

Reinventing with the Digital Core in Banking

A reinvention-ready digital core is essential for banks to capture the value of gen AI (and emerging tech)

We define the digital core as the critical technology capability that can create and empower an organization's unique reinvention ambitions.

99%

of banking executives report technology as the top lever for reinvention, with gen AI seen as one of the main drivers.

73%

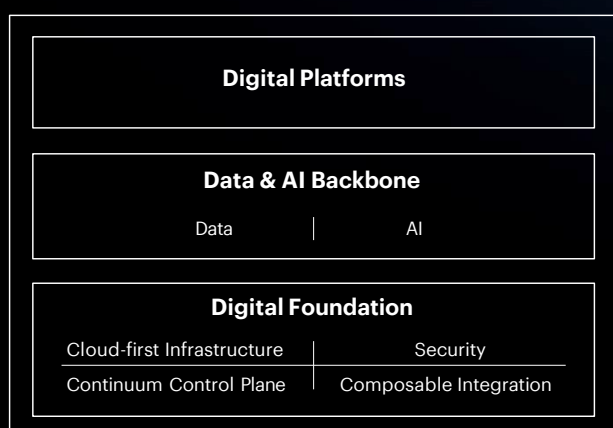
report that they are accelerating innovation spending compared to the period from 2020 to 2022.

42%

are actively engaged in implementing a transformation program.

The anatomy of the digital core

A digital core fit for continuous reinvention comprises three distinct groups of technologies that constantly interact with each other.



Challenges to tackle

The main shortfall for banks is in cloud infrastructure. Other barriers adopting digital core technologies include:

21%

of banking executives identify misalignment of priorities between business and IT.

20%

identify a lack of skills or talent shortage.

3 key actions for banks to achieve a reinvention-ready digital core:

Build

an industry-leading digital core tailored to your industry and company.

While **~40% of banks report mature development in one or more digital core components**, none have been able to achieve maturity across all components simultaneously.

Boost

innovation investments in strategic innovation, including re-engineering systems for machine (AI) operation.

A majority of **banking executives plan to allocate ~8% of their IT budgets to support new business capabilities**.

1/3 expect to further increase their IT budget by >10% in the next three years.

Balance

technical debt with investments for the future.

Banks that **prioritize optimizing business and IT processes, enhancing enterprise applications and platforms, and bolstering security** measures can accelerate growth.

Banks that take action have the potential to achieve...

3-5 pts

boost in return on equity

60%

higher rate of revenue growth (across industries)

40%

increase in profitability (across industries)

Demographics

83

banks

> \$1bn

annual revenue

10

countries

Want to know more about the benefits of a reinvention-ready digital core? [Read our latest research \[accenture.com/digital-core\]\(https://www.accenture.com/digital-core\)](https://www.accenture.com/digital-core)