Brickendon Journal 12

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Christopher Burke, CEO and founder
BRICKENDON CONSULTING

CHANGE IS A GOOD THING

Change is always a hot topic around the turn of the year. What happened last year that could be improved upon and how can certain things be improved for the future?

At Brickendon, change is not just an end-of-year discussion. Transformation, or in other words change for the better, is what we are about. For us, change is an opportunity to show what we do best - improve, innovate and transform our clients so that they can not only continue to operate in the ever-changing financial markets, but actually thrive in what is becoming an increasingly competitive market place.

As a transformational consultancy, we are continually researching and investing in our offerings to enable us to provide the best service to our clients when challenges and opportunities present themselves. However, whilst we spend vast amounts of time on cutting edge solutions, we are acutely aware that all our clients have extremely complex and unique business needs. To this end, there is no one-size-fits-all solution. Our aim is to use the expertise gained from many years' addressing these issues to produce ground-breaking, innovative, bespoke solutions that not only address the individual challenges facing our clients, but also save them time and money. (Our award-winning testing solution has been proven to reduce testing costs by as much as 95 per cent per release and the testing cycle to as little as six hours, from three weeks – and this is just one example.)

Earlier this year we celebrated our seventh birthday. Since its foundation, Brickendon has gone from strength-to-strength, winning new clients, adding new consultants, expanding into new markets, and most recently, opening offices in Warsaw, Poland, and Raleigh, North Carolina. We now have thriving operations on both sides of the Atlantic, with London and New York spearheading the growth and challenging the general trends in the market.

For us, 2017 was a busy time and 2018 looks like it is shaping up to be the same. Whether it's change associated with Brexit, compliance issues such as MiFID II or BCBS 239, or data challenges, most likely in the form of the new EU General Data Protection Regulation (GDPR), there is plenty to keep us on our toes and striving for smarter, faster and more efficient ways of doing business.

At Brickendon we put our clients first. What makes sense for you, makes sense for us, and this, alongside our consistent record of high-quality tailored offerings, is our focus and our strength. It is our hope that by working together with you, we can make 2018 a year to remember – for the right reasons.

IT WILL TAKE A COMBINATION OF HOT TOPICS TO CHANGE THE FINANCIAL SERVICES GAME, SAY BRICKENDON EXPERTS

2017 may be on its way out, but the year of the Rooster's hot topics of data, Brexit and regulation are not. According to Brickendon's senior leadership team, the very same topics, with a sprinkling of digitalisation, Blockchain and FinTech, will continue to be the key drivers in 2018.

"Data, access to it, and the ability to mine it, will be central to everything that happens in the future in financial services," says Brickendon CEO Christopher Burke. "The simplification of processes and increased digitalisation are going to be big game changers, but only when combined with a more comprehensive view of data."

Nathan Snyder, a Brickendon partner and data specialist agrees, saying: "We are now reaching a tipping point in data and analytics.

"For a long time, we have been talking about concepts such as big data and data science. These have been exciting and cutting-edge endeavours requiring the laying of a large amount of intellectual and technology groundwork.

"However, now the data is loaded and the toolsets are understood and available, I believe that 2018 will see data and analytics being used for operations and technology processes."

According to Snyder, we now need to think about data analytics in terms of predicting what will happen and prescribing what should be done, rather than focusing on the past. This will allow us to move from managing process exceptions to optimising them. "It is the difference between fixing a broken part and assigning an engineer in advance to a part we know will break," he says.

Christopher Burke

"2018 will be all about the simplification of processes and digitalisation, as well the acceleration of the process to replace people with robotics and machine learning."

Nathan Snyder

"We are now reaching a tipping point for data analytics. I believe 2018 will see a switch to predictive analytics that will enable us to move from managing process exceptions to optimising them. It's the difference between fixing a broken part and assigning an engineer in advance to a part we know will break. If done correctly, the impact will without doubt be a leap in productivity and efficiency."

Chris Beer

"There is still a lot of regulation to follow whether it's MiFID II, SFTR (Securities Financing Transactions Regulation) or FRTB (Fundamental review of the Trading Book) and those that embrace regulatory change and use it to their strategic advantage will be the ones that succeed. The key is to see the regulatory deadlines as the start of the regime and not the end."

Harpreet Singh

"2018 could be a turning point for financial regulation, with developments being primarily shaped by political events. The five main trends that we expect to see impacting capital markets in 2018 are Brexit, data regulations, FinTech, the overall macrostructure and cyber security."

Better use and understanding of data will also help developments in the areas of robotics and machine learning, says Burke, adding that: "2018 will be the start of the process to replace people with robotics and machine learning. It will impact RegTech, data analytics and ultimately how organisations service their clients.

"This will ultimately lead to the simplification of processes and increased digitalisation."

Brickendon Partner and strategy expert Chris Beer agrees, saying that while many firms have already started to embrace the idea of digitalisation, there is still a long way to go and a lot to be achieved. "Business is becoming a lot more about the user experience," says Beer. "Automated user interfaces can go a long way to helping this and embracing digitalisation is the key."

Still, for many the past is here to stay. 2017's political turmoil prompted by elections in Austria, France, and Germany, the Catalonian referendum and the shift in decades-old US government foreign policy, is expected to continue to shape the capital markets going forward, according to Brickendon Executive Director and regulatory data specialist Harpreet Singh.

"There is no doubt that Brexit will continue to take the limelight in many regulatory and non-regulatory discussions in 2018," he says, adding that many of the details of the UK's departure from the EU will only become clear as 2018 progresses and banks will have to adapt accordingly.

"2017 was the year when many banks laid down their strategy, but they will have to keep a close eye on it if they are to survive and thrive in 2018," says Singh.

In addition to Brexit, regulations such as the second Markets in Financial Instruments Directive (MiFID II), the requirements for central clearing and the second Payments Services Directive (PSD2) will force significant changes to the banking environment, with the innovators and disrupters emerging as the winners. "Many larger banks will be forced to rethink their business models," says Singh.

Beer agrees. "Success in the future will depend on how firms use their compliance with regulations such as MiFID II to their strategic advantage," he says. "The markets themselves will change in line with new regulation such as MiFID and those firms that are able to take what they are doing and apply it to other legislation will have an advantage."

Smaller FinTech companies will also have a part to play in the 2018 financial services market, with many increasingly starting to provide services that were previously done in-house, says Beer.

"Banks will have to make a decision about whether they service customers through their own architecture or through a third party. Sitting back and doing nothing is no longer an option."

Blockchain is also something to watch, according to Singh. News that several banks, including Goldman Sachs and JP Morgan Chase, have recently completed a successful six-month trial using the technology in the equity swaps market, means that use of the distributed ledger technology is no longer just hypothetical. The opportunities for financial services are significant.

In short, we aren't expecting the year of the dog to bring any major shocks. It will take something bigger than the rise of the robots to completely knock data, Brexit and financial regulation out of the game-changing rankings. Still, together, all these issues have the potential to change the game, but who emerges as the winner this time next year remains to be seen....

BREXIT: BANKS – ON THE ROAD TO SOMEWHERE?

By Chris Beer

If Brexit has done one thing, it is to create yet more uncertainty in the financial sector. Immediately after the referendum, the media was rife with reports that banks were making plans to shift staff and operations from London to EU cities such as Frankfurt and Brussels. Failing to do this and maintaining large operations in London, and therefore outside of the EU, could reportedly render banks unable to properly service their European clients and in turn cause them a considerable loss of income.

