

The cost of change

Why bank strategies so often outrun delivery, and what the institutions that close the gap do differently

In brief

Most bank leaders could list their institution's priorities from memory. Fewer could say with confidence when they will reach customers. What holds strategy back today is rarely the quality of the ideas. It is the cost and time of change, and because that cost is spread across many budgets, nobody owns it. The institutions that close the gap have not found a better replacement programme. They have changed the way change happens.

- **The cost of change is a strategic issue, not a technology one.** It decides how many of the executive committee's priorities reach customers while they still matter.
- **The usual remedies tend to make it worse.** Large replacement programmes, platform choices made by checklist and policy rebuilt for every channel all add to the cost of the next change.
- **The institutions that move faster share a few habits.** They change one product at a time, build around their core, keep policy in one place, let business owners change what they own under proper control, and keep evidence as they go.
- **We close with five questions** that an executive committee may want to ask itself before speaking to any provider, including us.

1. A cost nobody owns

The pattern is familiar. A priority is agreed at the top table, and then it meets the institution's capacity to deliver. It joins a growing backlog of IT projects. It needs a new journey from one supplier, decision rules from another and document checks from a third, and someone to join them together. By the time it reaches customers, the window has narrowed and the business case has quietly changed.

The cost shows up in three places at once:

- **Revenue that never arrives.** Products that launch late; applications abandoned while documents and approvals are pending; brokers, dealers and partners who send their best business to whoever answers first.
- **Cost that keeps growing.** Data re-keyed and documents checked by hand; overlapping suppliers and integrations; every product launched as a project of its own, with little carried over from the last.
- **Risk that is hard to see.** The same customer receiving different answers in different channels; evidence for supervisors and auditors pieced together after the event; AI tools used outside approved workflows.

Each part sits with a different executive and a different budget, so each tends to get its own fix. Every fix makes sense on its own. Together they add another supplier, another hand-off and another place where policy lives, and the next change costs more than the last.

Standing still has a cost. It is simply spread across too many budgets to see.

2. Why the usual remedies disappoint

Replacing instead of changing

When change becomes painful enough, the natural answer is a large replacement programme. In financial services these programmes have a reputation for running long and delivering less than planned. Requirements are fixed long before go-live. The business puts its priorities on hold while the programme runs. And much of what is replaced was adequate in itself; the difficulty lay in how hard it was to change everything around it.

Choosing by checklist

Platform decisions are usually made against a long requirements list, and the provider with the most ticks tends to win. That rewards the longest checklist rather than the best result. No provider delivers everything an institution needs out of the box, and few programmes start with complete, settled requirements. What matters after signature is how quickly and safely your own people can shape the platform to the products, channels, partners and policies you will actually run, and the experience of the people standing behind them. That is seldom what the evaluation tests.

Policy rebuilt for every channel

Eligibility, affordability, pricing and limits are often built separately for each channel, product system and partner, and over time they drift apart. Every policy change has to be made, tested and evidenced several times, and it becomes harder for the chief risk officer to say with confidence that what runs in production is what the committee approved.

AI beside the work rather than inside it

People are already using AI to read documents, summarise cases and draft papers, often outside approved workflows and without a record. The concern is not that AI is used. It is that it is used where nobody can govern or evidence it.

3. What the institutions that move faster do differently

None of these habits is new on its own. The difference is practising them together, as a way of working rather than as a programme.

They change one product at a time

They start where delay or cost hurts most, prove the approach there, then extend it. Each new product reuses the journeys, decision rules, document handling and connections already in place, so each launch costs less than the one before. Every step has its own case, and the next decision stays with the institution.

They build around the core

The core banking system remains the book of record for what it does well. New products, journeys and decisions are built around it, and existing products move only when there is a reason to. The core stops being the gate every product decision has to pass through.

They keep policy in one place

Credit, pricing and eligibility rules sit in one decision layer that serves every channel and partner. A change is made once, tried against past cases before release, approved by a second person and applied everywhere at the same time.

They let business owners change what they own, under proper control

Product, credit and operations leaders change rules, journeys and workflows themselves, rather than adding to the backlog of IT projects. Every change is versioned, tested, approved by a second person, promoted through controlled environments and can be reversed. That discipline is what makes the speed safe, and it applies only within approved policy.

Start from something that works

Requirements written on a blank page tend to describe today. Starting from a complete working model of the journey, decisions, documents and operations, and shaping it, brings the real requirements out early, while they are still inexpensive to meet.

They keep evidence as they go

Each decision is kept with its data, its policy and model versions and its reasons, so it can be reproduced as it was made. Each change records who made it and who approved it. When a supervisor, auditor or customer asks, the answer is retrieved rather than rebuilt.

They bring AI inside their controls

AI agents prepare, check and draft; they do not decide. They work only within the permissions, workflows and approvals the institution sets, and what they do is recorded. Credit decisions follow rules and models the institution approves, and accountability stays with it. The institution chooses its models and keeps its data within the environments and agreements it controls.

They keep managing the business case after approval

They set out what each product should deliver and compare it with what actually happens, product by product and channel by channel. When results drift, they can see where and why, and adjust pricing, policy or process under the same controls. The business case becomes a management tool rather than a document filed on the day of the decision.

4. Five questions for the executive committee

1. What did our last product launch really cost, across every budget it touched, and how much of that will we pay again for the next one?
2. In how many places does our credit and pricing policy live, and how long does an approved change take to reach all of them?
3. If a supervisor asked tomorrow, could we reproduce a decision we made a year ago, with its data and reasons?
4. Where are our people already using AI, and could we show what it did?
5. When we last chose a platform, did we test how quickly our own people could change it?

5. Where Zoral fits

We built the Zoral Finance Operating System (fOS) around these habits, because we kept meeting the same pattern in the institutions we worked with.

Zoral fOS runs customer journeys, products, credit decisions, documents and operations on one platform, alongside the systems an institution chooses to keep. Each solution starts from a working accelerator rather than a blank specification, and business owners shape it under proper control. AI agents work within the institution's own controls, and results are tracked against plan after launch. Data, product definitions and audit history remain the institution's and can be exported in standard formats, which supports exit planning for a critical supplier.

Institutions usually begin where the cost of change is highest and build from there. We have built and launched the complete platform for a Shariah-compliant digital bank, and worked with clients

regulated by the FCA in the UK, the CFPB in the US and the central banks of Malaysia and Thailand. References are available in confidence.

About Zoral

Founded in 2004	Over 100 projects delivered	350+ years of combined experience
Clients regulated by the FCA in the UK, the CFPB in the US and the central banks of Malaysia and Thailand	Independently audited under SOC 2, with details on the Zoral Trust Portal	Long-standing relationship with KPMG

- **An independent specialist.** The platform is our own, and the people who built it lead delivery, alongside our clients' advisers and systems integrators.
- **Atelier,** Zoral's consulting practice, works with leadership teams on questions like those in section 4.
- **AI for Zoral.** We use AI to help our specialists and our clients' teams design, check and test products and workflows faster. AI assists; people approve.

If this reflects what you see in your institution, we would welcome a conversation.

Senior Zoral specialists who have run banking, credit and risk operations would be glad to compare notes on where change costs you most, and what has worked elsewhere.

Book an executive briefing: zorallabs.com/schedule/briefing/

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We would welcome a conversation.

Talk to a senior Zoral team:

zorallabs.com/schedule/briefing/

Zoral Finance Operating System (fOS) · Atelier consulting

Independently audited under SOC 2 · details on the Zoral Trust Portal: trust.zorallabs.com

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