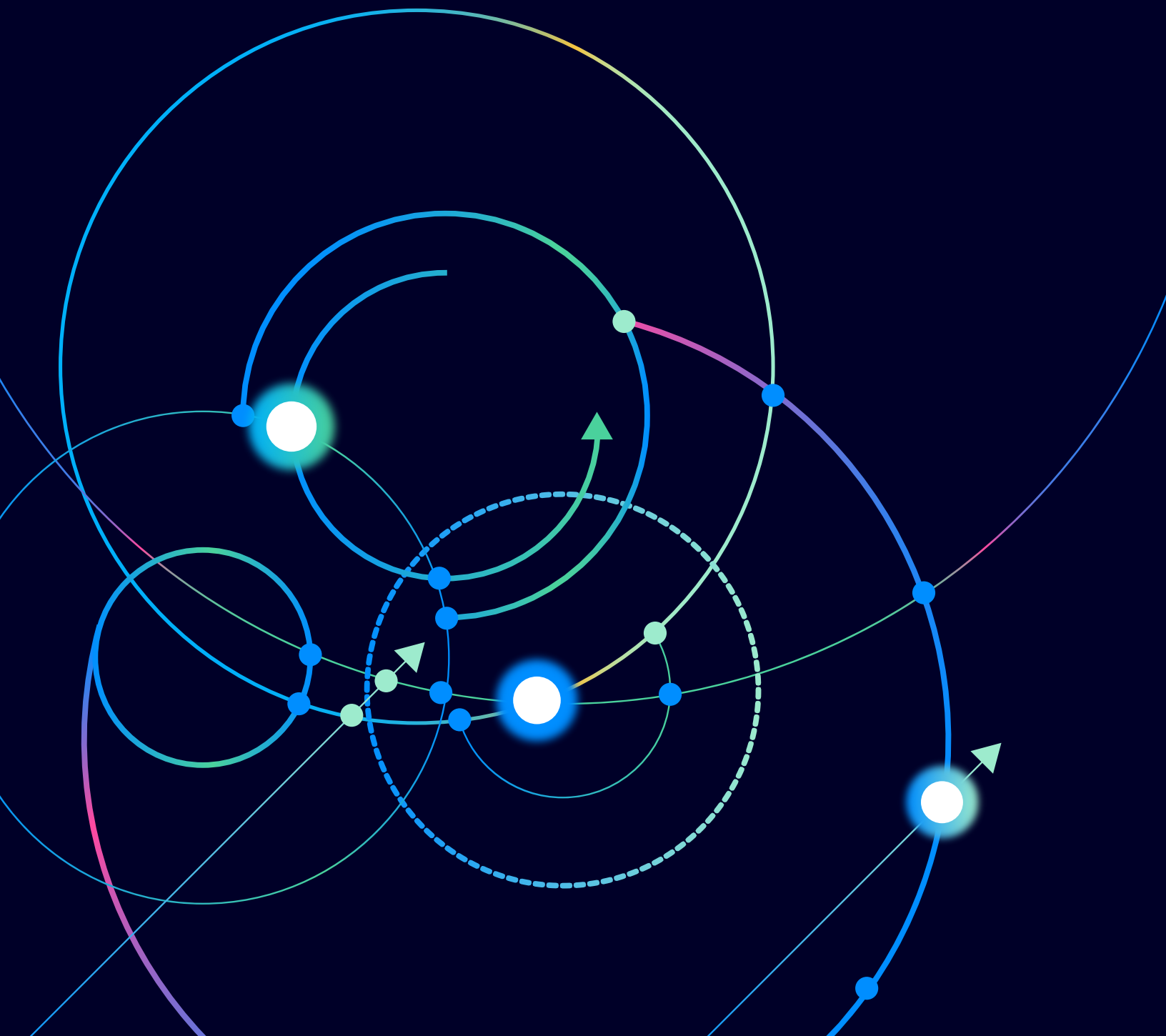


# Disruptions, Disruptors... and the Disrupted



# Many Paths Forward

## The 2020s are an unprecedented decade of disruption

Revolutionary change is happening more rapidly and on a globally connected level.

From economics to geopolitics, many of the social structures that we've relied upon for decades are being overturned and the effects are rippling outwards.

But this disruption is not caused by a single event.

