

FIBAC 2015
Inclusive Growth with Disruptive Innovations
24th -25th August, 2015
Hotel Trident, Nariman Point, Mumbai

Day 1: 24th August, 2015

9.30 a.m. -11 a.m.	<p>Inaugural Session</p> <p>Inaugural Address by: Dr. Raghuram Rajan, Governor, Reserve Bank of India (confirmed)</p>
11 a.m. - 11.15 a.m.	Tea/ Coffee Break
11.15 a.m. - 1.00 p.m.	<p>Session on 'Evolution, Experimentation and Ecosystems: Models of successful bank responses to disruption across the globe</p> <p>Trends in banking are indeed quite unsettling for the incumbents. Banking as it is done today may not exist in few decades or, may be, even earlier. World over, banks are reacting in different ways. The responses fall in three distinct strategy choices - (1) to evolve the business model incrementally through use of latest technology, (2) to experiment with entire new business models incubated on arms length, and (3) to take a longer view on potential end destination points for banking business in form of ecosystems and start taking positions. This session draws on BCG research and experience across the globe on how strategies are getting formulated, consumer research specially conducted for FIBAC 2015, and benchmarking amongst all Indian banks under FIBAC benchmarking. The three potential strategies will be discussed with examples and facts. The panel will discuss the relevance in India and potential innovative opportunities.</p> <p>Presentation and Session Moderated by: Mr. Saurabh Tripathi, Director, Boston Consulting Group ©</p> <p>Panel of Speakers</p> <p style="text-align: center;">❖ Mr. Pramit Jhaveri, Chief Executive Officer - India, Citibank N.A. ©</p> <p>Q&A</p>
1 p.m. - 2 p.m.	Lunch
2 p.m. - 3.30 p.m.	Parallel Sessions

<p>Session on 'Voice of the Customer: The Digital Natives and The Digital Immigrants'</p> <p>What does the customer want? FIBAC 2015 is accompanied with comprehensive research on consumer trends in India (and compared to rest</p>	<p>Session on 'Voice of the Customer: The New Customer and Possibilities in Small Finance</p> <p>The Jan Dhan scheme has introduced a very large number of new customers into the banking fold. This is a positive disruption in</p>
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<p>of the world). Digital Natives – customers born after 1990s and Digital Immigrants – customers born before 1990s are embracing technology. There are many myths to be busted here. Banks' customers are digitally ahead of Banks' capabilities. The customers who are conversant with the digital world, live everywhere. Their behaviour and opinion matters. The FIBAC research will be presented with customer videos and analysis. This will be followed by panel discussion on implications for the banks.</p> <p>Q&A</p>	<p>itself. For most of them, banking is a novelty. The lightening speed with which the social schemes were subscribed indicated a tectonic shift in financial behaviour of till now 'excluded' customers. FIBAC 2015 is accompanied with comprehensive research on consumer trends in India with special focus on the customers who are new, and with basic (yet unmet) needs. This segment will be the middle class of future. Banks need to find ways to make their model economics to work. How can technology help in a customer segment that is not the most technology savvy? What to expect from this large segment of customers who has just joined the banking arena? The FIBAC research will be presented with customer videos and analysis. Economics of this business opportunity will be presented. This will be followed by panel discussion on implications for the banks, opportunities for small finance banks, and how to harness the profit at the bottom of the pyramid.</p> <p>Q&A</p>
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<p>3.30 p.m. – 3.45 p.m.</p>	<p>Tea/ Coffee Break</p>
<p>3.45 p.m. – 5.00 p.m.</p>	<p>Session on 'Does a Winning Bank of Future looks like a Technology Company?'</p> <p>Much of the disruption is really coming from technology. Most innovations that banks can introduce are based on technology. Indeed some of the new bank entrants plan to fashion themselves as "technology companies who also provide banking services". Incumbents have to master a host of new skills. Banks are at different starting positions. Outsourcing of IT has further complicated matters, with many banks, especially PSUs, lacking critical minimum capabilities to manage their current or future IT. Importance of IT departments is growing by the day. Banks need to strategically think about their long term IT. Some aspects include a versatile technical architecture (and how to migrate), human centric design, IT procurement and vendor management/KPIs, data integrity and analytics, robust infrastructure. Boundaries between IT and business are blurring. How far will this trend go? Will eventually a bank look like a technology company?</p> <p>Panel of Speakers:</p> <p>Sr. Representative, Nucleus Software ©</p> <p>Q&A</p>

5 p.m. – 6.30 p.m.	<p>Session on ‘Strategies by Chinese Banks and Non-Banks: Lessons for India</p> <p>We are poised to witness a transformative change in Indian banking in next few years. Chinese banking market has been disrupted by technology based agile players like Alibaba leading to a fresh round of innovation in business models and offerings. There are important lessons. Banks and non-banks alike are adopting strategies that give them leverage over entire ecosystems.</p> <ul style="list-style-type: none"> • Mr. Jack Ma, Founder Chairman, Alibaba Group (invited)
6.45 p.m. onwards	Cocktails and Dinner
7.00 p.m. – 8.30 p.m.	<p>Roundtable on ‘SAARC Financial Integration: Progress and Prospects (By invitation)</p> <p>Eminent Panelists</p> <ul style="list-style-type: none"> • Dr. Atiur Rahman, Governor, Bangladesh Bank © • Mr. Arjuna Mahendran, Governor, Central Bank of Sri Lanka ©

