The IFA's Guide to a Cloud Powered Future

Why Cloud technologies are an essential investment for financial advisors and wealth management firms

cmi The business IT experts

Introduction

The Cloud and the Modern Business

The modern-day IFA isn't just inseparable from the Cloud – it's inoperable without it.

Like the Internet before it, the Cloud has provided a competitive edge that few industries can leverage better than the finance industry. After all, a rapidly-evolving, high-demand sector already has plenty in common with the Cloud.

Said benefits are only the beginning, however. IFAs can now adopt technologies that were once cost-prohibitive; they can implement more judicious cyber security measures; they can access the same technologies from home, or a client's offices as they can from within their own. For the finance sector, the Cloud is more than a technical capability: it's a platform for genuine competitive potential.

The Cloud Security Alliance reports that as of 2020, **91%** of financial institutions were already Cloud-reliant.1

The Nutanix Enterprise Cloud Index reports that only the IT, technology and comms sectors outpace finance in Cloud adoption.3

Cloud adoption isn't the complex beast it once was, with concerns faltering as IFAs embrace its contributions to compliance, security and automation. In this eBook, you'll discover:

- The ongoing and upcoming technical challenges facing IFAs
- How the Cloud is making compliance, security and automation easier
- How the Cloud makes financial services simpler and more personalised for clients
- And more…

While the Cloud is by no means a new technology, it is our fastest-evolving – so it helps to anticipate its exponential growth, invest early and engage with its transformative technical benefits.

A Challenging Future for Finance

In recent years, IFAs worldwide have seen truly transformative changes to their business tech – some strategic, others circumstantial. In a sector which has always had an inseparable relationship with modern technologies, what are the challenges the modern day IFA business - and what are its clients demanding?

Wealth Transfer and Unified Customer Experiences

The average IFA client is getting older, according to a recent Schroders report, so while the industry is quick to adapt to new technologies, its user base is potentially more resistant. With 71% of clients aged between 51 and 64, can an IFA introduce users to new and faster technologies – without alienating its core client base?

Security and Compliance

When it comes to the public's cyber security, their financial security is top of the priority list. While moving to the Cloud can make your processes faster, simpler and smarter, how do you assure your clients – and your regulators – that your business is adhering to watertight security standards?

Technical Innovation

When new, industry leading technologies become available, it's the finance industry that's entrusted to adopt them fast and fastidiously. Yet in a period of unparalleled technical transformation, how do financiers adopt these new solutions effectively – and securely?

Throughout this eBook, we'll explore the challenges and possibilities of Hybrid Cloud working, technical transformation, security, compliance and more, demonstrating exactly how the Cloud overcomes your challenges and enables your aspirations.

Cloud Security – Dark Webs and Silver Linings

Questions around Cloud Security have evolved. With the overall defensive structure of the Cloud no longer in doubt, the question now is: just how much more secure can it be?

In 2021, the FCA received **116** reports of cyber security incidents, up **76** from 2020.1

65 percent of these incidents were the result of cyber attacks.1

According to IBM, the finance sector makes up **23** percent of all recorded cyber attacks.2

The finance sector is the most likely to hold sensitive personal data **(85% vs 61% of all UK businesses)**. 3

The Worldwide move to the Cloud was fast and unprecedented, allowing Cyber Criminals to exploit the uncertainty. Yet now that the working world is familiar with their Cloud security response, IFAs have an opportunity to lead Cloud Security by example.

CONSIDER THE FOLLOWING CYBER SECURITY CHALLENGES:

Supply Chain Security

Supply chain attacks can go unnoticed for months; exactly the kind of timeframe hackers need for such an infiltration. In a supply chain attack, one major supplier is targeted, and its systems exploited to compromise all connected solutions and users. In a role defined by interconnected advisors, authorities and transactions, how do you ensure your providers' security issues don't become yours – or your clients'?

Accountability

Sometimes, protecting your assets means knowing your security gaps and learning from incidents. Not only is this crucial in the event of a GDPR fact-finding incident, but also for avoiding potential damages: in-depth data reports and analytics go a long way to demonstrating your dedication to security and compliance.

Client Protection

Atop all priorities is your customer security. With the finance sector being one of the most targeted sectors for cyber-attacks, your customers are among the digital space's most at-risk users. This isn't limited to financial details ; compromised personal info can be just as financially damaging as any other data stolen from an IFA.

Consider the following Cloud security solutions...

