

The Pandemic Pandemonium – Assessing the Impact of COVID-19 and the Path to Success for Banking and Financial Services (BFS) in the Next Normal

October 2020: Complimentary Abstract / Table of Contents



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- Pinnacle Model® reports
- PriceBook
- Virtual Roundtables
- Workshops

Custom research capabilities

- Benchmarking | Pricing, delivery model, skill portfolio
- Peer analysis | Scope, sourcing models, locations
- Locations | Cost, skills, sustainability, portfolio – plus a tracking tool
- Tracking services | Service providers, locations, risk
- Other | Market intelligence, service provider capabilities, technologies, contract assessment

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Background of the research

The COVID-19 pandemic has been a challenge like no other – every facet of life, everywhere in the world got impacted. Businesses faced a disruption, not because of the usual technology outage, localized natural calamities, or ransomware, but restrictions imposed by the governments globally. The financial services industry, though deemed essential during restrictions, grappled to keep enough hands on the deck to run operations smoothly. Service providers across onshore and offshore centers ran helter-skelter to obtain necessary permits for employees and arrange infrastructure for remote work. The storm challenging running of operations passed and left behind debris of challenges to solve for in the coming months. But all is not lost through this challenge. Enterprises saw a stark shift in mindset for digital transformation and remote work. While some came out of the storm unscathed, some enterprises struggled, opening an industry-wide opportunity for market consolidation and strategic inorganic investments. Enterprises and service providers, alike, adopted different models of remote work to maintain Service Level Agreements (SLAs) and ensure data security and privacy. A well-thought “back-to-work” strategy will be essential to avoid any such disruptions in the future and make the most of the remote work environment.

In this report, we explore the impact created on different segments within BFS, what it means for the enterprises, how can enterprises solve for some of the challenges and succeed, and some of the opportunities arising out of this pandemic. We focus on:

- Impact of COVID-19 on customers and associated challenges, and the impact on banking and capital markets industry in general
- Performance of service providers, alternate delivery models deployed and challenges ahead
- Opportunities arising out of the pandemic in terms of market consolidation, “back-to-work” strategy, and adoption of digital solutions

Scope of this report:



Geography
Global



Industry
Banking and financial services



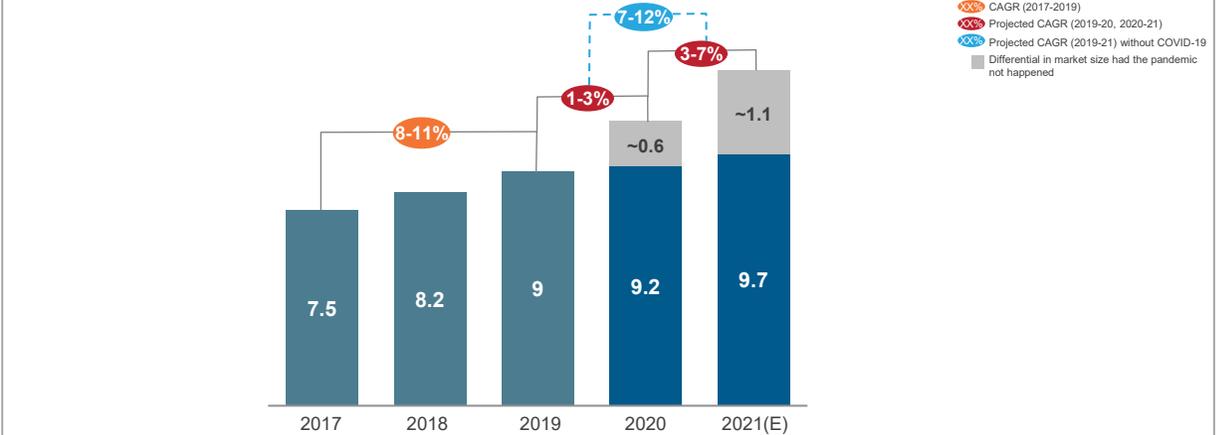
Services
Business Process
Services

This study offers three distinct chapters providing a deep dive into key aspects of BFS market; below are four charts to illustrate the depth of the report

