

Ahead of the curve

With consumers shifting to online banking, the strength and agility of a bank's digital systems has never been more important. Through its innovative solutions, ICS Financial Systems equips banks for the digital age



INTERVIEW WITH
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As with many industries, the banking sector has been hit by a wave of digital disruption in recent years. Investment in online platforms by digital incumbents and start-ups is significant and, while some banks had the foresight to start investing in digital infrastructure early, many are still struggling to capitalise on the fintech revolution.

Nonetheless, the importance of providing an exceptional online customer experience is more or less undisputed within the sector. According to Deloitte, US retail banks will invest over \$15.2bn in digital banking in 2022, while only \$11.4bn will be spent on developing branches (see Fig 1).

But developing a high-quality digital platform is far from easy. Increasingly, customers expect a bank's online user experience to be as seamless as those offered by fintech competitors. For this reason, the system a bank chooses to implement is more important than ever.

As a global software and services provider, ICS Financial Systems (ICSFS) is dedicated to supplying banks and financial institutions with world-class digital solutions. Through its fully integrated banking software, ICS BANKS, ICSFS enables organisations to automate and streamline their services. *World Finance* spoke to the company's managing director, Robert Hazboun, to learn how its digital solutions help banks become leaders in their respective sectors.

What challenges do banks face in today's digital age?

We all recognise that people around the world are now choosing online banking over traditional in-branch banking. Banks and financial institutions are under pressure to adapt to this huge shift in consumer behaviour.

The digital age presents banks with several major challenges. As well as tackling digital

transformation and disruption, banks must compete with new players in the digital banking ecosystem and try to stay on top of the continual emergence of new technology. They also need to manage customers' expectations while winning their loyalty and addressing a host of regulatory challenges. Last but not least, banks must cope with the added operational costs of digitalisation.

How does ICSFS provide solutions to these challenges?

Ever since digital disruption started to transform businesses, ICSFS has embraced innovation and agility as core drivers of value within the global market. In addition to open banking, we provide solutions through open application programming interfaces (APIs) and complete cloud platforms. Our extensive channels also drive empowerment through financial inclusion. In this way, we create multiple touchpoints that help banks expand their customer base. What's more, we enrich customer service through the unification of digital systems, fostering customer relationships across different channels.