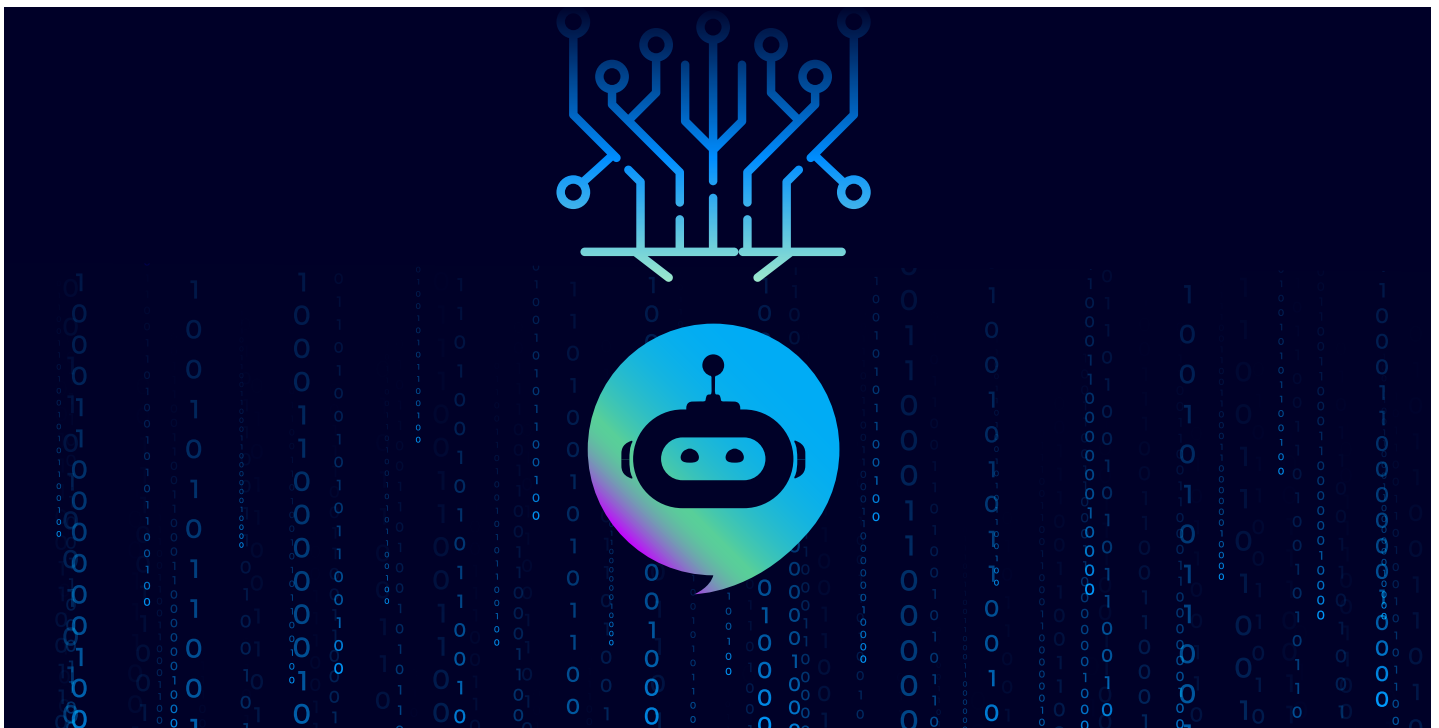
Rather, we are seeing the result of multi-generational changes that are now combining. From the 1920s to the 2020s, a century of human history has led to this moment. What happens next is anyone's guess...but one thing is certain.

There is no going back. So we must now start thinking of **disruption as a foundation for the present...and a constant in the future**. That means not only embracing it...but harnessing it.

Just as realized in the ["3 body problem"](#), we must all learn to operate inside this new disruptive reality to drive, survive...and yes, thrive!

Here is why...

The massive disruptive forces coming to a head in the next several years are going to force a choice upon all of us. They always do.



# Prelude to Disruption

Throughout human history, technology has brought disruption that we call “evolution.”

- fire, stone tools and the wheel
- the combustion engine and electricity
- nuclear power

This is just technology changing the world we live in. Then we adapt...and build more technology.