More recently, an opposite trend is emerging, with many media reports suggesting that major banks, such as UBS, Credit Suisse and private bank Julius Baer, are keen to remain in the UK and are in fact, looking to open regional offices or strengthen their London operations. While the precise nature of the UK's departure from the EU remains to be seen, Brickendon considers whether the UK may win, as well as lose, some business, and looks at what this means for the recent trend towards organisational and legal entity simplification in the banking sector.

"Simply upping sticks and moving your financial services business to a new location is not as simple or sensible as it sounds," says Brickendon CEO Christopher Burke. "There are a range of things to consider, such as market access, potential unwinding of complex trading positions, regulatory implications, location of clients and competition for talent.

"While these considerations have always been important, Brexit has now added a new dimension and made the location strategy game even more complex. Getting it right has never been so important to a bank's success."

The exact terms of any post-Brexit financial agreement still remain to be seen, but it is widely accepted that the two-way business that takes place under the guise of so-called 'passporting rights' will no longer be possible. 'Passporting' enables banks based in the EU to automatically operate in the UK through branches which are regulated in their local EU domiciled country, rather than more heavily supervised UK subsidiaries which are regulated by the FCA and PRA. Going forward, banks will be unlikely to be able to service customers in the EU from the UK and vice versa. As a result, they are expected to need operations on both sides of the Channel. For many, this will require the reversal of a key trend of the past decade, namely simplification of the banking structures.

So why is this? For a customer, a bank is a bank whether it's a physical building, an online system or someone sitting in a call centre in another country. The same cannot be said for the institution itself. The exact form the bank takes, be it a subsidiary or a branch, matters in regulatory terms and defines how it may operate in a particular country. This is even more prevalent now that the UK is leaving the European Union.

"Getting it right has never been so important to a bank's success"

A branch is an independent entity that conducts business in its own name, but is not legally separated from its foreign parent. It is subject to local laws governing its parent company, and while a branch can be useful for gaining an understanding of a local market and is more cost-efficient than setting up a subsidiary, it cannot operate as a stand-

alone business. By contrast, a subsidiary is an incorporated legal entity which can operate in its own right. A subsidiary will maintain a fully-funded balance-sheet, take responsibility for its own capital and liquidity flows and is regulated in the country in which it is located.

Under the new financial requirements post the financial crises of 2008-09, banks have to ensure they have sufficient access to capital and adequate liquidity to operate in all markets. Looking forward to the Brexit-shaped future, financial institutions which only have branches in either the UK or the EU will need to restructure these operations to run as subsidiaries. This will involve significant transfers of capital, funding and liquidity and will ultimately require the bank to address the increased scrutiny of regulators and legislators that will inevitably accompany such fundamental changes to the operating models and organisational structures.

To consider the impact this will have on the financial sector, let's take a step back. Historically the globalisation of the banking world has been driven by geographical expansion, accompanied by a proliferation of legal entities and vehicles under banks' group 'umbrellas'. For some banks, this increase in organisational complexity was intended, i.e.. to leverage regulatory or taxation arbitrage; for others, it was simply a consequence of servicing client requirements in relation to new products and geographies. Whatever the reason, by the turn of the millennium many banks had developed highly-complex organisational structures, often covering hundreds of companies and dozens of geographies.

Then came the financial crises of 2008-09 and a rapid reduction in funding and liquidity in the financial markets, which in turn threatened the long-term viability of many large banking groups. Capital injections were needed from central governments and institutional investors to reinforce the precarious financial position of many banks already weakened by declining underlying transaction volumes and profit margins.

"Many banks have withdrawn from countries and locations no longer regarded as being 'core' to their banking models"

One of the main impacts of this was pressure on the banks to simplify their organisational structures. Regulators and legislators called for increased transparency to ensure that banking groups could not be destabilised by under-capitalised 'rogue' entities. In turn, all legal entities needed to be capitalised in line with regulatory requirements and stakeholder expectations, and legislation was put into place requiring all banks to demonstrate adequate and orderly plans in the event of a corporate insolvency, otherwise known as 'living wills'. Demands were also made for the rationalisation of trade-booking models and risk-management frameworks to mitigate both credit and operational risk, while duplication and inefficiency across business and technology architectures were removed.

As a result, many banking groups have spent much of the past decade delivering complex organisational transformation programmes, which in many cases have been centred around the rationalisation of legal entity structures, with subsidiaries or associate companies being wound down. At the same time, many banks have withdrawn from countries and locations no longer regarded as being 'core' to their banking models.

While this trend towards organisational and legal entity simplification has begun to realise organisational synergies and cost benefits for many institutions, it may be stopped in its tracks by the UK's planned withdrawal from the EU. The extent of the disruption is obviously not yet clear and will depend on the terms of the final arrangement agreed between the UK and EU. In addition, each bank operating in the UK will have a unique business model combination, which will be affected differently by the Brexit process.

It is, however, possible to identify key elements that banks will need to consider. Many transformation initiatives have focussed on developing global booking models across asset classes and concentrating both capital and liquidity in UK-domiciled entities. For example, many US banks used London as a booking centre to service their international or 'rest of the world' business. In the future, banks may be required by EU regulators to set up or upgrade EU-domiciled booking centres, replicating the current arrangements in London and effectively splitting their trade booking models. Additionally, banks would also be forced to choose between servicing their non-EU international business from either London or a location within the European Union.

In order to maintain adequate access to EU markets post-Brexit, banks will need to ensure they have both sufficient balance sheet capacity and operational capabilities within the EU. EU-domiciled institutions typically have this within their primary commercial entity or in key subsidiaries operating within the EU, but for many non-EU-domiciled banks, subsidiaries operating in the EU will not have the required balance-sheet scale or operational capacity. In some cases, banks will not have a subsidiary operating within the EU and will have to consider how best to set up such an entity, either from scratch or by converting a main bank branch in a specific country. Deutsche Bank recently said it may shift about 300 billion euros, equal to almost a fifth of its balance sheet, to Frankfurt from London in order to facilitate trading in the EU post Brexit.

"One thing that is for sure is that the trend towards organisational simplification will be reversed"

Either transition scenario will necessitate a significant migration of roles and infrastructure to the EU, a figure which has been estimated to be as much as a quarter of the roles currently supported in London. In the same vein, EU-domiciled banks operating in the UK will need to consider how to maintain, or gain, access to UK markets. They will again need to ensure some measure of balance sheet capacity and operational capabilities, which could be achieved either by leveraging an existing subsidiary operating within the UK or by converting a UK branch of the main banking entity.

In short, there is no doubt that Brexit will have an impact on the banking sector in more ways than originally anticipated. Amongst this uncertainty, one thing that is for sure is that the trend towards organisational simplification will be reversed, a move that will inevitably incur significant costs for the banks. Moreover, there will also be some migration of capital, liquidity and infrastructure out of the UK and into the EU. This may however be mitigated by inflows from the EU for banks wishing to gain access to UK-domiciled clients, the UK's highly-liquid capital markets, favourable regulatory conditions or any free-trade benefits the UK is able to negotiate with non-EU countries.

As with any marketplace disruption, Brexit offers banks a strategic opportunity for fast-movers to gain competitive advantage. Now is the time to act.

MiFID II – UNBUNDLING LESSONS FROM OTHER INDUSTRIES

By Bryan Adare

From 11 January 2017, British Airways, the flag carrier for the United Kingdom and airline long-recognised for their exemplary customer service, removed complimentary food and drinks from their short-haul European flights. A long-time coming as part of many changes to reduce costs, CEO Alex Cruz decided that removing the complementary service in an environment increasingly dominated by low-cost competitors was the best way to improve profitability and maintain price competitiveness.

