

## LesEchos, France: Cognizant's AVP, Center for the Future of Work, Outlines Main Challenges for European Banks



"As regulators level the industry playing field, and technology helps to lower the barriers to entry and change the industry dynamics, European banks need to become ever more resilient," says **Euan Davis**. "They must redefine their operating and business models for the new competitive environment, rapidly accelerate their adoption cycles for new technology and drastically increase their responsiveness to geo-political change."

*Excerpts from LesEchos' article:*

"In the EU banking industry, simply becoming digital is not enough. Incumbent banks' decision makers need to be able to read the major threats to their industry – regulatory change, the political landscape, new competition and emerging technologies – and understand how these could potentially diminish, displace, disintermediate or destroy their business over the next five years.



The Revised Payment Service Directive (PSD2) and open banking reforms are levelling the playfield for 'new' entrants. As a result, a [new report](#) about the new banking genome reveals that over half (55%) of digital-first challenger banks and three-fifths (61%) of fintechs feel more confident that they can compete with existing banks. What is worrying, however, is that incumbent banks seem not to be aware of this, with only one third (36%) seeing the threats of the new landscape.

The report sets out the New Banking Genome and outlines five steps incumbents should follow to become a 'resilient bank.'"

Click [here](#) to read the full article in French.

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