

# Transforming a traditional wealth manager to a cutting-edge data-driven company

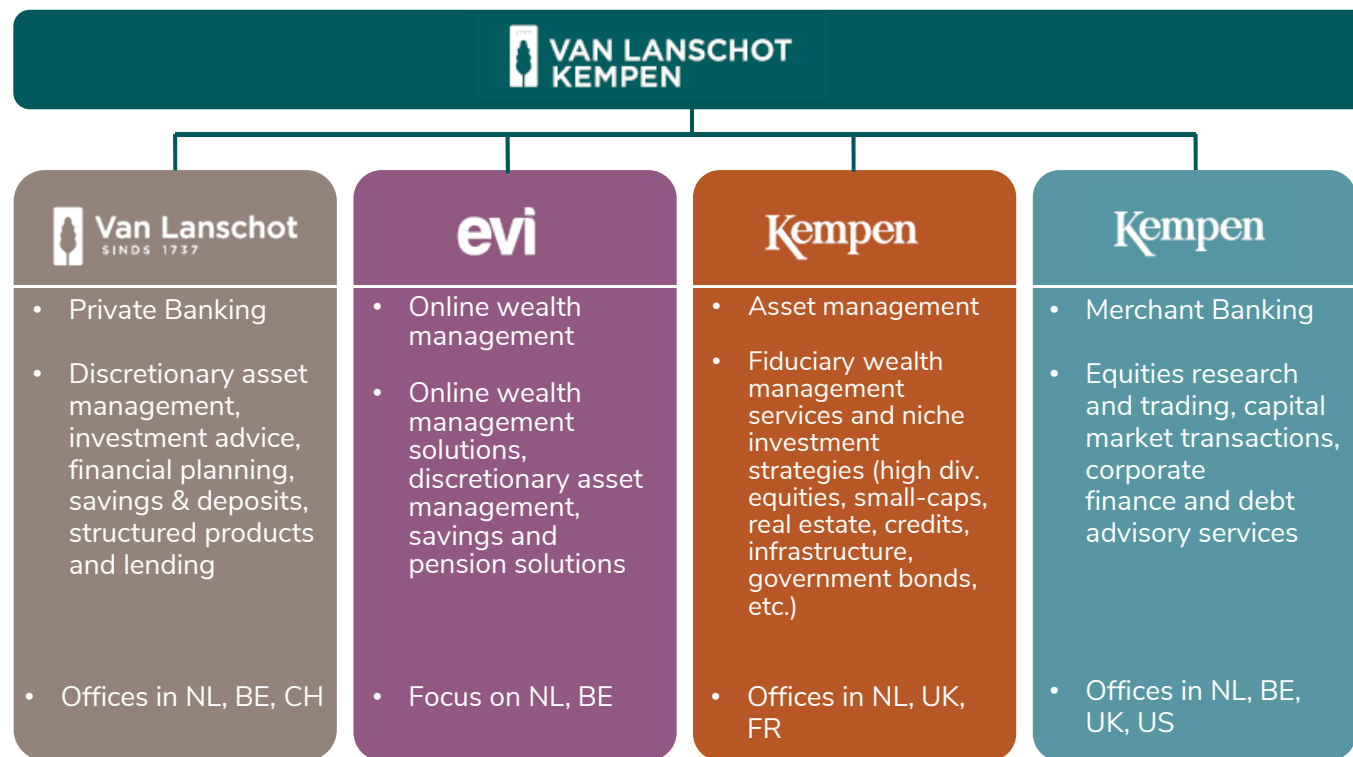
Charlotte Werger  
STRATA  
London, April 30th 2019



