

Building the future of banking services

BIAN Strategy Advisory Global Summit

1st June 2022

Co-Chairs

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Agenda

- ❖ Strategy Advisory Group charter – who we are and what we do
- ❖ BIAN Challenges, opportunities and recommendations on:
 - Relevance to stakeholders
 - Competition
 - Adoption
 - Regulatory compliance
 - Security
 - Operational business standards

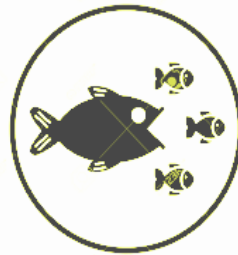
Strategy areas 3/6

Relevance to stakeholders



- *Limited awareness and relevance to key stakeholders and influencers for investments: C-suite, banks, ISVs, Fintech*
- *Lack of focus on emerging business models and areas of investments eg. BaaS*
- **Improve relevance for specific persona** aligning with their strategies (banks, ISVs, fintech, regulators)
- **Offer integrated experience** among persona with traceability of values among execs, EAs, dev/sec/ops
- **Offer a point of view** of BIAN for relevant business cases eg. Buy Now Pay Later

Competition



- *BIAN competes for funding with domains for innovation in Banks : AI, DLT, cloud adoption, data sharing, application monetization, resiliency, cyber, core banking modernization, digital banking customer UX..*
- **Align BIAN with areas of investments** positioning as preferred framework for business and technology efficiency, sourcing and innovation. Deliver a point of view of application of AI, DeFi
- **Enhance reporting and analytics** capabilities leveraging emerging application of AI.

Adoption



- *Need to provide tangible values with more precision for personas beyond EAs/Architects*
- *Access to knowledge and contribution is gated to members only. Limited participation and diversification, mostly concentrated by suppliers (vendors, ISVs).*
- Eliminate members-only access to knowledge and contribution.
- Adopt open source software and model to maximize reach, Provide free SDK and marketplaces. Eg. Mercury BIAN SDK,
- BIAN as product / -aaS: persona tailored, focusing on experience for the practitioners.

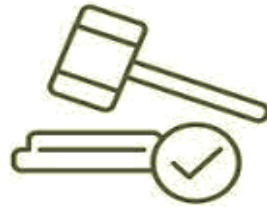
Strategy areas 6/6

Operational standards



- *BIAN does not address the detailed information exchanges needed for banking operations among players*
- *Lack of rigor for operational business*
- **Identify and describe impacts** across Deliver semantic to production-grade operational data models and exchanges.
- **Extend BIAN feedback loop** to create operation-ready data protocols
- **Socialize how BIAN can play a part in broader ecosystem-wide initiatives** eg. ESG

Regulatory Compliance



- *BIAN does not address regulations and compliance, nor data security.*
- **Identify and describe impacts** across service landscape, e.g. Truth in Lending, Consumer Credit, PI etc
- **Provide points of view** about the ability to address compliance areas with BIAN.
- Continue and expand the work of **Cards/Fraud WGs**

Security



- *BIAN does not address data privacy and security concerns for production-grade implementations.*
- *Data exchanges has to adhere to data security, policies and cybersecurity banking practices.*
- **Enhance BIAN models to address data security and privacy aspects** and requirements that regulate exchange of data among service domains.

BIAN Strategy Advice Report

challenges, opportunities and recommendations



Relevance - analysis details



Relevance to stakeholder and specific persona

Challenges	<ul style="list-style-type: none">• Limited awareness and relevance to key stakeholders and influencers for investments: C-suite, banks, ISVs, Fintech• Lack of focus on emerging business models and areas of investments eg. BaaS. BIAN covers A2A, minimally B2B and very little B2C.
Opportunity	<ul style="list-style-type: none">• Improve relevance for specific persona and parties aligning with their strategies (banks, ISVs, fintech, regulators)• Offer integrated experience among persona with traceability of values among execs, EAs, dev/sec/ops• Offer a point of view of BIAN in reference to relevant business case eg. Buy Now Pay Later business case, DeFi and crypto/DLT.
Suggestions	<ol style="list-style-type: none">1. Launch SAG Business Value WG to:<ol style="list-style-type: none">a. Create executive business value briefsb. Organize & deliver exec briefingsc. Fund and engage strategy consulting firms to co-produce exec briefsd. Produce and market analysts reports: eg. Gartner PCBs/BIAN2. Shift focus from A2A to B2B (open banking/finance w/ ecosystem) and B2C to assist building faster and better customer and associate experience eg mobile/edge banking.

