

### **3 of 4 Financial IT Decision-Makers Are Making a BIG Mistake**

The past 10 years has been a time of massive change and instability for the financial industry.

In 2008-2009, a global financial calamity was narrowly averted by a government bailout of some of the world's largest financial institutions. Along with the bailout came a plethora of new laws and regulations governing the financial industry. It was a virtual tsunami of regulation, and to this day the regulatory winds haven't quite completely calmed.

The Dodd-Frank Wall Street Reform and Consumer Protection Act, for example, was signed into law in 2010. Dodd-Frank imposed the most extensive regulatory change upon the industry since the reforms brought about by the Great Depression.

And yet Dodd-Frank is a law in flux. It was sort of a regulatory framework that lawmakers continue to tweak. And the 'tweaking' is expected to continue for several more years.

So it continues to be a difficult, somewhat *unsettled* time for the financial industry.

#### **Data Migrations Are Needed, But Delayed**

Much of the burden of complying with the regulatory burdens imposed upon the financial industry by lawmakers has fallen upon the shoulders of IT departments.

New and more robust reporting requirements, for example, have created the need to upgrade and revise data-handling systems. Many financial institutions are turning to Big Data technology for help. And many are moving to cloud-based systems.

The sweeping changes and intensified pressures facing financial IT departments have generated a compelling need for data migrations - migrations to the cloud, migrations from legacy systems, etc.

And yet many IT managers are reluctant to pull the trigger on a migration. That's [according to a survey](#) performed several years ago. The survey revealed that 72% of financial IT managers delayed data migration projects because, essentially, they were afraid of them.

#### **Their Fears Are Justified**

A data migration *can* pose a large risk to an organization. Data, after all, is of crucial importance to today's companies. Any risk posed to a company's data poses a significant risk to that company.

On a global scale, in fact, disruptions to data - and the business downtimes that result - has cost companies a collective \$1.7 trillion according to a [recent survey](#).

So migrations gone bad can indeed be *very* costly.

### **Delaying Doesn't Help**

While financial IT managers are quite justified in their concern about data migrations, their response to that concern is shortsighted. That's because data migrations are a necessary component of growth, and critical in enabling the adaptation of new technologies.

The 3 out of 4 financial IT managers that keep putting off migrations are really just digging themselves into a deeper hole. Because in truth, the evolving needs of the financial industry - *now* more than ever - require that IT be responsive and fluid in responding to those evolving needs.

And it's a simple and inescapable fact: data migrations are essential to growing and evolving the capabilities of *any* IT department.

### **Get a Better Doctor**

Here's a simplistic yet quite *accurate* analogy...

Let's imagine that an IT department is a person, a human being. That person has been diagnosed with an illness. He needs an operation. Without the operation he won't get better. Without the operation, he's likely to die.

But that operation has been bungled many times in the past by incompetent, inexperienced doctors. People have died as a result. That frightens our imaginary IT person. And justifiably so.

So should he just forego the operation, and hope for the best? Should he risk death by putting off the operation that could cure him? Of course not. What he *should* do is find a specialist, a competent doctor that has successfully performed that operation many times.

Now let's turn out imaginary person back into an IT department.

That IT department needs a data migration. Avoiding the migration puts the future of their company at risk. But migrations are often bungled by incompetent, inexperienced vendors - particularly vendors that don't specialize in data

migrations (which happens to be nearly *ALL* vendors!). That frightens the IT department managers. And justifiably so.

Should that IT department forgo the data migration that their company desperately needs? Of course not.

What they *should* do is...well, you get the point.