

Doing Well by Doing Good

An Interview with Simon Paris, Chief Executive Officer, Finastra

EDITORS' NOTE *Simon Paris is responsible for Finastra's strategic direction and growth. His leadership steers the company as it realizes its open platform vision, encouraging industry-wide collaboration to spark innovation and transform the next generation of financial services. Paris chairs the World Trade Board and is passionate about how technology and open trade can drive financial inclusion and improve people's lives. A Fintech thought leader, he speaks regularly at large-scale events including the annual World Trade Symposium, Paris FinTech Forum and The Milken Asia Summit. He is a strong advocate for diversity and inclusion and has also been named in Bank Innovation's Innovators to Watch list for 2018. Paris joined Finastra (formerly Misys) as President in 2015, was appointed Deputy Chief Executive Officer in 2017 and became Chief Executive Officer in June 2018. He brings more than 20 years of sales, management and global leadership expertise to the company, having previously held the role of President, Industry Cloud, at SAP. Prior to that, he was a senior consultant with McKinsey & Company. Paris holds an M.B.A. from the INSEAD Business School in France and a bachelor's degree in business and European languages from the European Business School.*



Simon Paris

When you think about your journey and your career, you never wake up in the morning saying, "I want to be a leader." You wake up in the morning saying, "I want to be part of something that matters." That is what excited me about Finastra. I'm a great believer that financial services is able to do well by doing good.

When I left SAP, which had already done a lot to help society in terms of managing the world's business information better, I wanted, for personal reasons, to remain in

Europe and the company that I joined was the

largest industry vertical software company in the region. It is now one of the largest pure-play financial services software providers in the world. I believe all of us are intrinsically driven by purpose, and this was an opportunity to move into a leadership role as president that would allow us to do well by doing good. Since that moment, my career has evolved, and I moved from the president role to deputy CEO, and then to CEO about one-and-a-half years ago.

With the formation of Finastra coming out of the integration of two other organizations, how important has it been to focus on culture and how do you define the Finastra culture?

I would answer that in two ways. One is to your direct question which is on culture, and the other is to what are those companies that you're combining trying to be, and what are they not going to do? Part of what we had to do bringing these companies together was to decide what we were not going to be doing, and that led us to divest some of the businesses that just didn't fit in with what we were trying to be. Regarding culture, Peter Drucker said that culture eats strategy for breakfast, and we believe him to be right. We saw that the two firms, Misys and D+H, had a very similar set of cultural values. In fact, when you put a thousand people in a room which we did at our global sales kick off last year, you couldn't actually tell who was from D+H and who was from Misys, and that was very encouraging for us.

We spent a lot of time and invested heavily in defining the culture, values and behaviors that we wanted to see in our company. When we got to the topic of values, we said that there are values we expect employees to bring with them. They're not values inculcated by us, they're values that came to you from your parents, or your society, your church, or your experience, such as integrity. Integrity is not a value we teach you, we expect you to have it when you come to us. We expect you to be customer-centric. We expect you to ignite innovation. We expect you to foster collaboration. There is a certain set of values which we universally and uniformly agreed were going to be part of the company going forward.

But there are other aspects of culture beyond values, and this relates to behaviors. We talk about behaviors in terms of being

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COMPANY BRIEF *Formed in 2017 by the combination of Misys and D+H, Finastra (finastra.com) is building an open platform that accelerates collaboration and innovation in financial services, creating better experiences for people, businesses and communities. Supported by the broadest and deepest portfolio of financial services software, Finastra delivers this vitally important technology to financial institutions of all sizes across the globe, including 90 of the world's top 100 banks. Its open architecture approach brings together a number of partners and innovators. With a global footprint and the broadest set of financial software solutions available on the market, Finastra has \$1.9 billion in revenues, 10,000+ employees and more than 8,500 customers.*

What excited you about the opportunity to join Finastra and made you feel it was the right fit?

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transparent and non-hierarchical, flat and easily approachable, and open. In fact, open became the single biggest word that we would use. We use it for open banking, open ecosystems, open APIs, open frameworks, open minds, open culture.

Once we clarified the behaviors, we asked what we needed to do. We changed our dress code, we changed our real estate, we moved to open plan offices, we reignited the brand into something which matches that notion of open and modern, accessible and approachable. These things together give us a unified culture, so you can go to Finastra anywhere in the world and it looks and feels the same. I think on this cultural journey we've done a relatively good job.

How challenging is differentiation in the industry and how do you define the Finastra advantage?

That's a great question. We primarily focus on mission-critical back-office applications. Any time you talk about back-office process, it's almost by definition that there is no differentiation. It's a commoditized business process. We do that at a global scale, so we manage 67 percent of the world's syndicated loans, 8 percent of the world's foreign trade finance, and 6 percent of the world's trade finance. Our message regarding differentiation is that no matter how large you are, you have the economy of scale of one. We do this for 8,500 institutions around the world, so it's not about differentiation, it's about industrialization. It's about the scale of being able to take a non-differentiated business process and run that at enterprise grade quality at industrial scale.

We compete in a different way. We compete, and win, because we do these core, mission-critical, non-differentiated, back-office processes very well, but we also invite innovation on top of those applications through our FusionFabric.cloud platform.

You mentioned innovation. How critical is innovation to Finastra's future success and where is the innovation taking place?

It is mission critical. Innovation is the lifeblood of a technology company, so a culture that embraces innovation and encourages fast failure is vital. At Finastra, failure is something to be celebrated. We even have what we call 'Failure Fridays' where we encourage people to be open about where things haven't worked.

Somebody will say, "Hey, this is what I did, and I failed, and this is how I failed, and this is how you can avoid replicating that." We celebrate failures and we celebrate successes, and you need to be very comfortable with that. It's a fast-moving culture.

Innovation is everywhere, it's not just in technology. It's in business process, it's in client engagement, it's in routes to market, it's in partnership models. We have very broad views about how we think about innovation. It is the most critical element to the longevity of a technology company.

Will you discuss Finastra's focus on building a diverse and inclusive workforce?

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When we think about the workforce and workforce planning, this is the first time in human history that we have four generations in play. The expectations of somebody who's not even a millennial – they were born this century, not last century, the 18-year-olds who are now in the workforce - are really different from somebody in their late 60s, three to four generations apart. Four generations in the workforce is its own phenomenon.

In regard to diversity, every time that we say the word we also use the word "inclusion." We have done very well in areas of diversity including ethnic diversity, geography diversity, age diversity, and we're doing pretty well in gender diversity. We need to do much better in special needs diversity. The reason why we use the term inclusion so heavily is because we need to make sure that we are providing a safe environment for all. We need to make sure that the introverts are being consulted and the extroverts are being tempered. We do a lot of work on unconscious bias and understanding different personality types. Diversity and inclusion is a very big focus for us.

How important is it for leading companies today to be purpose-driven?

I can't emphasize the importance enough. I think that the discussion around purpose, why you exist, and why the world could be better because you exist, is not just at the forefront, it's at the heart and center of what matters most to a successful company. It is about multiple stakeholders aligning around that purpose. In the old days, we used to talk about the triple balance sheet – profit, people and planet. The business world then migrated into corporate social responsibility and this notion of doing something and paying it forward. Next was a focus on the environment, society and governance (ESG). All of these have been facets of corporate purpose.

Finastra places purpose at the forefront of our business. We believe that we can bring hundreds of millions of people into financial services. We can play our part in showing the provenance of goods or services. We can take a role in helping businesses in avoiding fraud and sanctions busting, in improving global liquidity, in removing unnecessary cash in society and digitizing money. All of these things are about doing well by doing good. ●