Competition - analysis details



Competition

Challenges	<ul style="list-style-type: none">• BIAN competes with funding and attention to other domains for innovation Banks are investing in: AI, DLT, cloud adoption, data sharing, application monetization, resiliency, cyber, core banking modernization, digital banking customer UX..
Opportunity	<ul style="list-style-type: none">• Align BIAN with areas of investments and interest positioning as preferred framework for business and technology efficiency, sourcing and innovation. Deliver a point of view of application of AI, DeF along with BIAN.• Enhance reporting and analytics capabilities leveraging emerging application of AI.
Suggestions	<ul style="list-style-type: none">• Seek commitment from members for engineering resources for BIAN and adjacent domains.• Establish formal collaboration with mature peer communities in financial services, fintech, AI, DLT. Establish joint venture with Linux Foundation FINOS Banking & Fintech open source development community. Most of the FINOS members are BIAN members.

Adoption - analysis details



Adoption

<p>Challenges</p>	<ul style="list-style-type: none"> • Need to provide tangible values with more precision for given personas beyond EAs/Architects • Access to knowledge and contribution is gated to members only. Limited participation and diversification, mostly concentrated by suppliers (vendors, ISVs).
<p>Opportunity</p>	<ul style="list-style-type: none"> • Deliver easy-to-use tools to improve experience for distinct persona to improve collaboration • Increase reach and lower the barrier of entry to knowledge. • Increase inclusion and promote diversity of participants.
<p>Suggestions</p>	<ol style="list-style-type: none"> 1. Eliminate members-only access to knowledge and contribution. Adopt open source model and practices. 2. Adopt open source software and model to maximize reach, minimize sourcing friction and enhance collaboration. Provide free SDK and marketplaces. Eg. Mercury BIAN SDK, BIAN Mapper. 3. Treat BIAN as product / -aaS: persona tailored, focusing on experience for the practitioners. 4. Fund a managed service BIAN Lab sandbox for experimentation and joint prototyping with FSI production-grade technologies. 5. Seek resource commitment from banks that represent the demand side for the market of BIAN-certified business packaged offerings. 6. Promote buy-side sourcing of BIAN-certificated business/tech.



Operational business - analysis details



Operational Business Standards

Challenges	<ul style="list-style-type: none">• BIAN does not address the detailed information exchanges needed for banking operations among players• Lack of rigor for operational business
Opportunity	<ul style="list-style-type: none">• Deliver semantic to production-grade operational data models and exchanges.• Extend BIAN feedback loop to create operation-ready data protocols• Socialize how BIAN can play a part in broader ecosystem-wide initiatives and reach out to the bigger organizations to collaborate, eg. facilitating addressing ESG / climate change, and bank/fintech collaboration.
Suggestions	<ol style="list-style-type: none">1. Open source the BIAN Mapper to promote creation of BIAN-adapters1. Fund the delivery of production-grade operational business interfaces. Eg. BIAN-FDX, BIAN-ISO20022, BIAN-OpenBanking (alike FIX for cap markets and EDIFACT for B2B/supply chains)



Regulatory Compliance - analysis details



Regulatory Compliance

Challenges	<ul style="list-style-type: none">• BIAN does not address regulations and compliance, nor data security.
Opportunity	<ul style="list-style-type: none">• Mature and stable canonical service landscape upon which different types of regulatory impact could easily be identified, but today it is not addressed e.g. Truth in Lending, Consumer Credit, PI etc• Provide a point of views about the ability to address compliance with BIAN.• Continue and expand the work of Cards/Fraud WGs
Suggestions	<ol style="list-style-type: none">1. Deliver guidelines on how BIAN can assist in designing and implementing financial services applications in relation to major regulations.2. Promote publications on reference success stories of BIAN-like implementations that address regulations.3. Invest in defining and publishing Points of View and solution elements (using the standard) to encourage adoption of BIAN to address compliance.

Security - analysis details



Security

Challenges	<ul style="list-style-type: none">• BIAN does not address data privacy and security concerns for production-grade implementations.• Data exchanges has to adhere to data security, policies and cybersecurity banking practices.
Opportunity	<ul style="list-style-type: none">• Enhance BIAN models to address data security and privacy aspects and requirements that regulate exchange of data among service domains.
Suggestions	<ol style="list-style-type: none">1. Enhance BIAN data exchange and protocol models to adhere to data security, policies and cybersecurity banking practices.

Final recommendations, top priorities

1. Address adoption challenges

- a. Eliminate barrier for consumption and participation, zero/lower member fee.
- b. Adopt open source model.

1. Improve relevance for specific persona and parties

- a. Deliver executive value proposition.
- b. Extend value beyond EA/Architects and integrated experiences among persona.

1. Seek commitment from members for architect and engineering resources.

1. Provide guidelines to address security and regulatory compliance.

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BIAN global Summit

Thank you for attending