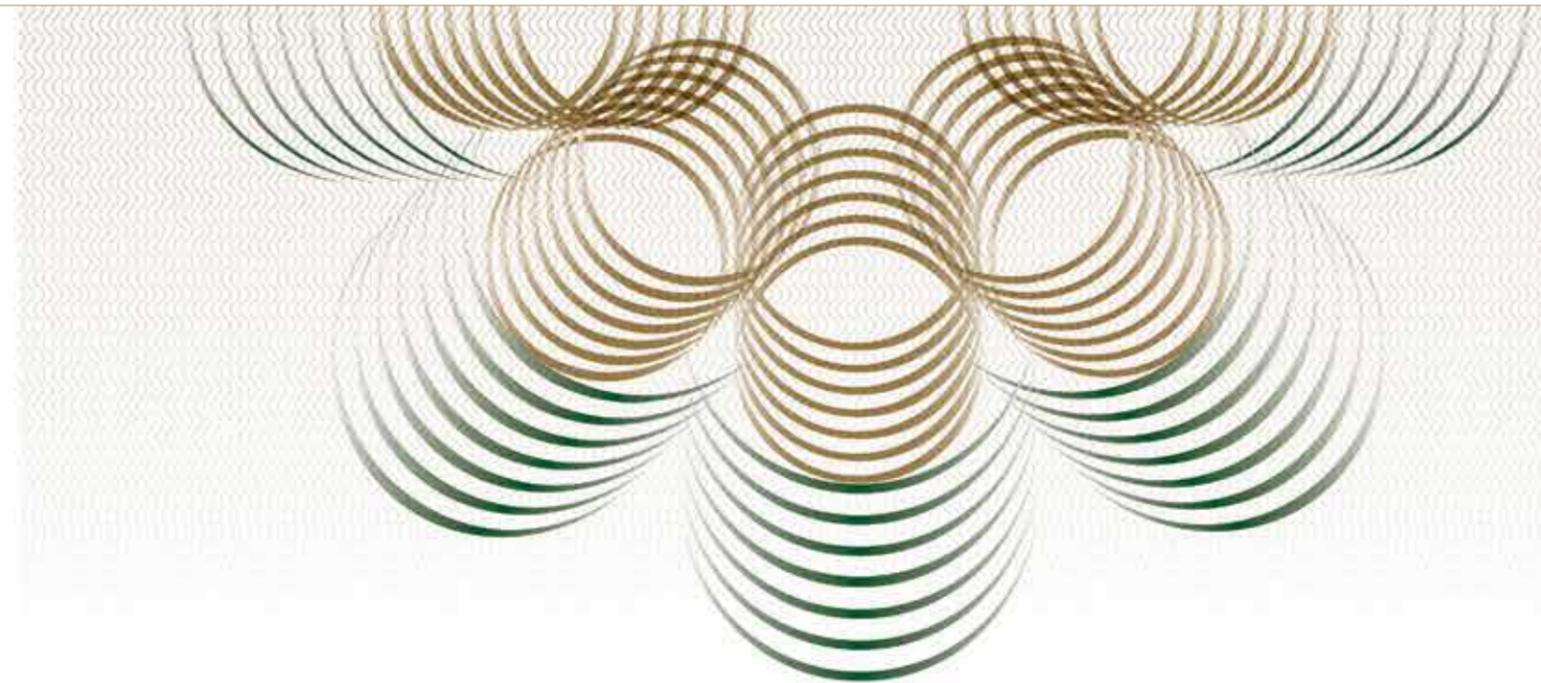
ICS BANKS' dynamic products are built to be highly secure, scalable and flexible, thereby increasing banks' market share. Our process automation saves time and enhances consistency and clarity across the business. Finally, our continuous techno-

logical advancement lowers our customers' total cost of ownership.

Having a comprehensive digital solution that caters for a host of world-class technologies is a must for any leading bank. As a fully integrated software solution that covers all aspects of online banking, ICS BANKS puts financial institutions head and shoulders above the rest. With digitalisation taking the sector by storm, and with the pace of change so fast, ICSFS offers robust tools that enable banks to not simply ride the wave of digitalisation, but become leaders in digital banking.

What should a bank look for when partnering with a fintech firm?

Banks should always look for indications that a fintech firm's solutions will bring real value to their customers. As a long-standing player in the banking technology industry,



ICSFS has designed its banking software to meet customers' expectations and increase customer engagement in banks' services.

At the same time, our solutions help clients better understand their customers' needs, providing them with guidance on what services to offer and how to offer them. This reduces the time taken to bring new products to market and gives the bank a more significant competitive advantage.

As well as offering a wide range of technological tools, we deliver implementation services and boast a cost advantage over other banking software providers. In fact, we have the highest-rated customer satisfaction for our implementation experience. ICSFS addresses customers' fundamental needs and expectations with free-of-charge upgrades and reduced operating costs, all while generating more revenue growth and delivering real value to banks' customers.

How do you help banks respond to increased competition and rapidly changing markets?

Increasing competition and rapidly changing markets require businesses to stay alert and react quickly to challenges. With new banking technology continuing to emerge, banks around the world are pushed to invest heavily in new tools that will help them manage their operations, connect with customers, promote their services and stay ahead of the competition.

ICS BANKS enables a given bank to meet its customers' needs by utilising the latest technology, such as cloud availability, open APIs, agency banking, artificial intelligence,

robotics, blockchain, cash management systems, chatbots, smart contracts, cardless payments, customer onboarding processes and wearable banking technology.