Day 2: 25th August, 2015

9.30 a.m. – 10.45 a.m.	<p>Session on ‘Regulatory response to Disruptive Innovation’</p> <p>Some people argue that banks exist because of regulators and not vice versa. The current phase of innovation and change will put new demands on regulations. Long standing paradigms need to be revisited. Branch forms the basic building block of regulation but it is mutating quite fast in light of trends. Many areas that needed a wet signature would be done electronically. Customers are demanding a paperless experience for signing up and opening an account and KYC norms need to keep pace with what is technologically feasible and reliable. Lastly, but quite crucially, as banks adopt ecosystem based strategies, they will step into grey zones about what is permitted for a bank to do or not to do. If banks need to continue to exist and thrive, regulators need to act fast. Further in India, the issuance of specialised licenses like payment banks and small finance banks will put pressure on regulatory and supervisory capacity of regulator as large number of player are allowed entry into the market. For the sake of innovation, it is important that several flowers are permitted to bloom. What does it imply for the capacity planning at the regulator itself?</p> <p>Special Address by: Mr. S S Mundra, Deputy Governor, Reserve Bank of India ©</p>
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	Q&A
11 a.m. -11.15 a.m.	Tea/ Coffee Break
11.15 a.m. – 1 p.m.	Parallel Sessions

<p>Session on ‘The Power of Information and Analytics’</p> <p>By the nature of their business, banks collect a lot of data on their customers. But they are far behind some of the non-banks in being able to use that information to either improve customer service or to improve productivity. This is another major disruption that banks have to deal with. Fortunately, they have an edge here. They either already have data or they have an edge in being able to collect data. Banks need to figure out for what all purposes to use the data and how to translate that into propositions for customers, use it for credit assessments of customers, or to improve collections efficiency. Again, Banks should also take this disruptive opportunity to fix many fundamental and housekeeping issues such as cleaning up of loan books (redundant sanction limits), contact-ability of customers, having one customer ID, among others.</p> <p>Q&A</p>	<p>Session on ‘Online Sales of Financial Products: Are your digital channels ready for the task?’</p> <p>In many industries online sales contribute a significant portion of total revenues of the firms. Banks in India are at 10% or lower and only in select products. The most advanced digital banks design their electronic channels with the explicit intent to ensure sales from these channels. In India, so far, the electronic channels have been designed and used primarily for transaction migration out of branches. Banks are going to be in for rude surprise when customers really move to electronic channels because the opportunity to sell and generate leads also goes away with the customers. The new entrants need to enter the fray with digital channels pre-designed to sell as much as permit customers self serve. Call centre industry in India is poised for massive demand as the banking industry uses the call centres to validate and close leads generated from online channels.</p> <p>Q&A</p>
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1 p.m. – 2 p.m.	Lunch
2 p.m. – 3.30 p.m.	<p>Session on ‘Revolution in payments: What to expect in next 3 years in payments offerings and implications for banks and payments banks’</p> <p>The total number of transactions on prepaid digital wallets exceeded those on mobile banking platform in January 2015. The rapid growth and acceptance of mobile wallets is a disruptive trend with huge opportunities for development of mobile banking in the country. With introduction of payment banks, which will see many such wallets converting to specialized banking offerings, what should we expect? Why do customers prefer wallets when mobile banking could achieve the same? Many trends like metro networks in many cities, booming e-commerce, organized retail, organized food chains and restaurants, etc are creating demand for more convenient payment solutions. On the commercial side, many business value chains are riddled with very inefficient cash based payments. Some like schools, housing societies have not had any improvement in payment methods for decades. The entire ecosystem in payment is up for massive overhaul creating</p>

	<p>opportunities for all types of players. A large part of deposit franchise will be driven by transaction behaviour of the customers. Banks can ill afford to look away from the glaring trends. Institutional deposits followed by retail deposits will follow payment solutions, which is turn will be predicated on customized technology that Banks will offer to their customers.</p> <p>Special Address by Shri H R Khan, Deputy Governor, Reserve Bank of India ©</p> <p>Q&A</p>
<p>3.30 p.m. – 4.45 p.m.</p>	<p>Session on ‘Retaining new talent and changing old habits: How to cope with two speed world?’</p> <p>New technology is creating new habits in people. The same technology can be used to change old habits. The disruption offered by technology is a double edged sword on the talent market. Incumbents need to adopt key elements of HR practices of the talent magnet firms like Google, Apple and Amazon to attract and retain new talent. For some Banks, new roles like Digital Head, reporting to COO or CEO, are now immediate requirements in the organization structure. What are these policies and how difficult is it to adopt them in banking institutions? On the other hand, disruptions in technology offer a lot to legacy banks to manage change. Performance measurement can become highly transparent leading to creation of new performance oriented culture. Existing staff can be enabled with technology tools on their mobile phones that can help them execute tasks and achieve productivity hitherto considered very difficult. This session will discuss the twin challenges and how banks can thrive with this disruption.</p> <p>Q&A</p>
<p>4.45 p.m. – 5.05 p.m.</p>	<p>Special Address by: Mr. R Gandhi, Deputy Governor, Reserve Bank of India ©</p>
<p>4.45 p.m. – 5.45 p.m.</p>	<p>Valedictory Session</p>