The changes were not taken well by BA customers, with both leisure holidaymakers and corporate frequent-fliers up in arms about the loss of the previously complementary service. Airline passengers are however not the only ones subject to so-called unbundling. As part of the new Markets in Financial Instruments Directive (MiFID II) legislation, banks are on the verge of unbundling previously free research services. Here we look at what the financial services sector can learn from the airline industry's experience.

Changes like this are part of a larger trend in the airline industry's unbundling. Within the industry, it has been pioneered by the low-cost segment as a way to create the lowest ticket price for consumers who just want to get to their destination without any frills. Those who want additional services can pay for what they use. Reducing included services is one of the pillars of the low-cost model, and legacy carriers have been struggling to determine how to price competitively, yet continue to offer the level of service their customers expect. Initially it was led by the removal of simple items like checked-in baggage and exit-row seat selection, but has now evolved to cover almost any service traditionally included in the price of admission, from the on-board food and drink service and seat selection in any part of the cabin; to boarding order and number of carry-on bags.

Naturally, the changes have had an impact on ticket pricing across the board, with legacy carriers reducing their core route prices year-over-year to compete in a market which is generally driven by the lowest advertised price. While flyers are shy to praise these price reductions, they are quick to complain about the removal of services. From a frequent-flyer perspective the impact can be great: they are losing their Thursday night commuter drink and are unable to charge purchases back to corporate policies. For leisure travellers, the degradation in service quality from the expectations set by BA following years of high-quality on-board service, could be one of the final nails in the coffin that drives holiday makers to cheaper low-cost carriers.

Similarly, the investment and asset management industry is also dealing with unbundling, though this time driven by a completely different force, namely the regulatory requirements of MiFID II. As part of the regulations that take full effect from 3 January 2018, portfolio managers and buy-side professionals are barred from accepting free research insights as this could be viewed as an 'inducement' under the terms of the MiFID II regulations. The new legislation imposes stringent conditions on clients' payments for research and requires the use of a dedicated Research Payment Account (RPA) to allow for a buy-side client to pre-select the quantity of research and focus the coverage as they find applicable.

"Banks provide the advice and are only paid if the buyer believes it was worthwhile"

The implementation of these new rules has not been simple for anyone, with major initiatives being taken to ensure the changes are implemented from all perspectives. Sell-side firms have been sluggish to implement the necessary changes, as they also seek to implement numerous other global regulations which have come into force in the last few years. Going forward, buy-side firms are likely to be reluctant to start paying for a service which used to be complementary.

Fundamentally, sell-side institutions work as a gift economy. They provide research, introductions to CEOs, trade ideas and

informal advice in the hope that buy-side institutions will later pay them to execute trades or structure deals. This is not to say that research is entirely free, but the payment mechanism is entirely at the buyer's discretion. Funds are allocated to research and the buyer chooses after the event how to allocate those funds amongst the organisations that provided the research content. In other words, banks provide the advice and are only paid if the buyer believes it was worthwhile.

MiFID II rules are about to tear up this relationship. Not only will buyers pay in advance for advice without knowing how to value it, but the advice will need to be fully costed and not provided at its current large discount.

There are some professionals who wonder what effect this will have on the core relationship between the buy-side and sell-side, and whether there will be a place for research-oriented institutions going forward. Others are concerned that there will be less incentive to cover smaller entities from a research perspective, which could lead to a significant reduction in liquidity for smaller and less-prestigious listed entities.

"The low-cost airline market uses product unbundling as a way of gaining price advantage"

The low-cost airline market uses product unbundling as a way of gaining price advantage in a heavily commoditised market by tapping no-frills customers to fill seats and grow volume. There are some industry insiders who suspect that the financial world could leverage this model. The opportunity is now opening for new entrants who can provide execution services at rock-bottom prices with no-frills, and for research-only firms who can provide top-ranked research at lower cost, without the infrastructure and overhead of execution.

Time will tell for airlines how well unbundling works, with the low-cost model sure to continue for those already in the space. Some legacy US carriers have already back-tracked on their cuts to food and beverage offerings, and British Airways has recently re-introduced complementary seat selection for status holders in their Executive Club even on basic fares. For the investment industry, it appears that the regulations, and costs involved in meeting those, will ensure the new status quo remains for the time being.

As for the low-cost airline model, both corporate road-warriors and leisure holiday makers seem to be continuing to flirt with low-cost carriers. However, many customers now buy their meals before boarding the plane, believing they can get a better price or better quality product. Whether the buy-side implement a similar strategy of shopping around and if they do, what will this do to the trade execution costs that the sell-side is able to charge, remains to be seen. Whatever the outcome, it is definitely an area to watch and one where many lessons are still to be learnt.

TOP FIVE IMPACTS OF GDPR ON FINANCIAL SERVICES

By Srirupa Chaudhuri

Amidst growing concerns around the safety of personal data from identity theft, cyberattacks, hacking or unethical usage, the European Union has introduced new legislation to safeguard its citizens. The EU General Data Protection Regulation (GDPR) aims to standardise data privacy laws and mechanisms across industries, regardless of the nature or type of operations. Most importantly, GDPR aims to empower EU citizens by making them aware of the kind of data held by institutions and the rights of the individual to protect their personal information. All organisations must ensure compliance by 25th May 2018.

While banks and other financial firms are no strangers to regulation, adhering to these requires the collection of large amounts of customer data, which is then collated and used for various activities, such as client or customer onboarding, relationship management, trade-booking, and accounting. During these processes, customer data is exposed to a large number of different people at different stages.

So, what does the introduction of GDPR actually mean for financial institutions and which areas should they be focusing on? Here Brickendon's data experts take a look at five key areas of the GDPR legislation that will impact the sector:

1. Client Consent: Under the terms of GDPR, personal data refers to anything that could be used to identify an individual, such as name, email address, IP address, social media profiles or social security numbers. By explicitly mandating firms to gain consent (no automatic opt-in option) from customers about the personal data that is gathered, individuals know what information organisations are holding. Also, in the consent system, firms must clearly outline the purpose for which the data was collected and seek additional consent if firms want to share the information with third-parties. In short, the aim of GDPR is to ensure customers retain the rights over their own data.

2. Right to data erasure and right to be forgotten: GDPR empowers every EU citizen with the right to data privacy. Under the terms, individuals can request access to, or the removal of, their own personal data from banks without the need for any outside authorisation. This is known as data portability. Financial institutions may keep some data to ensure compliance with other regulations, but in all other circumstances where there is no valid justification, the individual's right to be forgotten applies.

3. Consequences of a breach: Previously, firms were able to adopt their own protocols in the event of a data breach. Now however, GDPR mandates that data protection officers report any data breach to the supervisory authority of personal data within 72 hours. The notification should contain details regarding the nature of the breach, the categories and approximate number of individuals impacted, and contact information of the Data Protection Officer (DPO). Notification of the breach, the likely outcomes, and the remediation must also be sent to the impacted customer 'without undue delays'.

Liability in the event of any breach is significant. For serious violations, such as failing to gain consent to process data or a breach of privacy by design, companies will be fined up to €20 million, or 4 per cent of their global turnover (whichever is greater), while lesser violations, such as records not being in order or failure to notify the supervisory authorities, will incur fines of 2 per cent of global turnover. These financial penalties are in addition to potential reputational damage and loss of future business.