By implementing ICS BANKS, financial institutions will be able to generate new opportunities, enhancing their market advantage and providing a better customer experience, including 24-hour availability, smart banking and lower charges – not to mention greater security and transparency in their transactions.

There are a number of regulatory hurdles within the banking sector. Can ICSFS help banks meet international standards?

After the 2008 global financial crisis, a process of regulatory reform took place within the banking industry. Now, meeting accounting and supervision standards has become a part of day-to-day life for all bankers. However, banks will struggle to meet these standards and provide regulatory reports if the appropriate tools are not deployed.

By harnessing ICS BANKS, our clients can obtain the latest updates on standard regulatory reports and bodies, such as International Financial Reporting Standards, Basel II, Basel III, the Accounting and Auditing Organisation for Islamic Financial Institutions, and the Islamic Financial Services Board, as well as become compliant with the most recent SWIFT standards within planned releases. As a result, ICS BANKS users can enjoy a reduced total cost of ownership and access the specific regulatory reports required by authorities, such as central banks.

Know Your Customer compliance and regulatory challenges such as anti-money-

laundering (AML), the Foreign Account Tax Compliance Act (FATCA) and the Common Reporting Standard (CRS) have also presented difficulties for financial associations. In light of this, ICS BANKS empowers banks to take a more holistic approach and improve their processes for verifying the identity of clients.

ICS BANKS' comprehensive touchpoints and omnichannel capabilities allow banks to leverage data and acquire desired customer information at any time. ICS BANKS supports AML, FATCA and CRS, while its APIs connect to local and regional authorities for further regulatory and compliance processing. Finally, ICS BANKS' onboarding user experience cycle is completed with its digital business process management facilities.

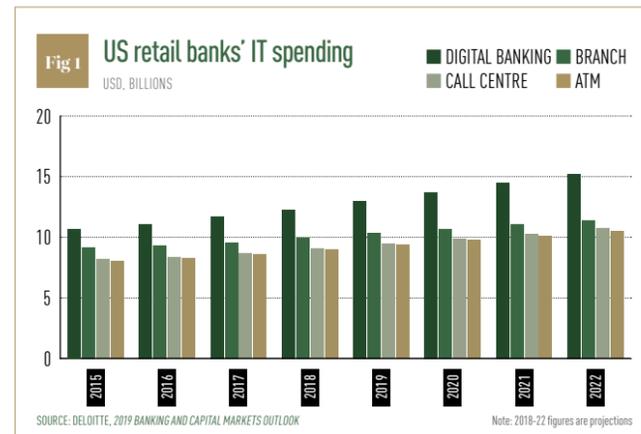
How can banks ensure they are sufficiently future-proofed?

Making processes more agile is one of the main priorities of today's banks. According to KPMG, banks can drive agility in five key ways: first, by changing their culture to focus more on customer value and continuous improvement; second, by connecting with customers; third, by prioritising technological development; fourth, by increasing flexibility through mergers and acquisitions; and finally, by embracing innovation.

Across these five key areas, ICS BANKS offers numerous solutions that drive agility. The platform's flexibility, integrated design and data inclusion give banks the tools they need to change their culture. Digital touchpoints make the bank available to customers at any time, while strong reporting tools ensure institutions are always one step ahead of customer needs.

In addition, ICS BANKS helps financial institutions stay at the cutting edge of technology through applications such as cloud banking, APIs, open banking and blockchain. ICS BANKS' customers can also enjoy a clear flow of information online using the platform's reporting tools. This enables them to easily understand and analyse their status at any time, which can help inform their decisions regarding mergers and acquisitions. In other words, ICS BANKS' innovative technological tools future-proof banks and transform them into pioneers of their industry.

On top of all this, ICSFS offers banks real financial clarity and a low total cost of ownership. Whether a bank is looking to boost its profitability or cut its operational costs, ICS BANKS provides it with maximum financial efficiency. The system is also designed with a scalability feature to support banks' growth and lead them through a successful lifetime business. In this way, we stand firmly by our motto: 'our customers are our partners.' ■



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