



The changing demands on a technology consultant in today's finance industry

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Even if an incumbent financial institution decides to *build* versus *buy* on a new project, they're not always developing their in-house technologies *in-house*. Banks, asset managers, and brokerages typically use a unique mix of their own engineering talent with both on-shore and off-shore consultants.

If there isn't a turnkey option available, [DataArt](#) is one of those consulting businesses both large and small financial firms turn to to help develop bespoke technology solutions. The firm employs over 2000 full time engineers and typically works on around 100 projects at any given time. Its financial service business is its largest practice out of the 5 industries DataArt serves. Within finserv, the consulting firm is most active in capital markets, trading, wealth management, payments, underbanked banking solutions, and private equity.

Alexei Miller heads up the firm's financial services practice and shares what he feels are the three most exciting trends his clients are facing in the market today:

- **pure-play disruption:** Silicon Valley has its sights set on disrupting financial services and is funding a variety of stand-alone companies to compete with traditional financial firms. While none of these startups are really big enough to threaten the incumbents, DataArt's clients are definitely feeling the pressure to innovate from some of the pure-plays. But for the most part, according to Miller, this isn't the compelling part of the disruption underway in financial services. "It's great that there's new interest and additional resources in the market," Miller offered. "But there's way too much hype."

- **optimization:** It's here that Miller gets incrementally more excited. There's lots of activity centered around applying existing or incremental versions of technologies to optimize current processes within financial services. Miller cites blockchain and big data as two prime examples of newer technologies deployed to optimize relatively mundane processes. Despite all the hype surrounding fintech, the DataArt executive thinks this is a very promising source of innovation.
- **incumbent innovation:** Miller lights up when he talks about the technology activities taking place at large financial institutions. He's impressed by the quality and pace of new technologies being developed and deployed by these firms. Some of these firms are pooling resources together to spinoff new tools.

One such example Miller is impressed by is [Clariant Global](#), a joint venture between the DTCC and Barclays, BNY Mellon, Credit Suisse, Goldman Sachs, JPMorgan Chase and State Street. Clariant has developed a data solution that should help financial institutions get their hands around and standardize the various types of documents required for compliance during the client onboarding process. It's kind of like a repository of KYC information that can be collected, verified, and stored by a person's financial service provider. "Clariant talks about creating a data management utility for financial services — that's really powerful. Who else knows what the industry needs more than its own players?" Miller remarked.

DataArt is currently working on a project in the trading space which involves social media to negotiate transactions between banks and brokers. Miller is the first to admit: the intention isn't necessarily to disrupt trading and processing flows but rather to develop a really innovative UI for the transaction process. Another current project at his firm includes a technology solution for AML that's being developed outside of banks using high performing data analysis from Twitter streams to discover pattern recognition. If it proves successful in identifying nefarious activity, the plans are to integrate into the client's systems.

The firm recently hired financial industry veteran, Cliff Moyce, as the global head of its financial practice. Moyce has deep experience with digital transformation from his previous roles at IFFE (London International Financial Futures and Options Exchange), Markit, Lloyds of London, Orix Investment & Development Capital, and Credit Market Analysis (CMA). He was also a DataArt client and advisor before taking on his current mandate. On Moyce's hiring, Miller explained, "Hiring [him] demonstrates that to tackle complex projects, you need to build the strongest team possible. You can't solve everything with technology."

DataArt's domestic competitors include GFT and Sapien and while offshore, the company tends to bump up against firms like TCS and Infosys. When asked about how DataArt differentiates versus some of its competitors, Alexei Miller responded, "Competition is an exercise in picking battles. Marketing is a tough game, with a lot of empty promises. We won a large transformation deal last year and we asked our client over drinks why we won out against a major consulting firm. The executive said the decision was simple: 'Your competitor's final presentation was all about big data and the cool, sexy technology they'd build us to solve our problem. You [DataArt] talked about your understanding of the problem.' Now, you can't do that for every client but experience and expertise goes a long way."

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