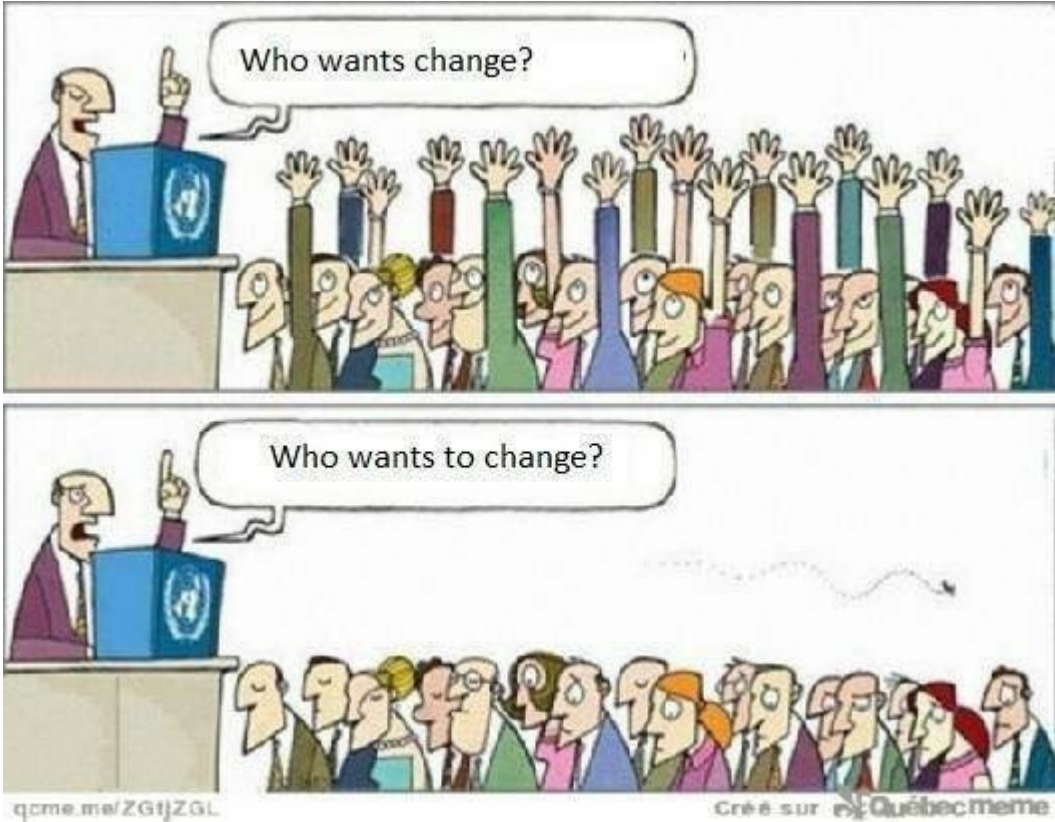
VAN LANSCHOT  
KEMPEN



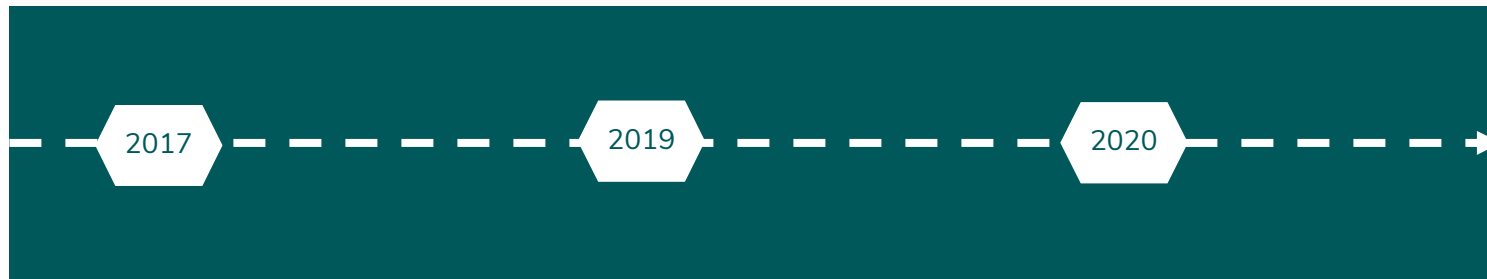
# Van Lanschot Kempen (VLK) has four business lines with various data science maturity levels



# Our data science transformation was/is challenging



# Looking back and looking ahead



## Late 2017

- No data science team
- No scalable tools
- One data science use case
- Skepticism from business