A Security Operations Centre, offering early detection and response to incoming threats before an incident can occur, with 24x7 eyes on your systems

Zero-Trust Security, to approve all outgoing and incoming connections – whichever of your endpoints they arrive at

Security Information and Events Management, to provide in-depth analytics on any security events, responses and results

Mobile Device Management, to protect mobile devices and users as part of a remote working or BYOD policy

Virtual Private Networks, to encrypt network traffic for off-site users and remote workers

The Compliance Conundrum

Cloud Compliance is complex, which is why so many providers operate on a shared responsibility model. Providers such as Microsoft will ensure their Cloud services adhere to local and national law – as well as financial laws via their Financial Services Compliance Program - yet the data they store remains the property of your business. As such, the processing of that data still falls under the financier's control.

That's not to say the Cloud can't be trusted for compliance purposes; if anything, once the complexity of setting up has been handled by your managed IT provider, existing Cloud solutions can help you maintain that data diligence.

CAPTURE, CORRELATE, COMPLY

IFAs will need to adhere to a proven compliance framework and ensure that their Cloud solution supports this. At CMI, we've long-since believed in the NIST framework; not only for its reliability, but for Cloud providers' willingness to adopt this into their solutions.

IDENTIFY

PROTECT

NIST FRAMEWORK

RECOVER

RESPOND

DETECT

Public Cloud providers are keen to standardise worldwide compliance into their solutions. Already, Microsoft complies to the regulatory standards such as GDPR, and has explicitly advertised Azure as an FCA-compliant option. Solutions such as Microsoft Purview, a family of products covering governance, risk management and compliance solutions across the Microsoft product family, are designed around these very specific regulatory responsibilities.

When the responsibility for data protection still lies with the business, securing their assets with a data-compliant provider achieves at least the baseline regulatory standards, and on a broad scale.

Keeping Compliance Consistent

Potentially, remote Cloud working means exposing your workplace data to a wealth of unfamiliar touchpoints; public Wi-Fi, home broadband, non-corporate devices. Without taking the necessary security protections, financiers that don't take proportionate security steps are regularly and repeatedly failing basic GDPR principles. How does the Cloud keep IFAs compliant?

Ever Connected	Always Updated	Entirely Customisable
The more centralised your Cloud is, the easier it is to adopt sweeping compliances. For example, Microsoft's Cloud solutions let you control user, device and software permissions across all their Cloud apps, with unifying solutions such as Intune, Azure Active Directory and Azure Virtual Desktop.	It's in your Cloud provider's best interest to deliver worldly compliant software solutions. As such, providers such as Microsoft take a shared responsibility in delivering GDPR-adherent software that is updated automatically and consistently to keep your software compliant and free of security oversights.	Scalability isn't just about size; it's also about being the right business fit. Don't overlook your options for Cloud customisation. You're able to configure almost anything to the demands of your practice, while providers such as Microsoft provide bespoke Cloud packages for the finance industry's regulatory needs.

CONSIDER THE FOLLOWING TO KEEP YOUR CLOUD COMPLIANCE MANAGEABLE...

- **Microsoft Intune,** to provide sweeping administrative control over mobile devices, users and applications

- **Azure Virtual Desktop** to provide a single, Cloud-native desktop environment for all users, set up to the strictest of compliance standards and ensuring equal regulatory adherence for each

- **Azure Active Directory** to provide a more granular approach to user permissions and privileges

- **Microsoft Purview** to assist with governance, risk management and data compliance across software

Remember – licenses for all the above solutions may be available for free, based on your Microsoft subscription packages; speak to CMI for more information.

The Customer-Facing Cloud

The Cloud isn't only the realm of business; it's a pervasive technology that your customers are equally reliant on, personally and occupationally. As such, the IFA sector has an opportunity to leverage the Cloud for some transformative customer-facing solutions.

THE DIGITAL CUSTOMER EXPERIENCE

Talk of customer service is increasingly turning to the 'Digital Customer Experience', a means of uniting all contact points and ensuring clients have consistent service encounters. Put simply, a customer can begin a transaction or service request via phone, and continue that service ticket via email, app or any other Cloud communication method seamlessly.

> **According to North Highland, 87% of UK business leaders view the Digital Customer Experience as their top avenue for growth.**

For IFAs, full Digital Customer Experience adoption may be slow; many smaller financial enterprises may not have the need or resources for more advanced Cloud comms apps, nor are their customers likely to migrate to new technologies: the overwhelming majority are within the ages of 51 and 74.

