



OPINION

Corporate Services – Time to capitalise

BY MARTIN PARRY



The market consensus is that the corporate services sector has had a 'good' COVID-19 pandemic and coped remarkably well with the challenges it faced, especially in the early days.

This is not to say the sector was ready at the outset. Like many others, the sector grappled with ensuring employees could effectively work remotely with the right mobile hardware, robust secure connectivity, and access to all the systems and files to do the job and maintain client service.

Once the remote working environment had been established, more practical issues quickly emerged, requests to print at home, outside of the company's secure network (a terrifying thought in today's highly sensitive data security environment), ability to make and authorise bank payments remotely and the necessity for original 'wet' signatures for approvals and to

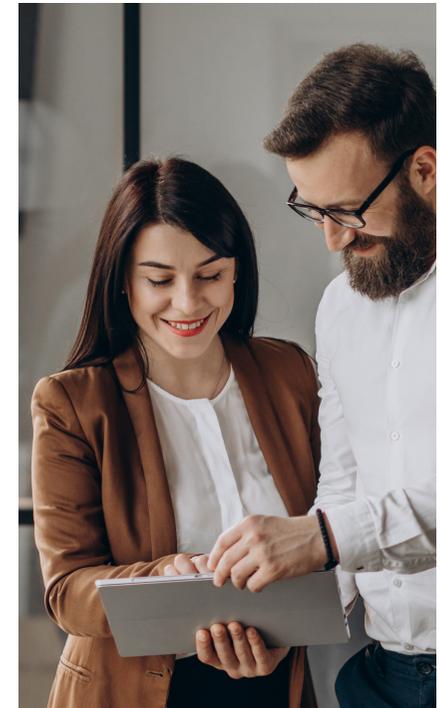
execute transactions immediately come to mind. All were overcome and the key to this was better use of technology and digitisation. Generally, people are wary of change, but it was great to see, in times of stress and the need to maintain strong customer service and expectations, how this was embraced. Speed was of the essence with teams working collaboratively to spin up the right solutions in record time. New ways of working and processes quickly became the new norm, and the old ways were forgotten.

The question now for forward-thinking organisations who want to build a stand-out business of the future and financial professionals who are passionate about the potential to achieve this with the fast-moving world of technology and digitisation at the forefront, is how to move on from here and quickly?

There were hidden benefits gained over this period, especially due to the necessity of remote working. Management teams focused on fully understanding what their people were doing, primarily, to ensure high customer service levels were maintained but also ensuring people were busy and productive despite not being at the place of work. Much was learnt through this enhanced oversight, such as the amount of repeatable and mundane processes (often paper-based) inherent in the current operating models and the amount of effort spent reconciling and cleansing data. The success of the sector over this period demonstrates, of course, staff at home were totally committed and this has resulted in greater overall employee trust which must not be lost.

Now hopefully the pandemic is being overcome and life is returning to normal, but a new normal. Whilst many are actively looking forward to fully returning

to an office environment, many are seeking a hybrid work/ home working environment going forward and are happy to have appropriate productivity metrics to do so. In fact, they are probably actively seeking this so that they can maintain their chosen working environment over the longer term.



This should be the springboard for not just the next evolution but the revolution of technology within the sector whether it be automation, digitisation, robotics, or the use of AI. To date investment in these areas has been on addressing 'top of mind' risk processes, particularly in the compliance arena. Automating, monitoring, and reporting of 'know your customer' and other anti-money laundering requirements, including transaction monitoring has been the focus. In addition, on the business side, the automation of accounting journal entries, payment processes, the use of OCR technologies to automatically post repetitive expense invoices and the use of digital recording technology of corporate governance meetings has provided good operational efficiencies. Data mining and

understanding is also gathering momentum using data analysis technology to improve the depth of management reporting and ease of production. Use of AI technologies is still in its infancy and use of Blockchain remains largely untouched.

Therefore, after a difficult 18 months when major change agendas stalled and uncertainty prevailed, the sector can move forward with its appetite whetted for further technology enhancements, operational efficiencies, and removal of mundane processes. This is now more likely to succeed in the new more trusted working environment following the proven operational resilience over the COVID-19 period and will lead to the next stage of the sector's exciting development.

The key to success is maintaining staff engagement and nurturing them along the change journey. Transparency and clear communication are vital whatever technology is used. The corporate services sector is very much a 'people business' and having a workforce committed and excited about the future will drive change faster and will be noticeable to clients which can only be positive.

The firms who rise to the challenge, invest appropriately, and drive on from here by implementing effectively, will be able to stay ahead of clients' service expectations and will enhance their client proposition for future growth and market share, whilst also setting the course for continually improving operational profit margins.



Martin Parry is Managing Partner at Shapwick Consultants Ltd (formerly Chief Operations Officer, Corporate Solutions, Link Assets Services and Apex Financial Services Group).

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