## Today

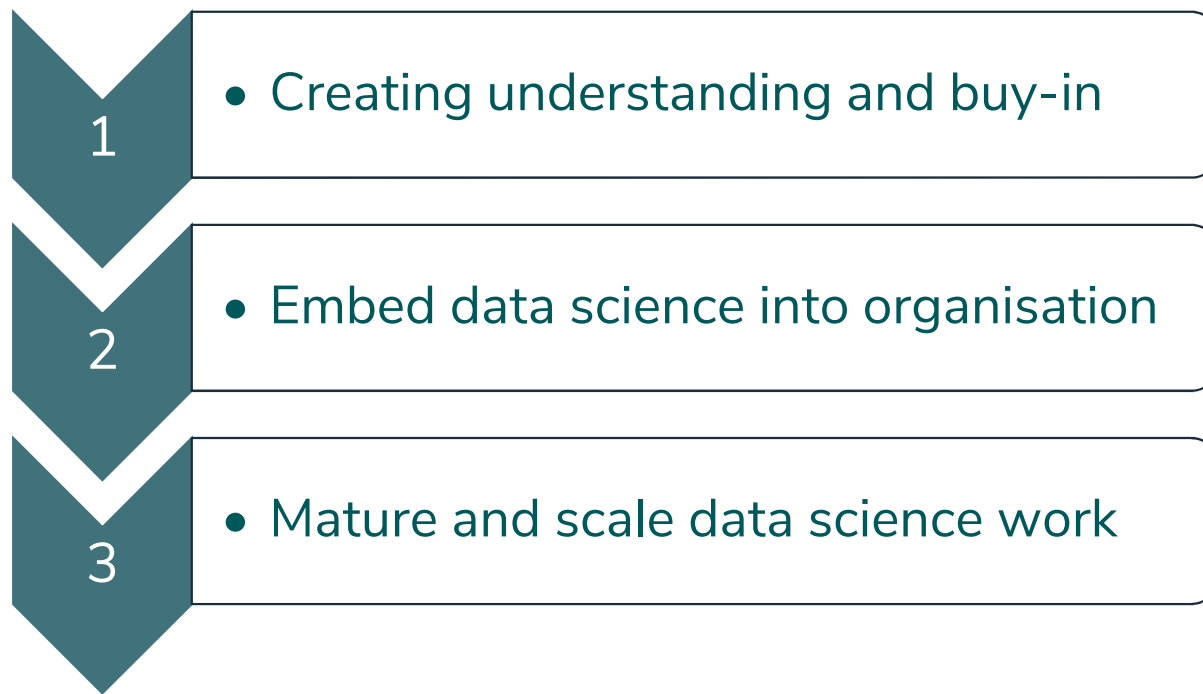
- Data science team of 10
- Effective cloud infrastructure
- Delivered value and on-going use cases
- Strong buy-in across business

## Next steps

- Data science DevOps
- Develop data science capabilities within business lines



## What did we do to get here?





A photograph of a person walking on a paved sidewalk in front of a large, classical-style building with a facade of light-colored stone blocks and tall, narrow windows. The person is carrying a large, rectangular piece of the building's facade, which includes a decorative architectural element like a pediment or a small window opening. A semi-transparent teal box with a grid pattern is overlaid on the left side of the image, containing the text "Creating business buy-in".