4. Vendor management: IT systems form the backbone of every financial firm, with client data continually passing through multiple IT applications. Since GDPR is associated with client personal data, firms need to understand all data flows across their various systems. The increased trend towards outsourcing development and support functions means that personal client data is often accessed by external vendors, thus significantly increasing the data's net exposure. Under GDPR, vendors cannot disassociate themselves from obligations towards data access. Similarly, non-EU organisations working in collaboration with EU banks or serving EU citizens need to ensure vigilance while sharing data across borders. GDPR in effect imposes end-to-end accountability to ensure client data stays well protected by enforcing not only the bank, but all its support functions to embrace compliance.

5. Pseudonymisation: GDPR applies to all potential client data wherever it is found, whether it's in a live production environment, during the development process or in the middle of a testing programme. It is quite common to mask data across non-production environments to hide sensitive client data. Under GDPR, data must also be pseudonymised into artificial identifiers in the live production environment. These data-masking, or pseudonymisation rules aim to ensure the data access stays within the realms of the 'need-to-know' obligations.

Given the wide reach of the GDPR legislation, there is no doubt that financial organisations need to re-model their existing systems or create newer systems with the concept of 'Privacy by Design' embedded into their operating ideologies. With the close proximity of the compliance deadline – May 2018 – firms must do this now.

Failing to do at least one of the following now:

a) identify client data access and capture points,

b) collaborate with clients to gain consent for justified usage of personal data, or

c) remediate data access breach issues;

will in the long run not only cause financial pain, but also erode client confidence.

Recognising the importance of GDPR and acting on it is therefore the need of the hour.

AIRT – INNOVATING AUTOMATED INTELLIGENT REGRESSION TESTING

By Iya Datikashvili

Balancing testing speed and release quality is one of the biggest challenges in software engineering. Even if you can keep up with testing the new functionality of a release, the continuous needs of testing the ever-growing regression scope can often seem unattainable.

Regression testing is performed when changes are made to the existing functionality of the software or if there is a bug fix in the software. It is the mechanism by which software is validated to ensure existing product features are still in working order after code changes are applied. As the function of a software application grows with each succeeding release, so do the regression testing needs. Managing these while keeping to shortened delivery timelines can be difficult.

One option is Automated Intelligent Regression Testing (AIRT), which intelligently runs automated regression tests relevant to the changes in code. It reduces the overall regression test cycle by identifying and executing only the set of cases that must be executed to satisfy the test scope, optimally managing risk related to meeting the demands of delivering quality software and the pressures of meeting time-to-market expectations.

While the value of regression testing is widely acknowledged within technology departments, it is often viewed by the rest of the business as costly and time-consuming. Executives want to see the product move forward, and making a considerable time investment in regression testing to ensure existing functionality is working, can be a hard sell.

To address this challenge, more and more companies are adopting regression test automation tools, using software to control the execution of test scripts and comparing the actual outcomes to expected outcomes. This reduces the overall regression test cycle and allows for repeatable, labourious tests to be offloaded from the manual test execution function.

"Partial regression cycles carry significant risk"

These can be carried out in full, executing the entire regression suite for each release, or partially, blindly selecting and executing a sub-set of the regression suite.

Running a full set of automated regression scripts for each release is costly and often deemed wasteful because it results in testing code and functionality that are seemingly unaffected, and prolongs the testing cycles without showing any added value. However, partial regression cycles carry significant risk because the process of selecting the sub-set of scripts is blind, speculative, and open to interpretation. As a result, it can feel ad-hoc and chaotic. By contrast, the AIRT approach introduces the concept of intelligence into the automated cycle, selecting and executing specific regression scripts based on the code changes that were implemented. Both the value-add and time-to-market objectives are


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realised because only test cases that provide test coverage for the impacted features are executed, ensuring test coverage is not compromised. Non-impacted features are deemed out of scope, therefore eliminating wasted time and effort.

"AIRT acts as a gatekeeper that helps keep a tab on code quality, delivery timelines, and overall costs"

Another issue is knowing when to start the regression test cycle, whether it's in parallel with functional testing, in between the first and final functional QA cycles, or only after the functional and system integration tests are signed off. Each option carries a risk. Conducting it in parallel with functional testing can potentially mean running a regression test on a moving target, in between functional testing cycles can also mean testing a moving target – though this could make more sense as it is presumed that the majority of the defects should have already been identified in early test cycles making the release more stable, whilst running the regression cycle after functional and system integration tests are complete runs a risk of defects being found late in the cycle and therefore increasing the time and cost of any fixes.

AIRT allows automated regression testing to be applied in iterations, delivering high-quality software in multiple successive drops whilst conforming to short delivery cycles. It also frees up the quality assurance team to focus on testing new functionality rather than running endless regression cycles.

AIRT is not purely about balancing the demands of delivering quality software and time-to-market constraints, it also contributes to the organisation's cost reduction objectives by addressing one of the primary reasons for the increased overall cost of quality – the high costs of detecting and correcting defects late in the cycle.

AIRT is integrated with the development code so that each check-in by the developer is automatically verified, and any new defects are detected and fixed early, and within the development phase. AIRT acts as a gatekeeper that helps keep a tab on code quality, delivery timelines, and overall costs.

Organisations typically bound by traditional lengthy regression-test strategies can now apply Brickendon's bespoke AIRT solution to address both the value-add and time-to-market considerations and reliably deliver small, safe and faster releases.

Financial markets are all about regulation. The constant stream of new rules in different jurisdictions requires significant time and resources, which can easily take the focus away from growing your business and making money. Brickendon's highly-experienced consultants can help you align the two aspects, keeping your business ahead of the competition and ensuring it is ready to tackle the challenges of tomorrow.

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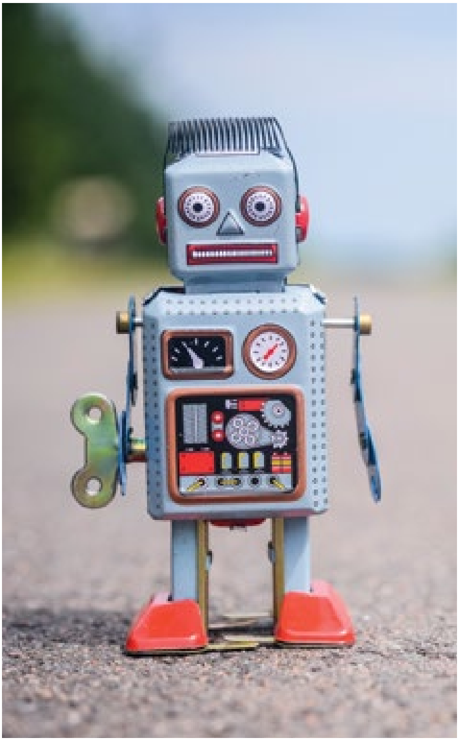
ROBOTIC PROCESS AUTOMATION – IS IT TIME TO EMBRACE ROBOTS?