Yet that doesn't mean a slower rollout can't be beneficial, or manageable, with your existing Cloud solutions, all of which can be strategically combined for a much more efficient customer experience:

Teams and Telephony	SharePoint
Solutions such as Microsoft Teams voice allow you to bridge Teams, and all supported Microsoft 365 apps, to your VoIP telephony system. The result is a consistent experience for all incoming calls that enables you to seamlessly access and sync your Microsoft software, plus compatible third party finance apps, when on client calls.	What if customers could access forms, finances or client requests through their own service portal? It sounds complex, but to clients, accessing a customer portal through SharePoint is no less difficult than navigating to any other web page. It's also available immediately to your business as an Office 365 standard application.
Customer Relationship Management	**Microsoft Azure**
CRM software isn't just an invaluable business tool; combined with other sources of Cloud data, it can be used to filter clients based on spend, usage - any metrics you deem pertinent. CRMs such as Microsoft Dynamics can help you identify a customer's communication preferences or service needs, and with personalisation key to the DCE, it's important to start collecting and engaging with this data strategically.	More IFAs are starting to explore Azure as a means of providing virtualised solutions. As a Cloud-hosted approach to an entire company infrastructure, it can feasibly introduce businesses to technologies that were once financially unviable. Azure can provide a faster client experience, more advanced business capacity, even a development platform for finance apps - should your growth necessitate it.

Unifying Finance

The underlying theme connecting the finance sector, the Cloud, and the ongoing success of any IFA is unity; a means to keep assets consistent, data relevant and services collaborative.

For IFAs, the Cloud is instrumental in evolving our relationships with the following – all of which are crucial to success.

People	Supply Chains	Technologies
In a period of crippling financial data breaches, increased threat of cyber attack and the battle for waning trust in the sector, the Cloud is helping to regain clients' trust in finance providers.	The Cloud ensures suppliers, stakeholders and associates know that their shared data is transparent, compliant and secured. All of your associates are equally well protected.	Technologies will benefit from greater compatibility, the reliable distribution of updates and upgrades, and the ability to share functions seamlessly across people and networks.
Communication	**Security and Compliance**	**Data**
A Digital Customer experience keeps queries ongoing, communications consistent and trust in financial services at an all-time high.	When businesses, their technologies and their regulatory compliances adhere to the same security standards, both their clients and regulators can trust in their protections.	Financiers are no longer limited by data types or volumes. When those disparate data silos become unified, that data becomes a customer, solution or business opportunity worth exploring further.

Yet the journey to the Cloud shouldn't be rushed. For many businesses, a **Hybrid Cloud** solution is the perfect starting point for the sector's transformation, helping to balance change with service consistency, and make your migration manageable.

The BigCloud Approach

At CMI, our aim is to aid that Cloud transition, gradually and gracefully, which is why we've packaged our most efficient Cloud solution into what we call TheBigCloud.

Secure reliable, and set up for simplicity, TheBigCloud is your online-accessible workplace supplemented with our ongoing assistance.

A remote desktop solution designed specifically for growing businesses, TheBigCloud is perfect for helping the evolving IFAs migrate gradually into their Cloud environment, while helping to consolidate the monthly cost of their Cloud estate.

> "They have given excellent advice to meet our changing business needs and provide a very good service."
>
> **Newell Palmer Group – Philip Stepp, Group MD**

This service is perfect for organisations who:

- Are short on IT resources

- Need a more complete remote working environment for their business users

- Want to save money or consolidate the monthly cost of their Cloud estate

- Want to migrate gradually to a business Cloud environment

- Are implementing a BYOD policy or seeking to reduce hardware spend on devices

To find out more about our TheBigCloud solution and to arrange a free, no-obligation consultation about how we can support your IFA, please get in touch at the link below - we'd be delighted to hear from you.

Contact CMI

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Book A Consultation

CMI – Managed Service Specialists with 25 Years of IFA Experience

For over 25 years, CMI has been providing exceptional IT solutions to IFAs from its London, Thames Valley and Belfast offices. Leveraging industry-leading solutions for compliance, security and systems management, CMI are the all-round experts in business technologies.

Recognised among the World's Most Elite Managed Service Providers by the MSP501 and accredited by such regulators and providers as Microsoft, Mimecast and ISO9001 & 27001, we deliver complete security compliance and product knowledge to our partners' high service standards.

As an award-winning, industry experienced MSP, CMI specialises in providing bespoke IT services for the finance, accounting and legal sectors and our IFA services and credentials include:

Virtual Desktop solutions with **TheBigCloud**	Experience in such applications as **CURO, X Plan & AO**	**24/7 Detect and Respond** Cyber Security
Cloud and On-Prem **Vulnerability Assessments**	Flexible, scalable, and cost-efficient **Managed Cloud services**	Managed **Cyber Security and Zero Trust Security**

Complement your financial IT solutions, comply with regulatory responsibilities and communicate with clients on a broader scale than ever before. Talk to us today and discover just how effective our IT support for financial services and wealth management can be.

Get in touch

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