

19th
**Bank
Management**
conference

Transforming Banking
Customer Experience

***Efficient Banking in the 21st
Century: Growing the Pie through
Technology***

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Digital Revolution and FinTech

- ***”Going Digital” exponentially increased data production***
- ***Technology offered opportunities in***
 - *Banking Services*
 - *Investments*
 - *Risk management*
 - *Insurance*
 - *etc.*
- ***Banks now can generate automated offerings***
 - *Individual*
 - *Corporate*

Not So New – Not So Fast

- ***Banks adopted (but still in progress...)***

- *Contactless payments*
- *Mobile banking*
- *Virtual banking*
- *e-Loans*
- *Open Bank Data (...)*
- *Non-physical cards*
- *etc.*

With the help(?.. or push) of Tech Giants (Apple, Google,...)

- ***Internal data flows are in progress of improvement***

- *Data Analytics*
- *Automated Reporting*

- ***Use of ML/AI approaches (just at the beginning)***

- *Customer-centric Design of Offerings*
- *Customer acquisition – communication*
- *Advanced risk management*

Thinking Ahead – Staying Focused on the Present

- ***One or Two Decades since the conceptualization of most of these ideas***
- ***New ideas appear more often (FinTech startups, etc)***
- ***Competition is increasing (in Greece is expected to increase more ... changes in ownership)***
- ***Challenge***
 - *What is the Optimal Allocation of (Human) Resources for a Bank?*
- ***The main idea is not so new:***
 - *Small, flexible teams (team up individuals with technological and business/finance/economic backgrounds) reporting directly to the management*
 - *Identification of new trends, opportunities, feasibility.*
 - *Supervision of projects that involve technology (and usually more than one division)*

Thinking Ahead – Staying Focused on the Present (cont.)

- ***Internal Training***
 - *not only about how to use but also tech-training*
 - *Incentives for obtaining graduate degrees related to FinTech*
- ***Rotation – increased incentives for employees that are willing to follow more advanced training***
- ***Short term strategy***
 - *Data Analytics: Combination of internal and external data (including macro)*
 - *Special Focus on the Greek Economy*
- ***Medium-to-Long term strategy***
 - *Reporting on Global Economic and Tech trends (devoted team + trends analytics)*
 - *Continuous technological education of the top management team*

Growing the Pie 1

- ***Banks Contribute to Economic Growth***
 - *Their growth is linked to the Economy (lessons from the past)*
- ***Sub-optimal strategy for sustainable growth:***
 - *Personal Loans:*
 - *Are focused mainly on consumption*
 - *Support inflation*
 - *Mortgage Loans:*
 - *Real Estate is a pillar of Economic stability*
 - *Support inflation*

Moreover: Payoffs depend on production (including services)
- ***Global Reality: Risk of extended period of high inflation***

Growing the Pie 2

- ***Greek Reality (again):***
 - ***2018 Estimation: Small (including micro) Enterprises employ 78,2% of the labor force of the Greek private sector (49,8% in EU-28).***
- ***Advisory role of the Bank***
- ***Consider Greek Economic Reality:***
 - *10-year crisis + Covid19*
 - *Historical Enterprise data must be viewed under this perspective*
 - *Are they useful? (Yes and No)*
- ***Actually: Greek SMEs have been already stress-tested***
 - *Significant weights to: (even small) exports and sustainable revenue during the last decade*

Concluding Remarks

- ***Through digitization, Banking has already become more efficient.***
 - *This was, and continues to be, a gradual process*
- ***Transition from Theory to Reality may require longer time intervals than initially believed (even decades)***
 - *Trends should not be ignored (it would be impossible to catch up)*
 - *Find balance between what is required now (e.g. growth in the SMEs piece of the pie) and for the of a medium-to-long term vision for the bank.*
- ***Be ready to assess (and adapt to) possibly big shocks/challenges within the next 3-5 years***
 - *e.g. support/guarantee of stablecoins by a consortium of tech giants,*
 - *digital euro, etc.*
 - *Cybersecurity requirements*