By Srirupa Chaudhuri



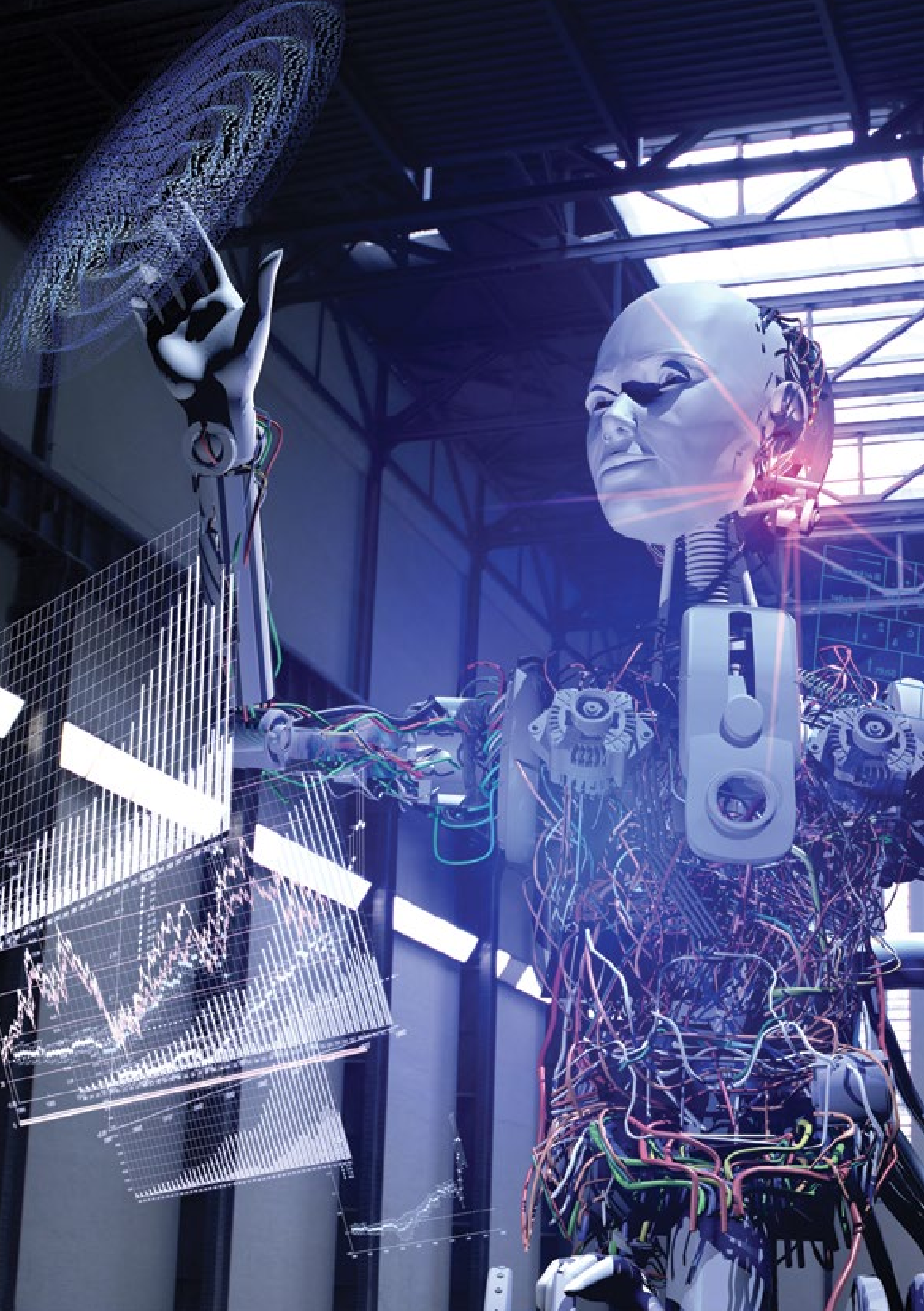
Banking systems are full of processes. Whether it's client onboarding, due diligence, or any other step in the process of running a bank, there is always information to gather, store, interpret, review and transfer in order for the business to continue operating effectively. Many of these processes require a series of actions, which often take up a lot of manpower. Given that many banks have tens of thousands of customers and clients, these processes are not only repetitive, but also extremely inefficient and costly given the extent of manual intervention required.

Enter Robotic Process Automation, otherwise known as RPA, a process which aims to replace humans with software robots or 'bots'.

Defined by the Institute for Robotic Process Automation & Artificial Intelligence (IRPAA) as the application of technology that allows employees to configure computer software or a robot to capture and interpret existing applications for processing a transaction, manipulating data, triggering responses and communicating with other digital systems, the advantages of incorporating RPA into your business processes are many. In a bank, RPA has the potential to reduce the number of operational errors; increase efficiency as robots can operate 24*7; reduce costs as all the people involved in the manual processes can be replaced by a single programmed bot; add scalability, as the number of bots can be increased or decreased based on operational volume needs; increase customer satisfaction due to a faster turnaround; and improve accountability as the audit logs of robot operations would be constantly available.

So, does this really mean that in the future all humans will be replaced by machines and that robots will eventually try to take over the world in the style of the Terminator movies?

In reality, the answer is no. The intention behind RPA implementation is to ensure organisations are able to better utilise their employees in areas that add value to a firm's operations and delegate the repetitive tasks to automated machines. The 'bots' need to be programmed to replicate the human actions required in the process, while humans are also required to provide support and supervision to ensure any issues which may impact the



process, such as network failure, a 'bot' crash due to error, or exceptions in the operations, can be dealt with.

Furthermore, not all business operations would qualify to be automated using RPA. Firms will need to assess their operations to establish selection criteria for processes which can be automated. Some questions to consider are: does the input have a defined structure; is it a standardised process; is the re-work rate high due to a large amount of manual/human error; does the process have to be replicated in multiple geographical locations and require support teams; is 24*7 support required?

Moreover, the tools which enable RPA are proprietary and licensed, meaning the process of adoption can be costly. As a result, organisations need to assess their business-as-usual (BAU) processes for the suitability of RPA application and then develop a strategy to determine how to introduce RPA for the candidates identified, as well as performing a Return on Investment (ROI) assessment and ensuring the most appropriate tools are selected.

Ultimately, firms should only adopt RPA if it provides substantial benefits in the longer term, but given the aforementioned advantages that can be reaped, there is no doubt that for the right projects, the ROI will outweigh the initial costs and investments.

One thing to note is that thus far, the bots used for RPA can only demonstrate intelligence based on what they are programmed for. However, constantly evolving technology has introduced innovations like Artificial Intelligence (AI) which can empower the bots to adapt to issues and behave accordingly within business processes, i.e. enact remediation actions. So, while there may currently be limitations, the opportunities for future developments are vast.

Functions of businesses such as procurement, supply-chain management, accounting, customer service, HR, purchase-order issuing, and generally any other process area where tasks are manual, repetitive, standardised, rule-based and involve structured data, could also benefit. In IT, RPA can be embedded within support and management operations like network monitoring, service-desk operations, and automated customer assistance. Typically, these operations are essential to keep organisations operating effectively, though they are often overlooked when it comes to funding because they do not necessarily generate revenue.

"Ultimately, firms should only adopt RPA if it provides substantial benefits in the longer term"

The key is to assess your options. There is no doubt that as RPA becomes an increasingly popular buzzword, its benefits merit further consideration. After all, automating even just a few of the vast number of processes necessary to make a bank function would enable organisations to improve their operational efficiencies and reduce costs – and in the end, cost and efficiency are what matters most to businesses.

We at Brickendon are armed with expertise to help our clients understand the benefits that RPA offers, and where appropriate, to help implement it effectively within an organisation.

HANDING POWER BACK TO WOMEN – HOW THE FINANCIAL SERVICES SECTOR CAN SUPPORT FEMALE RETURNERS

By Christopher Burke

The financial services sector is in danger of losing key talent and is missing out on a huge resource. Perceived as male dominated and sporting a "dusk-'til-dawn" culture, banking and finance has historically been painted in an unfavourable light as far as women are concerned. Across the sector, females earn on average 18 per cent less than their male counterparts, and this gap widens after childbirth. Research has shown that women encounter numerous problems during their transition from maternity leave back into the world of work, including issues with confidence, anxiety and post-natal depression. In fact, the challenges women face when returning to any form of work, not just in financial services, are believed to cost the UK economy approximately £1.7 billion a year.

