digital transformation strategy, FIs need to identify the building blocks that will help their organization and then look at how those components will work within the cloud.

Watson highlighted the opportunity to focus on unlocking and monetizing data. Cloud-based activities have the power to drive efficiency and help break down siloed departmental models, he explained.

Building on Watson's comments, James Craig of AWS recommended that FIs work hard to align their internal strategy. Having a clear direction and defined expectations is key to success. He advised FIs to set top-down, aggressive goals in order to build momentum and keep moving.

In addition, Craig emphasized the importance of training. Getting people up to speed with cloud technologies should be seen as a vital component of any digital transformation strategy.

DXC Technology's Kohli said that senior stakeholders will be key to the success of digital transformation and the move to the cloud, as well as the cultural changes that come with it. He talked about the feedback delays commonly experienced by FIs and pointed out that a cloud-first approach could reduce these timeframes significantly. He also advised that companies should aim to start with small projects in order to prove value, and then scale up.

In terms of strategy, Fenergo's Colin Sweeney underlined the importance of being cloud-agnostic, as this ensures that FIs are not locked in to just one provider. Poor strategy costs more in the long-run, so trust experts and focus on what works for your business.

### What should a cloud governance framework include?

When considering a cloud governance framework, Aman Kohli from DXC Technology advised FIs to focus on key areas such as security, availability, isolation and recoverability. He also emphasized the importance of having a business continuity plan in place when using the cloud.

Building on Kohli's comments, James Craig of AWS encouraged FIs to establish a team within your organization to determine cloud best-practice. He called this a 'cloud center of excellence'. Craig advised that this group of cloud specialists should establish governance best practice, architecture and protocols. With a cloud center of excellence in place, FIs can drive faster adoption, quicker deployment cycles, increased collaboration between teams and greater business value.

Fenergo's Colin Sweeney added that FIs must define the risks they are facing and establish boundaries around what can and can't be done in the cloud. This will inform security policies and standards across the business.

In summary, a cloud governance framework should include a strong emphasis on security backed up by a solid set of protocols. Senior buy-in and leadership is critical to the formation and success of cloud governance.



**James Craig,**  
Senior Financial Services  
Solution Architect, AWS

*With a well set up cloud center of excellence, customers see quicker deployment cycles, increased collaboration between teams, faster adoption migration and better business value*

### What kinds of challenges do FIs encounter with the cloud?

Aman Kohli of DXC Technology discussed senior backing and the importance of understanding the cost implications of migrating to the cloud. In order to build senior backing, he recommends that IT teams should start with a small project to prove business value. Kohli highlighted that the move to the cloud is a cultural shift as much as a technological one and emphasized the importance of showing incremental successes to bring senior decision-makers along the journey.

Fenergo's Greg Watson observed that concerns about cybersecurity have decreased significantly in recent years. The focus for customers now is around building a business case particularly around total cost of ownership (TCO).

James Craig of AWS added that regulatory compliance continues to be a challenge for FIs when looking at the cloud. He urged FIs to look at technology that evolves in step with the rapidly-evolving global regulatory landscape.

In summary, Fenergo's Colin Sweeney reiterated that cloud migration is a long-term project that needs to be planned and resourced appropriately. He highlighted the need for FIs to seek out the right skills and resources. Finding the right people to drive your cloud projects forward is key.

Sweeney also emphasized the importance of FIs developing the skills of their own staff through both system and long-term training. Another consideration for FIs is the cost of licenses when scoping out their cloud project.

### Let's talk about the challenges around security, performance and availability...

Aman Kohli of DXC Technology recommended that FIs take a security-first approach to cloud adoption. He added that today's leading cloud providers had impeccable security credentials. This ties back into what Greg Watson observed earlier in the webinar. Kohli also emphasized the value of Edge computing when bringing solutions closer to customers.

Adding to the discussion on security, Fenergo's Colin Sweeney reminded us that FIs are responsible for the safety of their customers' data. He recommended that FIs ensure that their Software-as-a-Service (SaaS) provider adheres to the highest security standards. Working with experts who can respond to existing and future threats quickly is the best way to secure data in the cloud.

### How does the experience of a cloud-only implementation vary between large Financial Institutions and boutique institutions?

Tier one FIs face very different challenges to boutique FIs, said Aman Kohli of DXC Technology. Tier one FIs are larger and face more regulation. Typically, they face more resistance to change internally, but going forward they need adopt a more creative mindset in order to compete. New challengers - the smaller boutique FIs - are often cloud-first and the impact of this new competition is forcing the larger FIs to evolve.

Fenergo's Colin Sweeney and James Craig from AWS both agreed, adding that FIs should make business-based decisions when moving to the cloud rather than technology-based decisions.

### Looking ahead, what advice does the panel have for FIs?

In Watson's view, COVID-19 will be a catalyst for change as many FIs accelerate their move towards digitalization. He advised FIs to seek out insight on best practice and place their focus firmly on business agility.

Aman Kohli of DXC Technology agreed with Watson's recommendations, adding that remote working will become increasingly common with cloud as a key enabler. He emphasized that FIs should leverage services that are already in place.

In context of planning and preparing for digital transformation, James Craig from AWS advised FIs to let software engineers get more hands-on and involved. He suggested using events and challenges such as game days and hackathons to help build momentum and enthusiasm for cloud technologies within the organization.

In summary, Colin Sweeney of Fenergo urged FIs to make TCO a priority in their planning. He reiterates the panel's earlier discussion on the importance of starting small and aiming for a quick win to gain senior buy-in.



**Greg Watson,**  
Global Head of Corporate  
& Institutional Banking, Fenergo

*Cloud can enable much more speed to market. There's an opportunity to unlock and monetize data – so think about what building blocks you can put in the cloud that will break down siloed departmental models*

# CONCLUSION

As FIs continue to adopt cloud-based technologies there are opportunities and challenges ahead.

The key takeaways from our panelists are:



**Be clear on your business objectives and how the cloud can help you achieve them**



**Develop a strategy that addresses your business needs**



**Bring your organization with you on the journey by encouraging senior buy-in, engaging in training and consulting with experts.**

**[Click here](#) to playback the webinar discussion (total 47 minutes).**

**If you would like more information on Client Lifecycle Management, please visit [www.fenergo.com](http://www.fenergo.com) or email [discover@fenergo.com](mailto:discover@fenergo.com).**