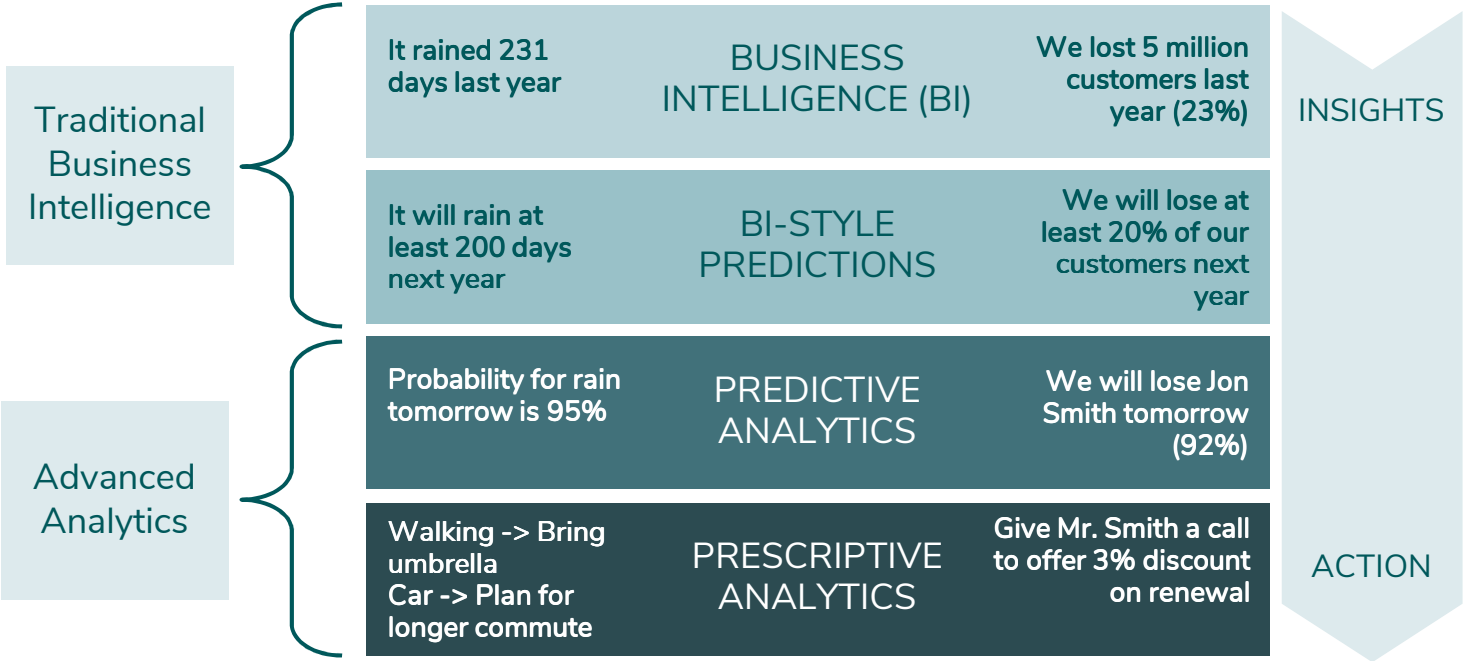
Creating business buy-in

# 1. Creating buy-in

- Many workshops/talks about “what is data science and what can it do for me”
  - What are others doing in the field?
  - What are we already doing at the company?
- Hackathons to demonstrate usefulness, and kick-start POC projects
- Strong communication around first POC projects
- Finding champions to “spread the gospel”
- Encourage external education programs



# Example: Explaining what advanced analytics is





A person is standing on a vast, sandy dune under a clear blue sky. They are holding a rectangular board in front of their face, which displays a landscape image of green hills and a blue sky. The person's shadow is cast on the sand to their left. In the background, a line of green trees is visible on the left side of the dune.

Embed data science in the  
organisation

## 2. Embed it into the organisation

1. *This is what we need:* Set up sufficiently mature technology stack (open source tools, data availability, computing power).
2. *These people are going to do it:* Establish a new central data science team to aid business line analytics teams in data science projects.
3. *This is what we're going to do:* Define project selection for the first (half) year, align with corporate strategy and get management agreement.
4. *This is how we're going to do it:* Define way of working.
5. *This is the line of reporting:* Make data science important part of corporate strategy, create direct reporting line to CEO and EB.



# What do we need to make Advanced Analytics happen?



Data

Access to structured and unstructured, internal and external data. Effective cloud storage. Coordination on procuring external data, data governance and access security



Tools & Technology

Data ingestion and management, analytics product development and management, Azure cloud infrastructure, computing power and tech support



Talent and Education

Data scientists, data engineers, project management and support across the business for implementation, education for those working with new technology