While the value that women offer to financial services, particularly at management level, is widely acknowledged as being significant in terms of experience, efficiency and knowledge, the number of women advancing up the career ladder decreases rapidly at middle-management level. Arguably there's a correlation between the number of women leaving the sector to have children and the decrease in the number of women in middle-management positions and to help decrease this disparity, businesses should be supporting these mothers to return to the financial services sector and continue their careers from where they left off.

Rise of "Returnships"

One of the most significant schemes aimed at rectifying this disparity is "returnships".

A "returnship" is a designated programme and support system aimed at helping those returning to a higher-level, higher-paid position following a minimum of two years out of work.

A well-developed "returnship" is key to developing an inclusive culture and can offer a lifeline to help women to return to work in the financial services sector. These programmes support individuals to develop their skills, as well as boost their confidence and adapt to the evolved corporate landscape. Introducing "returnships" into a business sends a clear message to mothers that they are valued talent, as well as promoting the possibility of pursuing a financial services career while raising a family to the current female workforce.

Girl Power

It's important to remember that gender diversity not only benefits the individual, but also a company's future growth. Businesses with ethnic and gender diversity have reported above average financial results, with a recent study indicating that businesses with at least one woman on the board between 2006 and 2012 achieved an average equity return of 16 per cent – four percent higher than those with no female board representation. In addition, equality provides access to a larger talent pool, better decision making by bringing together different perspectives, a better service to customers, and a stronger economy. In fact, research has found that increasing the number of women in work by just five per cent could generate an extra £750 million in tax revenue.

The financial services sector does recognise the need for diversity and gender equality, and improvements have been made. For example, the introduction of “returnships” can encourage financial services businesses to harness talent and provide a more supportive environment. However, like with anything, these companies should not just rely on one programme to support women re-entering the sector, but look at other means of creating an inclusive and supportive environment that suits the needs of both women and the business.

At Brickendon, one way we’re supporting women is through pioneering a diverse working culture that’s embedded in our core values. We have seen that facilitating the achievement of personal goals within a flexible working culture, means that our staff not only deliver to the best of their capabilities, but are also engaged and committed members of the workforce. As a result, we are seeking to increase the number of women in our workforce in all roles and at all levels of the organisation. To help other financial services firms support women returning to work and make the most of all the available talent, we’ve provided our top tips:

Mentoring schemes: Create a tailored mentoring programme or ‘buddy system’ system, pairing women in the workplace and allowing them to mentor each other. This way, female workers can provide guidance and advice to each other on a variety of issues, including how best to thrive in the financial services sector. Such a scheme not only provides support for returning mothers, but also helps raise awareness across the company, ultimately resulting in a more inclusive and accepting working environment.

Leadership Academy: Develop a fast-track programme for returning mothers, providing them with the skills needed to advance in their career and take on executive positions. Programmes could examine the current economic and corporate landscape, as well as provide booster sessions on industry advancements, such as technology. This can help to impart confidence in the worker, by demonstrating they are still as well qualified and suited to the job – even after their time away.

Success for life workshops: Stimulate personal development through a series of workshops on a variety of topics affecting women in the workplace. For example, these sessions could examine building confidence, planning for the future, and managing workloads. By providing development sessions and coaching that isn't purely focussed on the technical aspects of financial services, firms could strengthen their talent pool, as employees will feel supported and cared for.

Open and flexible working culture: Promote and encourage a flexible working environment where employees feel looked after and valued. Flexible working has grown tremendously in the last couple of years as firms recognise the need to be more lenient in allowing their employees to either work from home or have more flexibility with their standard working hours. Companies offering flexibility can attract and retain the highest calibre of talent.

A career in financial services can be challenging, but it is also one of the most rewarding jobs out there, not only financially, but also in satisfaction of personal achievements. Women have a pivotal part to play in the development of our industry and we must constantly address the challenges that are stopping the financial services sector from achieving gender equality. A key focus for us at Brickendon is to help mothers transition back into work seamlessly and most importantly encourage them to want to return.

Earlier this year Brickendon joined the Women in Finance Charter, cementing our belief that females have an important part to play in the future of the sector.

WORKSPACE IS NOT ALL ABOUT DESK SPACE

By Richard Warren

What do UBS, Macquarie Bank, National Australia Bank, Google, Microsoft, KPMG and Ernst & Young all have in common? Yes, they are all global organisations, but more importantly, they have all embraced, and are advocates of, flexible and activity-based working.

In today's environment where budgets are being squeezed by rising real estate prices and many organisations are finding themselves with more staff than they have desks, firms are looking for alternative ways of managing their work space. Activity-based working is one of those.

Unlike traditional working styles, where each employee has their own desk and returns to that same location every day, activity-based working is based on the premise that no employee 'owns' or has an assigned workstation. Instead, the broader workspace provides employees with a variety of predetermined activity areas that allow them to conduct specific tasks, including learning, focussing, collaborating and socialising. Advocates estimate that adopting this flexible approach to working can reduce costs by as much as 30 per cent, particularly in areas where real estate costs are high.

"It empowers the employee to produce the results expected of them"

Activity-based working allows employees to work both independently and as part of a team anywhere and at any time. Like all forms of flexible working it empowers the employee to produce the results expected of them, but also requires a sense of trust between the employer and employee. Advocates believe that as well as saving money on office space, activity-based working also increases collaboration between colleagues and encourages creativity and innovation.

It is however not something that works for everyone, and often depends on the individual employee and also what sort of work they are involved in.

As a result, there is no one-size-fits all model, but in order for activity-based working to be a success, firms need to provide appropriate space – quiet areas for individual work and break-out areas for group discussions – all with adequate digital access and connectivity. Firms also need to provide adjustable ergonomic workstations throughout the office to prevent staff laying claim to particular desks for health reasons and laptops, so staff can take appropriate software with them when they move around. It is also advisable to ensure there is ample touch-down space to cope with peak demand when all staff are in the office at the same time. That is, places where people can connect their laptops to work for short periods, such as touchdown bars or informal meeting or refreshment areas.

Furthermore, for any type of flexible working to be a success, cultural change is needed and must be accepted at the highest levels of the organisation. There needs to be an increased focus on technology as reminders, or other such notes, will need to be sent electronically and screens must never be left open and unattended to ensure client confidentiality.

Firms will have to adopt a clear desk policy, offering lockers to store belongings and help avoid piles of files or papers being left lying around. Advocates claim such a move increases efficiency as staff accept the discipline

of returning files to team storage areas and ensuring they are accessible to all. Moreover, shared libraries of reference materials have the benefit of reducing duplication and preventing personal silos of information.

Conversely, there is, of course, also a downside to flexible and activity-based working, such as fear of the unknown and worries over loss of status, personal space and identity. There are always individuals who will pay lip service to the programme, but won't follow the flexible working protocols.

Managers also need to consider how much time employees might waste trying to find the person they want to talk to if individuals are always in different locations, what damage could be done to team spirit and collegiality through physical separation and how much time employees would waste setting up their workstation each day?

Furthermore, the issue of confidentiality needs to be considered for staff that work outside the office, perhaps in a shared space open to others looking over their shoulder or listening in to conversations, and also the risk that an employee working somewhere else may become out-of-sight, out-of-mind, and so miss out on important information or opportunities.

It is fair to say that after the initial thrill of being able to work from anywhere subsides, mundane issues such as not carting paper files around and not having to clear your desk every night, may leave some staff keen to re-colonise a fixed desk.

Flexible working also brings up the issue of trust between the employer and employee. It can be hard to measure output and people don't like being constantly monitored.