This disruption manifests itself through things like geopolitical tension, financial market stress and job displacement. We say our world is moving faster than ever. But through these cycles the business result of this is always the same.

All companies are forced into one of two categories: they either become *disruptors*...or get *disrupted*.

When you break it down, there are three key industries that have shaped modern human history:

- 1 energy
- 2 technology
- 3 finance

The first two have always rested upon the foundation of the third. Finance is the accelerant to innovation.

Energy and technology have always required capital to drive them forward. Thus, every other global industry relies upon these 3 pillars. The interplay of these three has led to all the major advancements that we understand today as “progress.”

# On the Precipice

## Today, we stand on the precipice of artificial general intelligence

This is the result of technology advancements across machine learning, natural language processing and many other technical disciplines. Again, we see it comes from that same critical combination:

- energy,
- technology,
- and finance.

But finance truly is the bedrock foundation of these three. Because capital is always the fuel needed to power the other two forward.

That continues to be the case today.

This is also why changes in finance eventually impact the whole triumvirate. Interestingly, the needs of energy and technology always fuel demand and thus further innovations in finance.

Many of you may remember the passage of the Dodd-Frank Act back in 2010.

This has been the most far-reaching Wall Street reform in history. It aimed to eliminate the excessive risk-taking that led to the 2008 Financial Crisis. That legislation marked the beginning of a transformation of financial services.

Much of what became a financial crisis of the 2010s was enabled by the computer, data and software revolutions in the 1980s and 90s.

And furthermore, that financial crisis catalyzed the rise of Bitcoin and open source and distributed technologies.

Essentially, it set the stage for what was to come.

Back in 2015, I wrote an article titled [It's the Community, Stupid](#).

Almost a decade ago, I was explaining why the problems facing financial services would eventually demand a community approach. Specifically, I discussed how blockchain, open source and collaboration tech would become the way forward.

Extract from *It's the Community, Stupid*

"Finally, collaboration is also getting much needed attention in the industry. After years of either closed systems or very inefficient email and phone based workflow, a solution is on the horizon. The startup Symphony, in Palo Alto, California, has broad support and a unique community in the form of an open source foundation is at the heart of this effort.

[The Symphony Foundation](#), of which I am a member, along with many other industry players including buy side, sell side and service providers, includes many different people and skill sets...from traders in the front office to engineers/developers who design/build to middle and back office experts. It is an exciting global, community-based effort. Watch this space closely..."



My 2018 article, [TrIdent: Weapon Of Mass Solution](#) then addressed the danger that digitization posed to business.

“TrIdent,” was my three-pronged solution for protecting individual, object, and institutional identities in an increasingly digital world. Those security and privacy concerns eventually drove regulations such as the [US Dodd-Frank](#), the [EU GDPR](#) and the [EU DMA](#),

Extract from *TrIdent: Weapon Of Mass Solution*

“We’re naked, tumbling through space and time. We claim more efficiency with each somersault, but we are all just one fat finger or hack away from identity theft, fraud and total personal loss. At work, we’re in a porous yet inflexible analogue box, assuming we are safe and secure, trusting the all controlling admin user rights will protect and serve. It’s more secure, but the gatekeepers who keep us in our boxes and others out also keep a lid on innovation. On either (or the ether) side of our lives, we sure do have a lot to consider and solve as we connect more people, to more things in more places.”

In January 2022, my focus shifted to the growing risk posed by systemic volatility.

My article [Risk, Transformation & Trust](#) highlighted why the “Vol Monster” was connected to the accelerated change of the post-pandemic world. Suddenly, companies needed to embrace digitalization alongside secure decentralization.

Extract from *Risk, Transformation & Trust*

“There are three factors fueling these upheavals, the “Three V’s” of Volatility, Velocity and Variability. More intense and frequent cycles of volatility are driving higher highs and lower lows, with global events now occurring more often. Within this, the actual speed of volatility changes are increasing. In turn, this drives a greater variability of results. A wider spread of potential outcomes creates bigger winners and a longer tail of losers. Iconic examples like Amazon, Blockbuster, Blackberry, and Apple illustrate this. The “Three V’s” drive a “Volatility Monster” that threatens the world we know. The Vol Monster is always lurking. It’s just a matter of how hungry it is, at any given time. Technology is now a major force prodding and enabling it.”

