

5G will help reimagine the financial services workplace

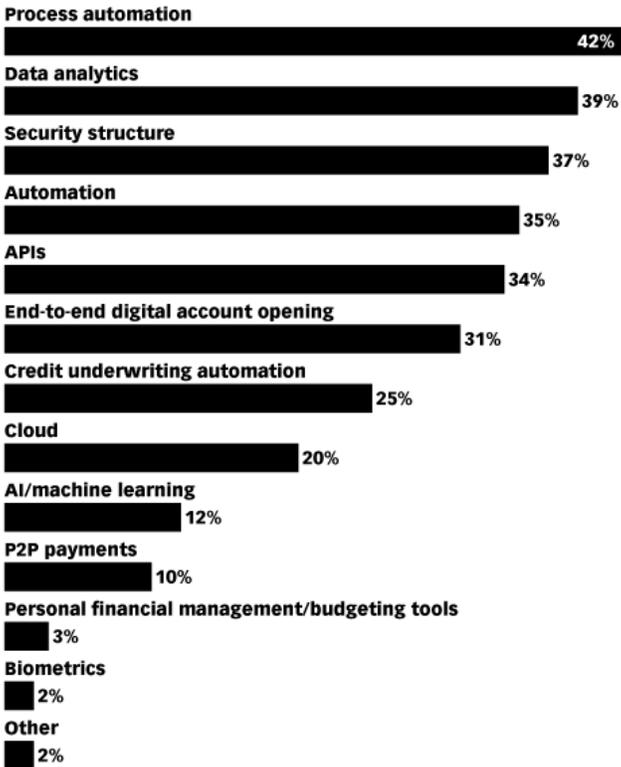
Article

Businesses have been moving their data operations to the cloud for years, but the low latency, fast speeds, and decentralized architecture of 5G networks will accelerate this trend and create opportunities for financial services firms to design much more flexible teams and offices.

Many technologies that US bank executives described as “key” in a July 2020 Bank Director survey would be improved by 5G and cloud computing. In removing the limitations of physical databases, firms can accelerate process automation and AI, improve encryption and security, and nimbly shift technology investments using software as a service (SaaS) and cloud solutions. The key, however, will be the 5G core networks that will reduce lag along the data and analytics chain.

Key Technologies for a Banking Institution According to US Banking Executives, July 2020

% of respondents



Source: Bank Director, "2020 Technology Survey" sponsored by CDW, Aug 31, 2020

258707

InsiderIntelligence.com

In November 2020, Capital One shifted its data infrastructure completely to the cloud. By eliminating legacy hardware and tapping into the cloud’s vast computing power, Capital One gave its engineers much more flexibility to design new systems and handle existing needs. In November 2020, Melanie Frank, Capital One’s then-vice president of technology, told Insider, “Being all in on cloud opens up so many more possibilities from an innovation standpoint for the engineers.”

Reimagined corporate offices

Beyond cloud computing, private 5G networks can also make offices more modular by replacing physical wiring and cables. Because setups can be quicker, costs can be curtailed.

Moreover, in an age when permanent remote work is gaining popularity, the cloud infrastructure should enable experiences that better approximate pre-pandemic life. Not only will ultrafast access to information be easier for remote workers, but employees can also participate in more realistic virtual meetings.

Virtual reality meeting rooms can facilitate dialogue between offices and remote clients. In 2019, Spanish bank Santander partnered with Telefónica Spain to test different technologies associated with 5G, including virtual meeting rooms. The test included virtual reality meeting rooms that brought bankers from different offices into a single room. The concept could also apply to customers in a remote branch. For instance, a small-business owner could meet with a loan officer specializing in their industry without having to travel.

To learn more about how 5G will bring about better experiences for consumers and better data for banks, Insider Intelligence subscribers can read our recent report:

Report by Yoram Wurmser Mar 18, 2021

5G and Financial Services