There may also be a generational issue. Some

people are more comfortable with this type of work set up than others. For many, not being tied to the same desk day in day out helps improve the work-life balance significantly, while others may feel they have lost the sense of belonging and security that having a set desk, or work home, provides. The suggestion of a potential indirect age discrimination claim is not made wholly in jest.

To ensure success in any change programme, relevant stakeholders need to be engaged to create a shared need. Commitment needs to be mobilised and action initiated amongst employees of all rank, with correct behaviours, systems and symbols being introduced to ensure all change is consistent, effective and clearly communicated to all concerned.

In short, to be successful, flexible working needs to be embraced to the full and encouraged throughout the business. The result could be not only a happy, contented, productive workforce, but also lower overheads. Now is the time to change.

WHICH REGULATIONS ARE HAVING THE BIGGEST IMPACT ON DATA GOVERNANCE?

By Nathan Snyder

Data is everywhere and so are regulations, so it is not surprising that the two are having quite a large impact on each other. In fact, while it is possible to have data without regulation and regulation without data, you are highly unlikely to find one without the other in today's highly-regulated data-orientated financial environment.

Whichever piece of financial regulation you take, be it Dodd-Frank, Comprehensive Capital Analysis and Review (CCAR), Basel III or the Markets in Financial Instruments Directive (MiFID II), they are all inherently data centric. Dodd-Frank was brought in to ensure transparency in record keeping and prevent a repeat of the financial meltdowns; CCAR relates to data quality, lineage and overall data management; MiFID II attempts to regulate data collection for commodity derivatives firms; while Basel II and III concern themselves respectively with quantifying operational, credit and market risk data, and capital requirements stress testing, market liquidity risk and the use of data-to-run ratios.

Then there's tax regulation, such as the Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standards (CRS), which relate to the sharing of data; Solvency II, which is similar to Basel, but is concerned specifically with EU insurance companies and the issue of capital requirements to reduce the risk of insolvency; and European Market Infrastructure Regulation (EMIR), which relates to OTC derivatives, regulatory reporting, risk

management and is heavily dependent on counterparty and trade data.

International Financial Reporting Standards (IFRS) is designed as a common global language for business affairs to ensure standards are maintained in accounting and financial data across international boundaries, while anti-money laundering (AML) and Know your customer (KYC) regulations both relate to data systems management, data quality and overall data management.

Add to that data privacy, which is a very hot topic in the regulatory world, with the EU Data Protection Regulation (GDPR) in the European Union, Personally Identifiable Information (PII) and Gramm-Leach-Bliley Act (GLBA) for credit related PII in the US, and similar versions of the same laws in other countries, and there is no doubt of the strong relationship between data and regulation.

However, despite the importance of all the above-mentioned data-related legislation, BCBS 239 is key. Focussed on risk data aggregation (RDA – to improve data sharing and finely tune risk management) and reporting, data quality, lineage, aggregation and infrastructure, BCBS 239 is the one case where instead of answering a specific question, organisations are being asked to prove that data governance has practical application. In short, if you get BCBS 239 right, then all the other data governance should fall into place.

Being able to demonstrate effective ownership and stewardship of data elements is key to both BCBS 239 and data governance. Similarly, BCBS 239 shines a light on the need for clear data ontology and evidence of control. The opportunity this affords for Chief Data Officers to demonstrate the value of the architecture and control they have put in place is enormous. It is also a valuable vehicle for allocating funding to enhance data governance processes.

"Many of these challenges are also significant opportunities"

Unfortunately getting BCBS 239 right is not as simple as it sounds. There are significant challenges in implementing the legislation with respect to delivery of the programme itself and the associated technical aspects. There are also a variety of challenges in the interpretation of the requirements and attestation due to the ambiguous nature of the regulations and each bank's structure and BCBS 239 programme.

BCBS 239 also presents challenges in capturing the business outcomes of data governance processes and requires a culture of data compliance across all infrastructure, both legacy and strategic. Many of these challenges are also significant opportunities to expand the remit and benefits of data governance controls and processes.

So why do we care, and what are the benefits of a strong data governance framework beyond meeting reporting requirements?

There are in fact many such benefits. Firstly, regulators want to know that banks are caring for information in a proper manner so the people who need it have it, and have confidence in it. Secondly, a defined data governance regime gives regulators faith that banks have systems in place for collecting, storing, maintaining and gathering the correct information.

In addition, a clear data governance structure reduces the need for a one-off reactionary data management project every time a new regulation or compliance requirement comes up and strong data governance also includes human resources that can create and implement strategies and process to maintain data integrity. Moreover, strong data governance enables an organisation to respond to new and updated regulations by having flexible processes and procedures in place.

However, like any process or way of working, for a data governance policy to be effective it needs to be embedded into the culture of the business. Processes and systems for updating data need to be thoroughly explained and the importance of maintaining its accuracy emphasised continuously.

Effective data governance is reliant on data integrity, uniformity and correctness. To get there, organisations must start with a firm understanding of their data flow and lineage. Without this thorough understanding of where the data has come from, it is difficult for an organisation to vouch for the quality of its data and for the data to be useful in a regulatory context.

The great news is that the aims of regulators and Chief Data Officers are very much in alignment. Regulation in general, and BCBS 239 in particular, is a significant enabler of data governance and a fantastic opportunity to spread the benefits of good data control throughout an organisation.

OPENING UP THE WORLD OF DATA

By Corneliu Dicusar

Imagine a day in the not-so-distant future: you are on the train on your way to work, you check a dashboard produced by an app on your phone that shows your spending patterns aggregated from all your bank accounts. The dashboard shows that you are spending too much on entertainment and are falling short of your savings goal. During lunchtime, a digital mortgage advisor (which has been analysing your bank accounts) pops up with a "too good to miss" offer from a new entrant in the mortgage market. On your commute home from work you learn from a social media alert that a bank has a much higher interest rate on savings accounts than your current bank, plus a switching bonus of £200 for current accounts. While on the train, you use your mobile phone to go online and transfer your details and money in a matter of minutes to take advantage of the better deals. Three hours later your phone bill is paid automatically via direct debit from your new account which is now managed by your new bank. This is data portability at its best.

In the banking world, data portability is one notion that completely changes its appeal in accordance with which hat you are wearing. From a client perspective, it opens a brave new world of services that don't yet exist and the opportunity to easily and seamlessly switch to a service provider with the most attractive offer (be it a music-streaming service, clothes retailer or a bank). For FinTech companies, nimble and innovative by definition, but still operating in the shadow of large corporate financial services organisations, it offers access to an enormous pool of historic data to which they can apply specific algorithms, giving insight into individual customers and services and ultimately enabling them to provide better and cheaper services at a lower cost. By contrast, from the perspective of large financial services corporations, data portability is a can of worms that goes against everything the industry stands for: client data security before everything, Chinese walls and complete isolation of data from the outside world.

> *"It opens up a brave new world of services that don't yet exist"*

These apparent contradictions are the result of a host of ambiguities regarding what exactly data portability is, how it is supposed to be implemented, and the ultimate issue of what is client data and who owns it? This question is rapidly moving from the philosophical realm into the real world as the newest data protection legislation, the EU General Data Protection Regulation (GDPR), is due to come into force in May 2018.

GDPR clearly defines client data as data that helps directly or indirectly identify a client and swings the debate of ownership in a client's favour. GDPR also mentions data portability as an individual's right, but falls short of indicating exactly what it is and how it should be implemented. Still, the fact that it is mentioned indicates there is an agreement in the highest echelons of the need to implement data portability as an engine for competition and that it is something to watch out for in the future.