Even prior to the pandemic, an era of volatility was upon us. The world had entered a period of accelerated change and every business began to realize it. Across the globe, companies needed to adapt.

That really meant building a **trustless system with trusted platforms**. At Symphony, we’ve been connecting messaging and voice workflows in a modular way, right from the start.

Long before financial services knew they needed it, we were:

- cloud,
- decentralized,
- mobile,
- encrypted,
- and multimodal.

So how has Symphony been able to remain almost a decade ahead? By understanding one simple truth - thriving through disruption demands three things from your technology:

- 1 **resiliency:** tech must enable your organization to adapt quickly to change;
- 2 **stability:** tech must suffer no down-time amidst the rapid change; and
- 3 **flexibility:** your tech should be easily modified to accommodate change.

Accelerating change has now become a roller-coaster of disruption. This brings both massive risk and huge opportunity.

A year ago I reflected on this in a piece called [The costly risks of the data you don't see](#).

Extract from *The costly risks of the data you don't see*

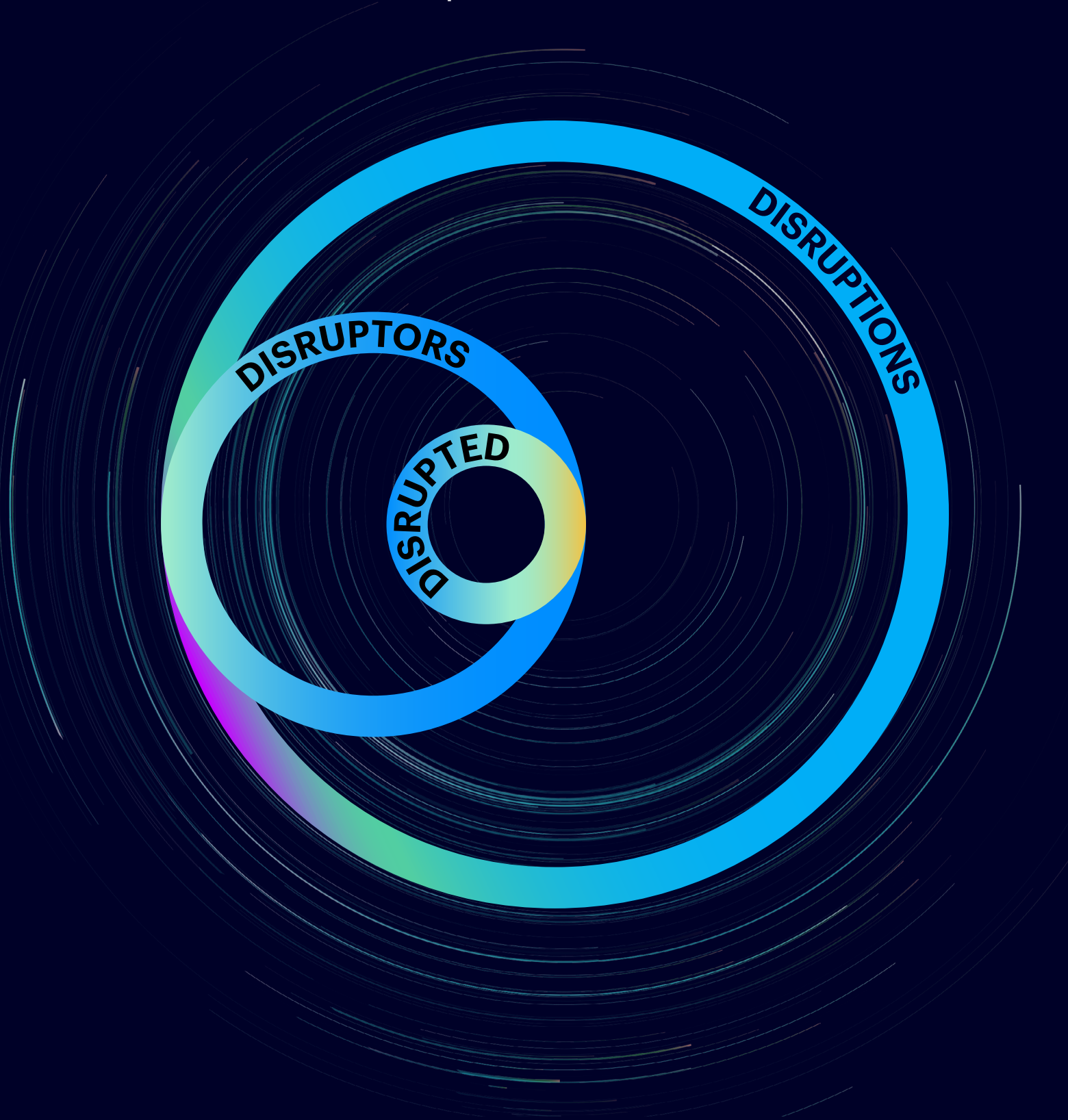
"The New Oil. Raw data requires a multi-step, sequential refining process to become useful.

