IBM Director Padma Chukka on accelerating banking transformation in 2021

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But banks have special security and regulatory needs that make transformation especially challenging.

That's about to change with the introduction of the world's first public cloud specifically designed for financial services, of which Assima is proudly part of the first cohort.

We sat down with the transformation leader in charge of this new initiative, IBM Director Padma Chukka, to discuss the ramifications of digital transformation in finance, the importance of cloud computing and the cultural shift banks must undergo to become transformation-ready.

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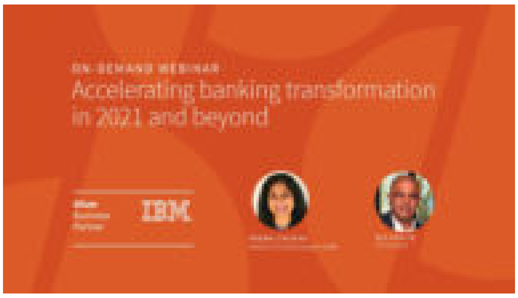

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Read our 3 key takeaways from the conversation

1. Be customer-obsessed

There are three kinds of companies in this world. Product-focused, technology lovers, and customer-focused companies. The first wants to build a beautiful product. The second loves the technology. The latter is going to win the digital transformation game. Give what customers want, even if it's one feature at a time to unlock your customers' hearts with value.

2. The top 3 banking transformation priorities for 2021

1. Advanced data analytics
2. Workflow automation
3. Digital transformation skills

3. Digital transformation in finance is in its infancy

The banking industry is just dipping its toes into digital transformation. For the longest time, they have only migrated about 20% of their workloads. Read it as an 80% opportunity. This time around, the industry is making real plans to jump into digital transformation because customers and fintech disruptors are demanding it

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Related Resources:

On the importance of cloud computing in banking transformation

Riz: Digital transformation as it relates to the cloud. What does that really mean for the banking and financial services industry?

Padma: CEOs, CIOs, are recognizing that the cloud is more than just a technology, it is a destination to store data and applications accessible via the internet.

The leading cloud providers offer an array of innovative products and platforms to help banks implement these business and operating models to improve their revenue generation, while derisking third and fourth-party risks.

“The cloud is offering a huge opportunity to synchronize the entire enterprise, to break down the operational and data silos.”

Once these massive data sets are combined in one place, organizations can apply advanced analytics. They can create well-needed customer experiences after years of on-premise data storage.

What the Pentagon teaches us about the risk of inertia

Riz: I remember when WiFi was just coming in, the Pentagon was not allowing people to bring their BlackBerry’s because they thought there was going to be a risk.

“There’s a saying in the public sector: the government is a terrible leader, but a fast follower.”

What happened is people brought routers from home since they were so used to WiFi and plugged in routers. This created these insecure networks at the Pentagon, which was worse than if they would have adapted that and created a security cluster around it.

A lot of the same thought process is going to take place within the banking space.

On the role of immersive learning for digital transformation

Riz: You can roll out the latest application but until you train and empower your employees to have a sense of ownership, that transformation is doomed to fail. Employee empowerment is key.

Say you want to learn Spanish. You can take some lessons remotely and repeat phrases. But the best way to learn Spanish is to go live for a short period of time and immerse in a Spanish-speaking country. That’s how you’re really going to understand the language. That’s how you’re going to adapt to it.