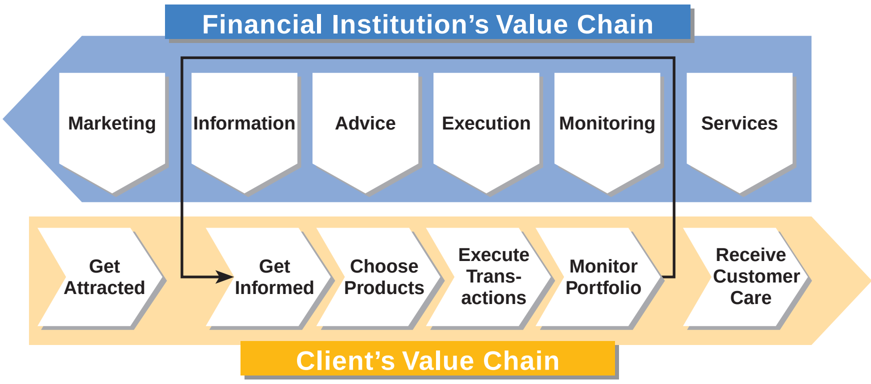
Wealth Management and Core Banking Solutions

Building profitable, market-leading wealth management and core banking services with IBM



Managing the dual value chain perspective

Highlights

- ***IBM's understanding of the business area***
- ***Collaboration with the best business partners***
- ***Solutions to address major customer concerns***
- ***Infrastructure technology as a key component***
- ***Consultants and systems integration teams***

Current trends in wealth management

The number of people in the three wealthiest segments of the population – mass affluent, high net worth and ultra high net worth – is rising, compounding the complexity of customer finance cycles.

Most customers need help with their personal finances, but they are unlikely to trust any single organisation, or person, with all their finances. Simplifying the complexities of changing circumstances, new products, new tax rules, etc. and making the customer feel in control are important factors for the success of a financial institution. Financial institutions need to consider approaches to this issue, and to establish themselves as trusted advisors, giving unbiased advice on a wide range of products and shifting from a product focus to a customer focus.

Wealth management involves working with an advisor and their back-office expert to optimise the customer's circumstances, and this requires a new type of structure: integrated back-end and front-end systems that can adapt as market conditions change, enabling collaboration among all parties. To add value, the advisor needs a deeper level of tools than the client – a scenario we call 'The Connected Customer'.

Advisors are under constant pressure to increase their customer base and sales volumes, which requires information and productivity tools. To continue to be seen to add value, advisors must demonstrate a thorough understanding of each customer's needs and circumstances – a scenario we call 'The Efficient Advisor'.

In combining these two scenarios, we can create the capability to provide excellent support for customers and high efficiency for advisors, enabling the institution to offer a full, high-quality, cost-effective wealth management service representing high growth and high profit for financial institutions.

Bridging the wealth management gap

High-quality, cost-effective and comprehensive wealth management services demand a flexible, reliable solution architecture that must support the integration of various systems, meet the bandwidth demands of millions of complex, data-intensive, secure transactions, and provide high performance and virtually 24x7 availability.

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IBM has developed an architecture specifically for financial services providers in the wealth management environment, which allows you to build on existing investments in enterprise information systems and valuable customer data, enabling implementation of a wealth management and core banking solution without an entirely new infrastructure.

IBM helps you manage your value chain

Today core banking systems can be seen as the profitability engines for a customer-centric financial institution. Core systems in existing banks are a major inhibitor, while market entry is relatively simple for agile competitors and maintenance overhead is reduced. The direct impact of these issues has involved shrinking margins, negligible revenue growth and diminished brand equity. To rectify the problem, banks are having to work within the following parameters:

- *Banking operations need the flexibility to develop new products for new markets at high speed.*
- *Operations need to move towards a 'real-time' basis to enable multi-product, multi-channel consistency.*
- *Customer-centricity must be derived from the core elements of the operation.*
- *Profitable existing customers must be shielded from any negative effects of this re-organisation.*

IBM helps you manage your client's value chain

To improve client relationships using wealth management services financial institutions have to, firstly, identify the right customers and offer them the right products and, secondly, know their customers and create trust through understanding the customers' situation and dealings.

To manage these challenges, financial institutions have to work with the following parameters:

- *Seamless integration of physical and virtual access channels*
- *Aggregation of financial data*
- *Tools that allow high-quality, low-cost advice and assistance for the advisor and customer*
- *Personalisation based on customer profiles and preferences*
- *Enhanced customer experience.*

With opportunity comes challenge. IBM can help.

IBM has the business leadership, products, partnerships and global services to help you design, build and implement an end-to-end solution that delivers leading wealth management and core banking services while increasing efficiency and improving profitability.

All our solutions focus on the ability to perform core banking and front-end functions on a customer-centred 24x7 basis but also on rapidly and efficiently integrating additional banks, currencies, products, time-zones, etc.

Our experienced team of consultants and solution architects can help plan the strategy, design and deployment of a solution tailored to your business and technology requirements by:

- *Co-managing and executing your overall transformation and business/IT alignment*
- *Developing business and technical requirements and assisting with software package selection;*
- *Working with our business partners to achieve smooth, rapid, cost-effective implementation*
- *Managing the overall deployment process.*

Will you be ready?

IBM can help you build structured, integrated services that allow your customers to manage their finances intelligently and effectively. We provide the components of a successful wealth management and core banking solution, including strategy, consulting and design, leading IBM hardware and middleware, best-of-breed e-business applications from IBM business partners, and the integration and implementation services needed to pull it all together.

For more information

To learn more about IBM Global Services Finance, Wealth Management and Core Banking solutions, send an e-mail to: Global-Services.Finance@de.ibm.com

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