

PRIVATE BANKING BUSINESS SOLUTIONS. SOLUTIONS FOR A SUSTAINABLE FUTURE.

Challenges

The market for private banks is in a state of upheaval, the challenges formidable. Restoring confidence in the market, realigning business areas, reviewing cost structure and adapting risk management have the highest priority. However, also technical development and the internalisation of comprehensive supervisory requirements are tying up human and financial resources. But which investments should be made first? Should the emphasis be on cost, quality or income? Or is acquisition the way out of the cost-income-ratio trap?

Opportunities

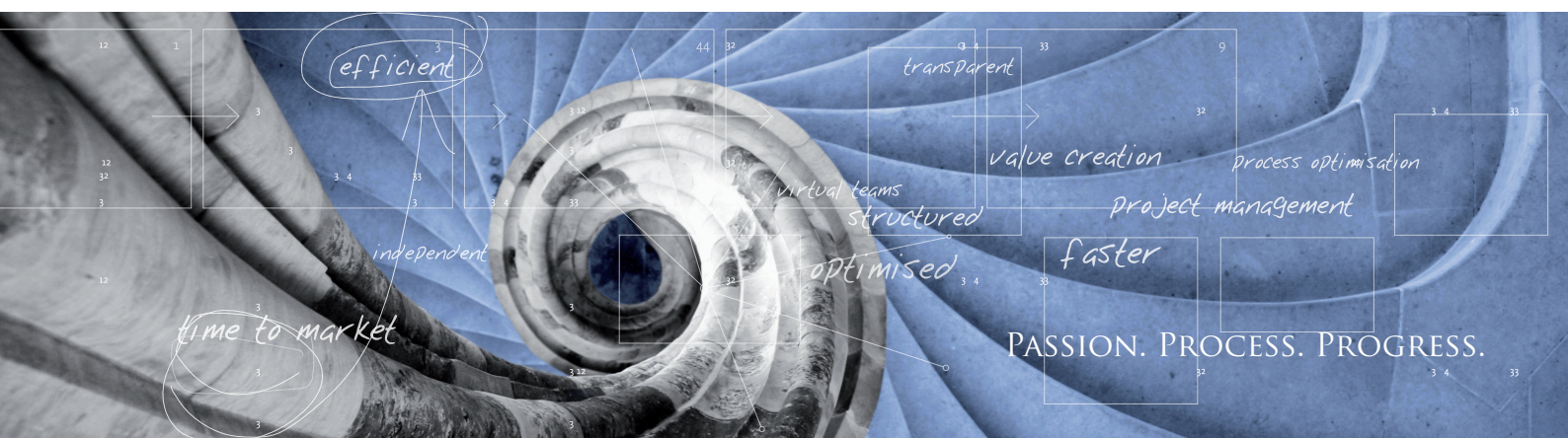
The starting point is understanding the client's needs. To be able to provide the client with suitable financial products and also investment proposals which are aligned with his or her situation, it is of the utmost importance to develop a profile of the client and to know his or her needs. The study «Beratungsqualität in Banken. Was der Kunde erwartet. Was der Kunde erlebt.» (The quality of consulting in banks. What the client expects. What the client gets.) by Solution Providers and the University of Zurich, received much attention by the industry. It is now essential to treat the findings with well-targeted measures and to win back client trust.

The profitability of a private bank can also be attained by the product design and pricing dimensions: In the past, private banks concentrated on reducing costs to increase returns. Now it is time to improve earnings. With tailor-made and transparent solutions the client is no longer faced with

deciding whether to choose a complete product or not. It is more a question of deciding for one of many suggested service packages.

Internationalisation is one growth engine: In connection with the globalisation of private banking, expansion into new markets has become a strategic core issue for many banks. This has been documented in the study «The Internationalisation of the Swiss Private Banking Industry» by Solution Providers and the University of St.Gallen. A crucial factor for success is the ability to serve customers all around the globe in the same way. The banks are faced with the challenge of constructing their international subsidiaries and branches as similar to their headquarters as possible, without losing sight of local characteristics. To be able to still make use of synergies, a centralisation of service operations is recommended.

An alternative or complementary means of growth is consolidating business units or merging entire banks. To be able to realise the economies of scale hoped for in services management, there are numerous challenges which must be met: consolidating operative units including the necessary change management, merging processes, or the technical integration of two application landscapes. Other success factors are cost control and process efficiency.





New cooperation models, M&A activities, cost reduction, implementation of standard software and the set-up of new business models: all these subjects necessitate competitive processes in private banks. A multi-level reference model for core processes provides best practice methods. It is more a question of know-how and a proven solution than of innovation.

Expertise and advantages

Solution Providers' broad experience in private banking is based on successful projects for satisfied clients and on professional studies with renowned universities. Solution Providers has the necessary expertise for the conceptual and successful implementation of targeted measures with the following focuses:

1. CRM and investment consulting

From market differentiation, integrated processes and evaluation of suitable IT systems, to implementation and change management.

2. Product design and pricing

Market radar, product innovation, correction strategies for special conditions, returns simulation and implementation are core competences of Solution Providers.

3. Internationalisation

Integrated process model from the optimisation of business processes to the implementation of international processes in IT systems.

4. Post-merger integration

An integrated solution for bank mergers has been developed from a large number of projects. The solution allows changes to be realised quickly and sustainably.

5. Efficient process design

The BANKINABOX® reference model allows valuable time and money to be saved and provides best practice methods also to improve the compliance function with specialist and methodological competence.

Conclusion

Private banks can take advantage of the opportunities currently available on the market using them for a profitability program and to take the right investment decisions. Solution Providers' experts are the right consultants for this change process – from the solution vision to their value-adding implementation. Solution Providers' clients receive comprehensive consulting services which cover all phases of the project cycle and enable the targeted reconditioning of the subjects listed. Solution Providers complements bank-internal project teams with its industry and IT experts in private banking.

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