



## Ksenia Duxfield-Karyakina

Government Affairs and Public Policy Manager, Financial Services Policy Lead, Google Cloud

# Resilient cloud: supporting the financial sector in a time of uncertainty

As COVID-19 continues to impact the globe, the financial sector is adjusting to the new reality, both in terms of migration of their own operations into the remote working-from-home environment, and sustaining to provide essential, now exclusively digital, services to their customers. Cloud technology has proved fundamentally important to support this transition in a number of ways.

### Remote working

As organisations now rely on remote workforces to maintain productivity, using cloud tools is becoming a newly accepted norm for the industry.

The uptake of remote collaboration technology has been remarkable: Google Meet has been adding more than 2 million new users daily, and they're spending over 2 billion minutes together per day. We also made our advanced Meet video-conferencing capabilities available at no cost to all our customers until the end of September.

We introduced Meet more than a decade ago as a secure, easy-to-use collaboration and productivity service (now known as G Suite), as we envisioned a new way of working in the cloud. These tools have proved indispensable in the time of a pandemic.

### Resilience of cloud infrastructure

The need for agile, scalable, secure, and resilient infrastructure is not new, but has been underpinned by the global pandemic. Hyperscale cloud providers that build infrastructure and systems resilient by design are well placed to support business continuity of the financial sector, the operational stability of which is critical to the European economy.

Google maintains comprehensive business continuity practices, and we have taken steps to ensure our readiness for COVID-19 from both a technical and personnel perspective. These steps are from our standard playbooks, which were written and have been tested for exactly this type of scenario, well ahead of the COVID-19 outbreak.

Network and compute resources are central to cloud services. At Google Cloud, we plan for these resources to accommodate normal demand fluctuations, long-term growth, and potential unanticipated shocks on supply or demand. The growth we've seen so far in response to the pandemic is within the headroom we've provisioned, and we don't face or foresee a capacity shortfall for either of these resources at this time.

Similarly, with personnel readiness, thanks to the collaboration tools we are using on a day-to-day basis, and with the distributed culture that we've built across the company over the past decades, our teams remain connected and able to execute in the work-from-home environment.

### Impact on the use of AI and automation

During times of uncertainty, having access to insightful data is more important than ever.

Financial institutions are turning to data analytics and AI to help them make smarter decisions, improve their business operations, and help their customers. Here are a few ways they're doing just that:

- Understanding data with analytics and AI tools to make better decisions in the trading portfolios during the market downturn, improve internal risk management, liquidity, and capital analysis;
- Using data and AI to streamline back office operations, such as trade processing and document management;
- Implementing AI-based agents in call centers to alleviate pressure.

There is a similar trend in the use of these tools by financial services regulators.

### Thinking post COVID-19

It is expected that economic recovery will be a continuous process, with many lessons to be drawn across the industry and the regulatory community. These are just a few themes that we anticipate emerging:

- Infrastructure modernisation with public cloud in the financial sector will increase as a key enabler in improving sustainability and reducing operating costs.
- Remote work combined with broader reliance on online platforms are here to stay, encouraging innovative work cultures based on agility and flexibility.
- Today's end-to-end automation could lead to data and AI tools being further embedded in daily operations. This is a positive trend, but regulators would need to think through governance implications.
- Valuable, applicable learnings from other sectors will prevail, including the ability to scale on demand - similar to retailers, or tele-finance advice - similar to the advances in tele-medicine. Increased computational research, importance of data insights, and use of ML will be critical in this space as well.
- Financial services regulators have been increasingly looking into their own cloud-first and multi-cloud strategies, and the current crisis might also accelerate this transition.
- As financial services move online, it will be more important than ever to think about populations already underserved by banks and ensure inclusion. Reskilling, further investment in digitisation, and support for SMEs and innovative startups, will continue to dominate this agenda, which cloud can support.

This unprecedented period in our history gives financial institutions and technology firms the opportunity to work together to support our employees, customers and the wider community. ●