What is your view on the Investment Banking industry’s use of utilities at present?

Well the investment banking industry is embracing utilities at a pace that would frankly probably be unimaginable as early as 10 years ago. The industry is still suffering from a cost problem, and from my point of view, sharing functions amongst peer organizations is likely to be a very sensible strategy that is being considered at C level at many of these organizations.

So, I believe we will see more and more adoption of utilities throughout 2017 and beyond. And they will become mainstream over the next five to 10 years in areas like reference data, KYC (Know Your Customer), AML (Anti-Money Laundering), and obviously, crucially, post-trade processing.

What trends do you see at present in the post trade space?

So the predominate trend in post trade is the focus on cost. And the focus on reducing cost per trade, and at the same time ensuring that there is a scalable solution. There is also significant market reform, either in the form of reducing settlement times or to crucially reduce the cost of settling cross border. There’s also reform to move more settlement processing to clearing agencies. What we end up with is an environment where cost is key and paramount, and a lot of standardization is being introduced.

Why do you believe that a utility like Accenture Post-Trade Processing can help the industry?

What we’ve tried to do with Accenture Post-Trade Processing is to deliver a service that has a very high standard of service quality. And at the same time has a very effective cost per trade point that means that an organization that is using the service can experience high quality and lower costs.

The way we do this is by mutualizing technology and processing costs across a number of organizations. And at the same time, invest to keep pace with ongoing market reform and regulation. We believe we can do that at a lower cost point, so there’s less investment required for that organization if they’re a user of Accenture Post-Trade Processing than would ordinarily be the case if all the processing and systems were in house.