Three-fold challenge posed by COVID-19 for banks

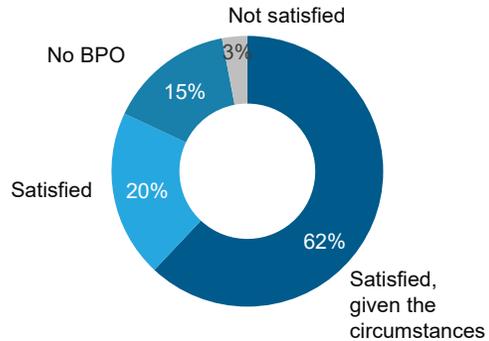


Impact of COVID-19 on outsourcing spend by banks

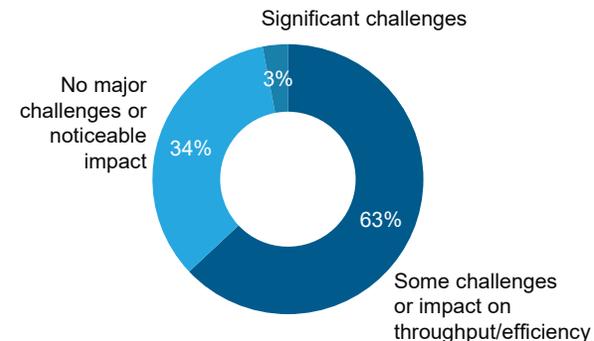


Performance levels of shared services and third-party providers

Satisfaction with BPO provider performance levels during COVID-19¹
N = 34; April 2020

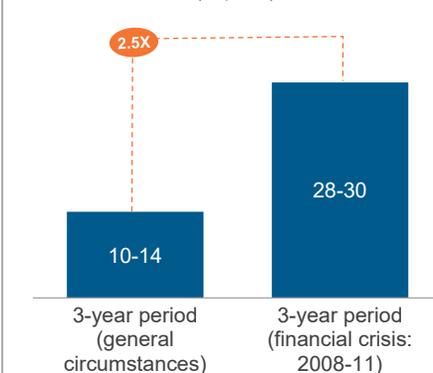


Extent of challenges faced by GBS and shared services organizations¹
N = 35; April 2020



Opportunities to succeed in the next normal

GFC - Number of divestitures
Number of GBS (captive) centers



Digital levers	Current maturity	Short-/medium-term adoption
RPA	High	High
Analytics	High	High
Process mining	High	High
Artificial intelligence	High	No change
Blockchain	High	Low

Legend: ↑ High, ↔ No change, ↓ Low. Circle icons: ● High, ○ Low.

Research calendar

Banking & Financial Services BPS

Published Planned Current release

Flagship BFS BPS reports

Release date

Financial Crime and Compliance (FCC) Operations Services PEAK Matrix® Assessment and Service Provider Landscape 2020	October 2019
Capital Markets Operations – Service Provider Landscape with Services PEAK Matrix® Assessment 2020	November 2019
Capital Markets Operations – Service Provider Profile Compendium 2020	December 2019
Wealth Management Operations – Service Provider Landscape with Services PEAK Matrix® Assessment 2020	March 2020
The Amazing Race – Payments Edition 2020	June 2020
Banking BPS – Service Provider Landscape with Services PEAK Matrix® Assessment 2020	July 2020
Capital Markets Disrupted – The Quest for More Continues	August 2020
Mortgage Operations – State of the Market with Services PEAK Matrix® Assessment 2020	September 2020

Thematic BFS BPS reports

Release date

Think Banks Have Gotten the Most Out of Automation – Think Again	February 2019
Buyer Satisfaction In BFS – What Makes the Banks Frown?	August 2019
Makings of a Successful Sourcing Relationship – Deal Trends in Banking	August 2019
Business-Process-as-a-Service (BPaaS) Adoption Debunked – Current and Future Direction	September 2019
The Next Frontier in KYC and AML Intelligent Automation-led Transformation	June 2020
The Pandemic Pandemonium – Assessing the Impact of COVID-19 and the Path to Success for Banking and Financial Services (BFS) in the Next Normal	October 2020
Achieve the Most Out of Our Analytics Spend – Analytics Success Stories in BFS	Q4 2020

Note: For a list of all of our published BFS BPS reports, please refer to our [website page](#)



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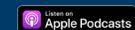
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