

The Next Normal: 2022 – Continue to be safe, secure and compliant... When all around you is changing

19th January 2022

Summary of discussion

Based on the discussions at the round table we have outlined and summarised the key points.

Working from home (WFH)

WFH in some form of hybrid model is normal. WFH is the new disaster recovery strategy. WFH creates technical, operational and compliance challenges.

The easy access to a wider range of modalities being used WFH creates challenges and risk. The adoption of collaborative tools such as Teams, Zoom and WebEx etc. is now embedded in the daily working lives and habits of employees.

There are concerns that the technology at home, such as broadband are not fit to support regulatory requirements. (This as an example, could affect the quality of voice recording)

New collaboration tools need to be confederated. This would require interoperability between the organisations.

FCA statement

Not surprised at the statement, it is an inevitability, it is a fact that is not going to change. It does however create risk, particularly WFH.

As usual, the definitions in the statement are ambiguous. There is and has been a lack of collaboration and cooperation on behalf of the global regulatory bodies.

Use and management of new collaborative tools

Hybrid work is driving the adoption of digitisation and forces the adoption of cloud technology. On premise existing or legacy tools are becoming marginalised as more cloud based tools are adopted.

MS Teams is surging ahead with its deployment and use. Vendors of these solutions are seeing huge and aggressive adoption of MS Teams for voice, video and data. This drives the requirement to record all of these from a compliance standpoint. Clearly, once recorded the content needs to be surveilled and reported. The drivers for recording cross both compliance and operational risk. The risk of not recording and storing all data maybe greater than capturing and storing all of this.

There is also an increased usage of mobile applications as part of the communications that cannot be ignored.

The use of the new collaborative tools creates a new thinking and dimension of video. Video cannot be surveilled? Do we need to surveil video? Is there anything of value from the video images? All of this is somewhat unknown, as very little historic evidence or experience exists.

Communications including video should be captured, recorded, stored and monitored. This is not just a compliance issue, but a major conduct risk challenge. There is a view that the cost of video storage should become a cost of business.

We have yet to see the impact on freedom of WFH, related conduct risk issues.
New surveillance and monitoring technology must be viewed as;
Cost v/s Risk, v/s Value, v/s Reality

Can it be done, what value is there in monitoring video v/s what is the risk of not, and at what price?

The challenges of the industry

The move from siloed office teams, to more joined up internal and collaborative working is a challenge. Voice teams must collaborate with new media teams, and they must all collaborate with compliance.

There needs to be a single joined up view across all of the above and across the company.

The other challenge for banks is the speed of adoption of cloud technology.

Futures

Virtual reality is on the horizon and must not be ignored.