It's been said that in a technology-driven world, data is the new oil. Yet unrefined, neither data nor oil is very useful. Having information isn't enough, it's about turning that information into action. The refining process to convert data to action is multi-step:

- 1 Data: The raw input of collected points; it's crude right out of the ground
- 2 Information: The first standardization of data, applying tags and identifiers
- 3 Intelligence: Gleaned from cleaned, processed data, enabling further queries
- 4 Insights: New findings as a result of data
- 5 Action: Critical strategy decisions informed by refined data

In this new era, power comes from how quickly you can refine, distribute and consume the oil gush and crush of data. Companies (and people) who do this the fastest, will capture the fleeting opportunities."

Leveraging data to manage risks and supply chains while creating incremental value becomes foundational in disruptive times. **But the stakes grow larger when that data is part of institutional finance workflows.**



# Mitigating Disruption Risk

**In times of disruption, “technical debt” around software becomes a whole new risk because it makes workflow changes difficult**

A company operating with a 20 - or even 40 - year old tech stack, is dealing with incredible risk, one that grows every year.

The way to address this risk is through a **modular, resilient** and **secure** setup. This makes it much easier to protect the involved data. Risk containment and mitigation becomes essential in a fast-moving, interconnected world.

Every well-run organization should be actively seeking to disrupt *themselves* right now. That is how you capitalize on the opportunity of all this disruption.

Because here is the truth... 2023 was a year of accelerating change. But 2024 is a critical time of decision. **More choices must be made now. The speed of change that you are facing demands this.**

In massive disruption, inaction will destroy value. Companies must make the leap now, before it becomes too late.

Symphony is actively supporting this transition by partnering with financial services firms - large and small. Globally, we bring an **interoperable** and **flexible** approach through our technology solutions.

In practice, this means that our clients and partners can see and access all the data they need... *without* needing to move it to another database.

Ultimately, the issue is not about moving information around. It is about creating secure and seamless access to that information both at rest and in stream.

# Unlocking the Future

With the right tools, any organization can move with precision in a world of uncertainty. We refer to this as “thriving through the fog.”

Every company willing to take advantage of this, can create the “opportunity of a faster tomorrow.”

Symphony’s role here is clear. We are “connecting people with purpose” amid the uncertainty.

We help you become more **efficient** and **productive** with your **time** and **talent**.

Through **innovation**, we are helping our clients, partners and the industry seize the opportunity that the growing disorder presents.

Our goal is to support all who seek to be on the winning side of **unavoidable disruption**. The right technology makes it possible. Because the waves of disruption that have been approaching for decades are now upon us.

**From here forward, every market participant is either the disruptor...or the disrupted.** Symphony is firmly in position to help our clients and partners bridge this transition successfully.

We deal with the waves...so you can go with the flow.

# Further reading

## Articles I've published

- [Business Cycles & Opportunity](#), 2023
- [Risk, Transformation & Trust](#), 2022
- [Trident...a weapon of mass solution](#), 2018
- [It's the Community, Stupid](#), 2015

## Books that inspire my thinking

- [Innovators Dilemma](#), Clayton M Christensen, 1997
- [Sapiens](#), Yuval Noah Harari, 2011
- [Novacane](#), James Lovelock, 2019
- [The Three Body Problem](#), Liu Cixin, 2008
- [The Coming Wave](#), Mustafa Suleyman and Michael Bhaskar 2023
- [Atlas of AI](#), Kate Crawford, 2021
- [Age of Revolutions](#), Fareed Zakaria, 2024



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