CEO Lunch: creating value with data

Luc Falempin, CEO of Tokeny, a FinTech which has recently raised €5 million from Eunonext sat on a panel with two representatives of the financial sector: Jean Elia, CEO of Sogelife, and Jamie Stevenson, Managing Director, Global Product Head - Data & Analytics at RBC. This CEO lunch took place on the 5th of December and provided a great opportunity to debate the differences between established players and data-savvy start-ups.

Simplification and a need for education

Luc Falempin began the CEO lunch by presenting Tokeny, a blockchain platform for the digitisation of financial assets, including equities, loans, bonds, funds and other securities. "We see blockchain as a shared IT infrastructure which will help to break down the mentalities of data silos which are still commonplace in financial institutions," he said. By definition, insular systems do not encourage a collaborative approach or efficient communication. Tokeny's objective is not disruptive; instead, it aims to facilitate the use of technology. Data custodians (asset managers, KYC departments, etc.) will still exist but will operate in a different way via incorruptible, decentralised ledger technology – the blockchain – for the fast, secure exchange of information. Compliance can be tackled through the use of smart contracts, while ID documents can be approved by members of the blockchain and shared, thereby reducing KYC processes on a systemic basis. Jean Elia emphasised that while FinTech companies and blockchain technology have been around for a while, there is still a desperate need for technology education among established financial institutions.

Access point vs. understanding

While FinTech companies are agile and able to take advantage of change, the main challenge they face when engaging with financial players remains finding the right point of contact. Although they enter into dialogue with innovation centres, they are often redirected to corporate contacts: this is where confusion can occur. Jean Elia added "when you talk to us, we don't understand you. Furthermore, we don't like people who disturb us – and we like to work in our comfort zone, something which is a very human trait. However, this must change to ensure our survival." He went on to say that if a FinTech is met by a negative answer from corporates, it should not give up and should simply come up with a different offer. "The main objective is to come up with a proposal which enhances our business model, client and shareholder value. Only then will we be receptive and only then will you be successful. You have to tell us how to enhance our work, not how to disrupt it."

New tech, new application

The bottom line for a business which is willing to embrace digitisation is value creation from data. Jamie Stevenson asked the audience to imagine the decisions they could make if they had insights on driving value within their business. While financial institutions require data granularity, value propositions lie beyond operational and regulatory purposes. "Few people can operate within both the financial centre and the technology landscape. We try to create such an environment and train tech to finance translators," he said. The objective is to understand where users expect added value and to extract it from data. Financial institutions must bring in talent, encourage them to evolve in an agile environment and inspire them to solve problems. "Find the insights you need and organise your data for future reference," he concluded.

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