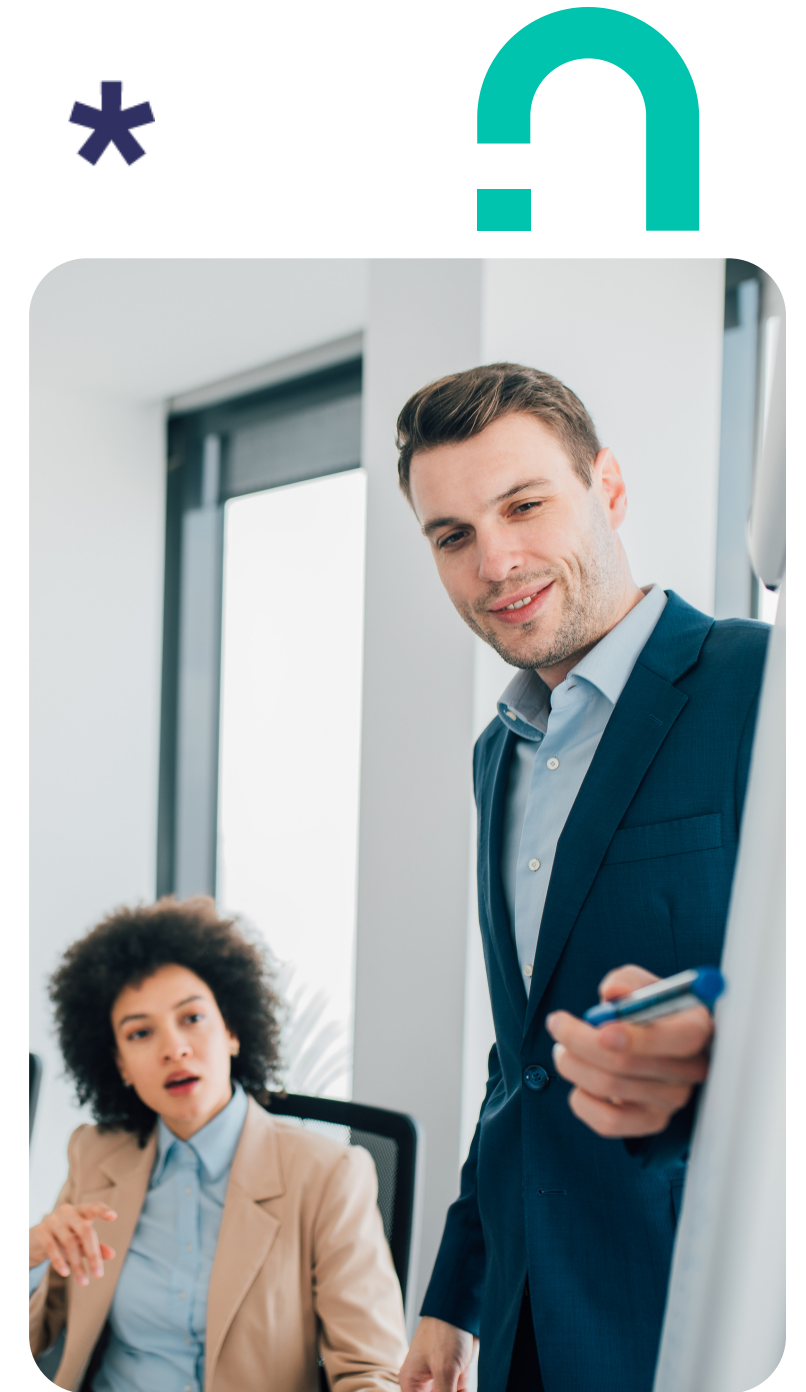


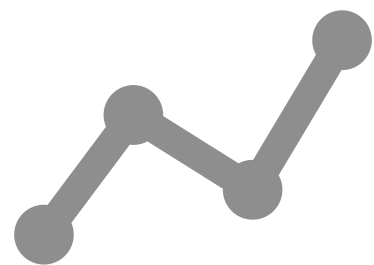
CHANGE MANAGEMENT

# 5 Processes your Financial Services Digital Transformation Has Overlooked



**70% of companies have a digital transformation strategy in place or are working on one, with organisations predicted to spend \$2 trillion on change projects through 2022.**

Too often, financial services leaders focus too heavily on technology in implementing change when culture, practices, and processes are equally important for success. Here are 5 processes to ensure you haven't overlooked in your financial services transformation.



Everest Group, 2018

**73%**

of enterprise transformations fail to scale effectively enough to produce a sustained return on investment.



## KEY PROCESSES

# 1. Institutional knowledge flows

Institutional knowledge is the collective expertise of a company, including hard skills such as technical capabilities, and soft skills such as customer relationship building. Retaining this knowledge is important, as it:

- Reduces necessary resources and time spent onboarding new hires
- Limits disruption caused by employee absence or sudden departure
- Prevents mistakes from lack of experience and creates a level playing field
- Emphasises the value of employee knowledge and fosters transparency

Institutions can maintain institutional knowledge by auditing their existing pool of information and creating processes to capture and share knowledge through new systems. Fostering an open and sharing environment among employees is key to success here, but the output is promising. Organisations that implement digital tools to make information more accessible are 2.1x as likely to succeed with their digital transformation efforts.

Source: RightWayMed



**“Organisations spend a lot of time and resources developing knowledge and capability. While some of it gets translated into procedures and policies, most of it resides in the heads, hands, and hearts of individual managers and functional experts.”**

- Ron Ashkenas, Harvard Business Review

## 2. Leader placement and management

Placing digital-savvy leaders is a vital step for creating and maintaining elements of digital transformation, with research suggesting that 70% of organisations alter their management team during periods of change.

