

FINTECH – ASSESSING ITS IMPACT NOW AND THE FUTURE, June 5, 2018

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“The fourth tipping point of what it means to be human is here” said **Frank Diana**, Principal, Future of Business at Tata Consultancy Services at the June 5th FWA event ***FinTech: Assessing its Impact Now and the Future*** held at New York Life’s Jersey City office. A tipping point, as described by Frank, is the degree to which human development is advanced. Citing highlighting hunting/gathering, agriculture, and the industrial revolution, Frank said the fourth one is here – automation. This served as Frank’s jumping off point to talk about the future and what we can expect.



Stephanie Hauge welcoming participants to FINTECH: Assessing its Impact Now and the Future

Frank is a futurist who presents compelling and thought providing ideas. He spoke before an audience of over 70 people comprised of New York Life employees and FWA members of the human-machine convergence and its implications for our future. With the internet, social media, mobile, cloud, and big data as the digital foundation for accelerating innovation, Frank illustrated future scenarios. These were illuminating – people potentially living for 200 years (and mentioning the first healthy live extension person has already been born), communication through virtual reality, mind-to-mind communication, and blurred reality to name a few. Particularly fascinating is despite new frontiers explored and technologies introduced, there are still 4 billion people without internet access.

From a human perspective Frank said it is essential for people to think critically, connect the dots, and alter our path. Quoting Alvin Toffler a renowned futurist, Frank stated to do so requires the ability “to learn, unlearn, and relearn”. This big picture, far reaching introduction set the stage nicely for each of the panelists to offer their unique lens on specific topics related to technology and the finance industry.

Jennifer Hanania, Manager, New Services and Emerging Technology Practice PwC opened her presentation by positioning blockchain as one of eight essential technologies to drive innovation (the others being augmented reality, drones, virtual reality, 3D printing, robots, artificial intelligence, internet of things). From there she gave a helpful tutorial on blockchain using a straightforward example of paying an invoice. She covered the four elements of distributed ledger, cryptography, consensus, and smart contracts and how blockchain can simplify the process. Blockchain’s benefits include reduced costs, elimination of data

duplication, increased transaction speed and greater resilience.

Puja Samuel, Head of Platform at New York Life Ventures, discussed the importance of incubating ideas. New York Life Ventures tests and directly invests in innovative technologies that tackle challenges and drive efficiencies across three main areas: insurance, asset management and enterprise technology. The team also makes opportunistic investments in a select group of venture capital funds.

Puja explained that the pace of disruption is accelerating and that a staggering 37,975 early stage startups received financing in the last five years. The cost barrier to entry in launching a startup has significantly dropped, allowing a number of new startups to enter the scene. Puja also stressed the critical nature of innovation being embedded in a company's cultural DNA and the importance of experimentation and productive failure.

Grace Vandecruze, Founder and Managing Director of Grace Global Capital a firm specializing in financial and regulatory advisory to the insurance industry covered the industry's need to digitalize, retire obsolete technology and respond to disruptors in the insurance space. The industry is ripe for innovation given that 90% of insurers are running on obsolete software. The good news is that 94% of insurers recognize the need for change and acknowledge that adopting a platform-based model and engaging with partners is critical to their success. Grace took the audience through the number of tech companies that have entered and postulated whether some might make the move to become carriers. She posed the question as to whether Amazon is getting into the insurance business.

So while sitting perched on the 30th floor of 30 Hudson Street, Jersey City in New York Life's conference room looking out at the New York City skyline it was quite easy to literally and figuratively see the future of FinTech. What a transformational morning!

Thank you to New York Life for hosting this event and enabling so many to benefit from the ideas, insights, and perspectives shared by the presenters. And special thanks to New York Life's Women's Initiative Jersey City for their good work to support this event.

