

Title: The Arm-Wrestling Match Between Human Interaction and Tech Advancements in the Bank Trust Industry

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On October 14, CAPIS hosted a virtual panel on the state of the bank and trust services industry, “Banking on Tech: Challenges and Innovations in Today's Environment.” The virtual session, available to view in full [here](#), was moderated by our own [Jon Lantz](#), and featured as panelists Adam Unger, Accutech; Angie Gorman, Infovisa; Bill Martin III, INTRUST Bank; Jack Curran, GreenHill; and Stuart Allen, Association of Trust Organizations.

One theme rang true throughout the conversation – for all of the importance of technological adaptation and innovation, an absence of the human element is a detriment in the bank trust sector.

Everyone agreed that the logistical challenges presented by the onset of the COVID-19 pandemic were handled well, although they were acute. An at-the-office work standard and culture predominated the industry and preparedness exercises were predicated on a temporary interruption of normal operations, not a long-term reality shift. Now, the industry is in an optimization phase, figuring out what has been sorely missed.

There was a tailwind behind disintermediating people even prior to COVID-19, and now that wind is gale-force.

The trend is potentially troublesome given there is a valid reason why the wealth management and advisory business has *not* become one of solely robo-advisors and what can broadly be deemed disruptors. High- or ultra-high net worth clients frequently cannot have their needs met by an algorithm divvying up their assets into broad-based ETFs and calling it a done deal (an oversimplification, to be sure), nor are they likely to benefit from an ever-multiplying set of tools geared to the financial DIY crowd. Their more vast considerations present added complexities and technology *assists* in better catering to these needs.

For instance, while making required innovations in the industry like client portals more user friendly and supplying open APIs for better integrations, panelists agreed that the space should not lose sight of the need to focus on non-technological innovations.

Trust (a value CAPIS prides itself on) is in the industry's title and trust begins to ebb when the interactions are solely handled with technology and not through people.

We are social creatures – a business relationship with an algorithm, while perhaps the fodder for sci-fi television, isn't the sole answer to the issues presented by today's interconnected markets. COVID-19 has put its finger on the scale in favor of more disintermediation. When the pandemic subsides, we should carefully evaluate how much weight has been removed.

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