Good leaders are responsible for keeping up with the latest technology and utilising all the tools at their disposal, along with motivating the employees in their charge. Businesses are nearly 2x more likely to succeed with digital transformation when those engaged in key, management roles encourage staff to:

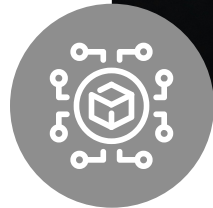
- Challenge old ways of working
- Experiment with new ideas
- Collaborate across units

Source: McKinsey



**"Strong leadership is one of the key pillars of success at any organisation."**

- Dominique Jones, Vice President of HR at Halogen Software.

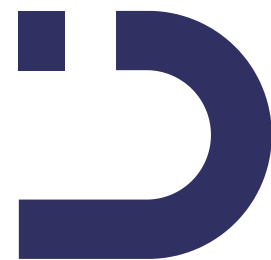


## KEY PROCESSES

### 3. Continuous learning programmes

When implementing digital transformation strategies into a business, many companies fail to improve employee knowledge to match the new technologies and processes being put in place. According to studies, approximately 14% of staff have a low digital aptitude, with 41% having moderate aptitude, demonstrating the extent of the potential to embed new skills.

Ensuring that your workers are up to date on training in important areas guarantees any ongoing change will be well-supported, with companies who offer programs to develop employee knowledge being 1.6x as likely to succeed with digital transformation. Upskilling increases staff productivity, elevates job performance and boosts engagement, impacting retention. 93% of workers would stay at a company longer if it invested in their careers.



“Organisations need to develop new skills, embrace new technology, and uncover new approaches to ensure the business has a workforce that can deliver on its imperatives”

-Brandon Carson, Author of 'Training Station'



## 4. Company culture initiatives

Successful digital transformation places people at the centre of everything, using them as a driving force to enact change. A cohesive team with emotional conviction in the brand can take your organisation to the next level, with companies who focus on fostering culture being 5x more likely to achieve breakthrough performance than those who neglect it.

The foundations of a positive company culture are a shared purpose, pride in work and gratitude. Ensuring that transformations support and improve upon initiatives already in place to nurture your culture is imperative. Digital strategies often neglect to account for the ways that legacy technologies afford interaction and collaboration. Eliminating these aspects may result in lower efficiency overall, despite improvements in other areas.

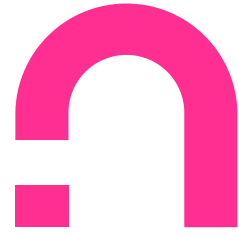
Does your change strategy:

- Align culture with overall business strategy?
- Enable communication with employees and stakeholders?
- Address anxieties or uncertainties other may have about change?
- Promote transparency and accountability while allowing room for error?



**“When organisations undertake digital transformation and focus only on technology at the expense of culture, that can hinder progress in many areas”**

- Carey Owen, Partner, Deloitte & Touche LLP



**“More than ever, businesses and individuals are starting to understand that data is a valuable currency that needs to be protected. This means that cyberculture is increasingly embedded into both our work and everyday lives. Cybercrime is now just an inevitable part of everyday life.”**

**- Keiron Shepherd, Solutions Engineer at F5**

## KEY PROCESSES

# 5. Protection and security

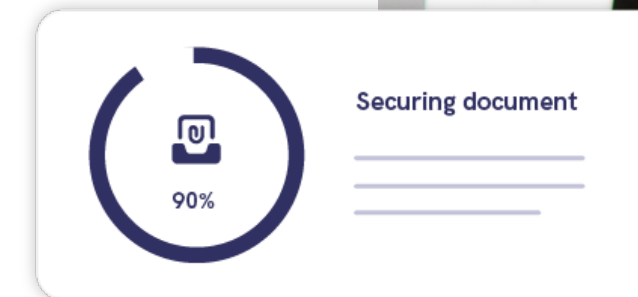
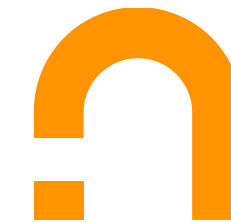
As digital transformations shift services and communications online, the need for robust cybersecurity increases. It is estimated that an incident of cybercrime takes place every 30 seconds, costing the UK alone an estimated £27bn per annum. A high portion of these costs is caused by company data breaches, with 10% of the data breaches in 2020 reported to be within the financial industry, and 58% of those involving the loss of personal data.

Ensuring that any progression in digitally conducted business is met with a proportional increase in cybersecurity measures is vital. With the amount of personal data held by financial institutions, protecting sensitive documents and messages transferred between organisations and customers is critical to business-as-usual. Core protections to consider include:

- Email & attachment encryption
- Two-factor customer authentication
- Automated email security alerts
- Last resort message revoke

# Are all your processes covered when it comes to change management? Use these 5 commonly overlooked aspects to ensure your transformation strategy is ready for 2023.

If you need help with your digital transformation, contact us at [Beyond Encryption](#). We empower financial services organisations to communicate digitally, securely, and compliantly. We're protecting communications throughout the financial services industry, connecting advisers, providers, platforms, and third-party services through our secure email solution, Mailock. Get in touch today to see how our team could support you to secure your digital communications.



Mailock email encryption makes it easy to digitise sensitive communications and maintain full protection and compliance with regulatory standards. Using AES-256 encryption and 2-factor authentication, Mailock empowers businesses to exchange documents with customers, partners, and colleagues using email, without opening their communications up to the risk of a cyber incident.



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