Improved access to data would, without a doubt, improve competition in the banking sector. Successive reports commissioned by HM Treasury, the Financial Conduct Authority (FCA) and other regulators have been unanimous in saying that competition

in the banking industry is severely hindered by the difficulties clients experience in taking advantage of the offers of competitors. For example, account switching from one bank to another was found to be a cumbersome process, often requiring additional documentation, despite clients being with the same bank for years. Data portability has been proposed as a solution to this issue, with the idea being that a client can choose who has access to their data, or even retrieve it themselves and hand it over to whichever institution they desire.

In 2013, the UK Payments Council launched an initiative called the Current Account Switching Service (CASS) aimed at reducing the number of days it takes to switch bank accounts to seven from 12. The campaign was unfortunately not particularly successful, with a report released two years later showing that the number of people switching current accounts in the UK had in fact fallen by 5 per cent.

"A client can choose who has access to their data, or even retrieve it themselves"

So, what needs to be done? Is it time to put our trust in technology and leverage the tremendous innovative power of the data-savvy FinTech companies? Indeed, several solutions have already been proposed, ranging from standardised Application Programme Interfaces (APIs) (similar to the Know Your Customer

(KYC) data-sharing initiative being developed by the Society for Worldwide Interbank Financial Telecommunication (SWIFT)), to centralised governing bodies that act as universal repositories of client data. With this last solution, a client can simply indicate which bank they would like to operate their account out of, and switching (along with the entire history of the account) happens instantaneously.

"The role banks themselves play in the future of banking is to some extent in their own hands"

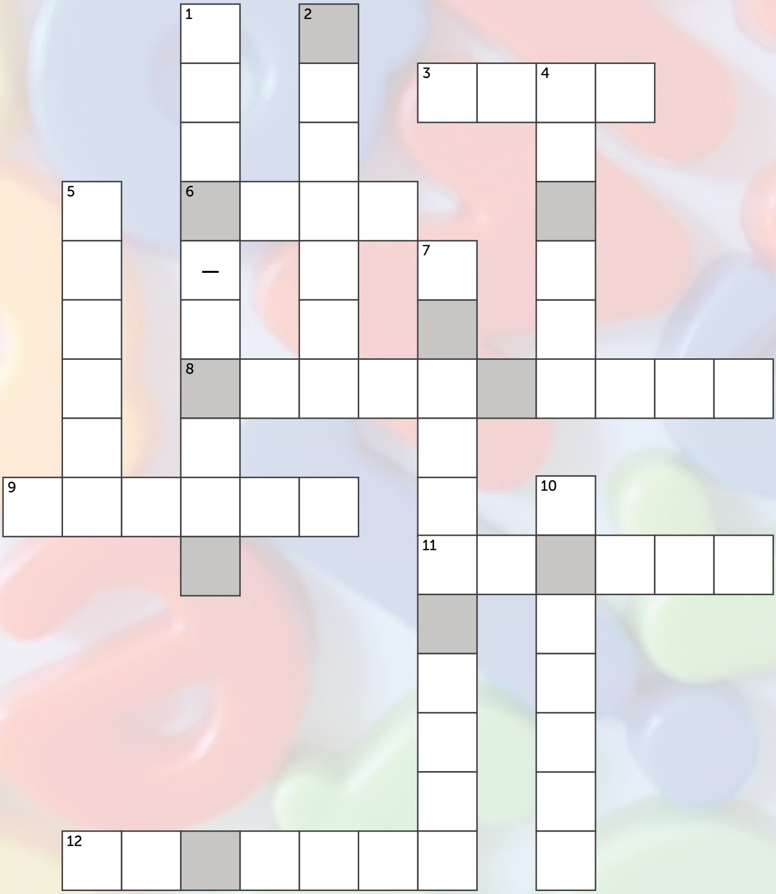
The question also arises as to what big banks and other organisations that sit on mountains of valuable client data need to do to prevent it from being snatched and used by competitors? The key, Brickendon believes, is to stay ahead of the curve in the adoption of data portability and become the preferred destination when clients start hopping from one bank to another.

Organisations should be innovative in the way they mine data and come up with new services to offer to clients. They should become agile to the extent that they can quickly replicate and adopt appropriate innovations brought to the market by their competitors and should review their data models, untangle data infrastructure and update their governance policies to clearly separate client data (as defined by regulations) from proprietary data owned by the bank. The goal should be to make it as easy as possible for clients to choose who they bank with, but not be bound for life by that choice. This a very important aspect of the customer experience which will allow new and former clients to join (or re-join) the bank and be integrated easily into their system.

More than 20 years ago, Bill Gates was quoted as saying: "banking is necessary, banks are not..." and there may have been more truth to his comments than he anticipated. Today, the role banks themselves play in the future of banking is to some extent in their own hands. The complexity of the road ahead is in effect a call to arms before the data portability issue officially hits the banking market with a tremendous surge of disruptive power. Going forward banks will need to employ top talent in areas such as regulation, data science, and agile transformation. In this aspect, Brickendon is uniquely positioned amongst its market peers and can leverage the accumulated experience earned from a range of successful projects in this overlapping regulatory and data space to help your business adapt. It will ultimately be an exercise of working side-by- side with the client to produce a uniquely tailored approach to make the bank a top performer in an exciting, but ruthless, world that is just starting to emerge.

HOW UP TO SPEED
ARE YOU?

CROSSWORD COMPETITION



For your chance to win a **£50 Amazon voucher** please complete our crossword and use your answers to work out the word hidden in the shaded boxes.

Please email the word, plus your name and contact details to amanda.bunney@brickendon.com (closing date for entries: January 30th 2018). All the answers can be found within the journal articles.

Across

3. Which of Brickendon's bespoke solutions helps deliver safer, faster and more reliable software releases into the market? (an acronym). (4)
6. Workspace is not all about ____ space. (4)
8. A ____ is a way of helping women back into senior roles after having children? (10)
9. What is the maximum fine an organisation will have to pay in millions of euros if they fail to comply with GDPR? (6)
11. What may prevent financial institutions from continuing to do business in certain countries? (6)
12. In which month in 2018 do firms have to be compliant with MiFID II? (7)

Down

1. What was the first piece of regulation brought in by the US administration to ensure transparency and protect consumers following the financial crisis of the late 2000s? (5,5)
2. What do organisations need to gain from customers in order to use their data once the new GDPR comes into force? (7)
4. What will be used in the future to replace humans carrying out routine tasks? (6)
5. In which European city has Brickendon just opened an office? (6)
7. Data _____ is a term that is appealing to customers but less so to the banks themselves? (11)
10. Which birthday did Brickendon celebrate this year? (7)

Hidden word:

Competition rules: Only one entry per person. The winning entry will be picked at random after the closing date and the winner will be notified by email. There is no cash alternative to the prize. Brickendon employees or family members are not liable to enter the competition.

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Brickendon is an award-winning global transformational management and technology consultancy specialising in innovative solutions that save our clients time and money. Our aim is to deliver transformational change across our three key offerings of Advise, Change and Do, through our five practice areas: Data, Quality & Test, Risk & Regulation, Strategy and Digital. This helps ensure our clients see positive results in weeks, not months or years.

Employing domain experts with over 10 years' respective experience in specialist sectors, Brickendon is built on providing lasting, cutting-edge solutions designed to improve profitability, efficiency, competitiveness and innovation across the financial services sector. We are passionate about what we do and thrive on transforming companies to increase their competitive edge.

Started in London in 2010, the driving force behind Brickendon's global strategy is transforming the traditional consultancy model. We now have multiple offices across Europe and the US, including in London and New York.

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