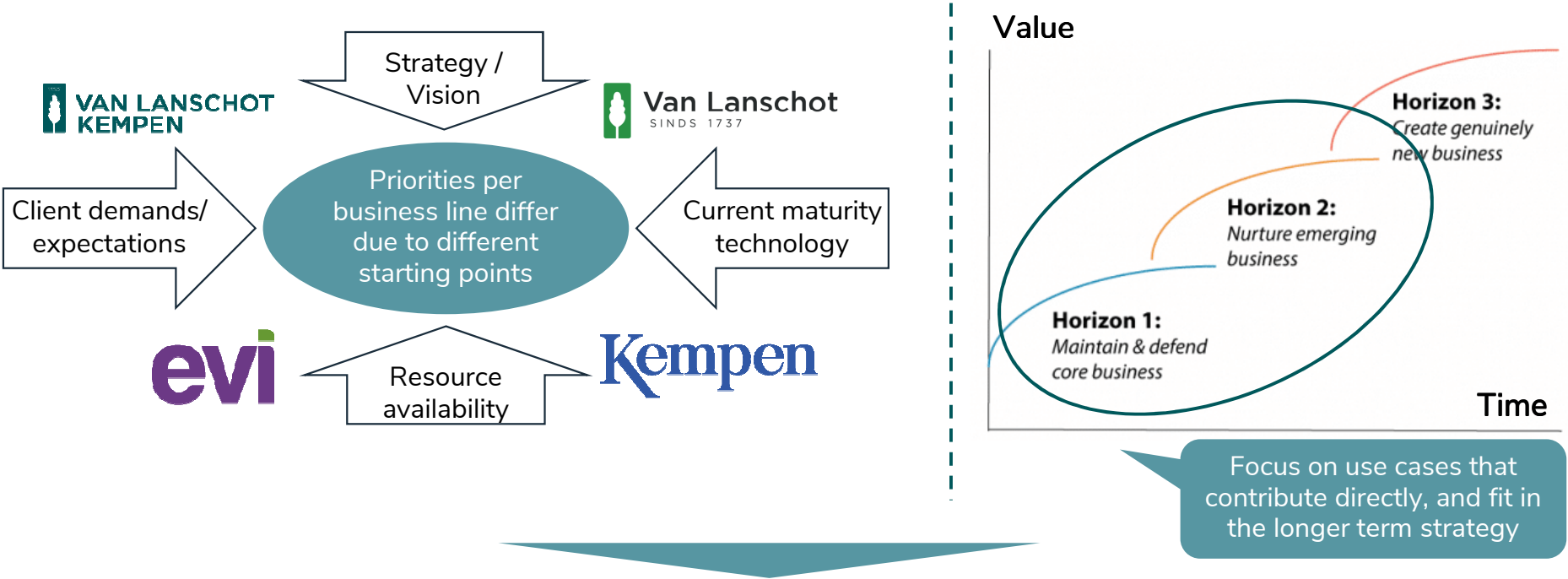


Collaboration

A clear mandate, EB support and assurance of resources across the business. Close collaboration with multiple teams to deliver value



# Next steps differ per business line depending on starting point

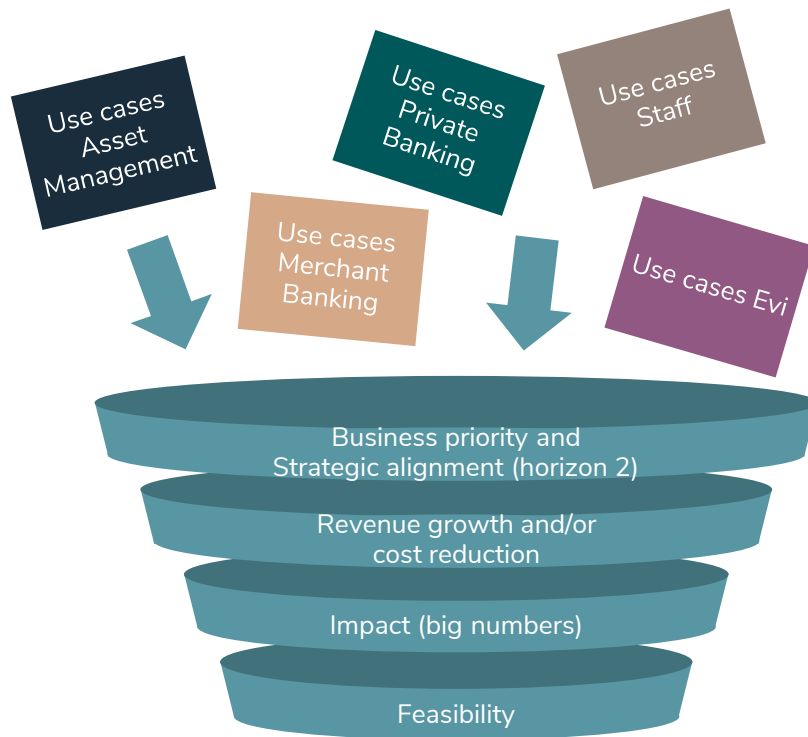


*Prioritization of use cases will be determined per business line through a structured 'use case funnel'*





# Selection process of use cases for VLK



Propose use case

1. Use cases are collected **bottom-up** and from business line MTs, and are **validated** by responsible business units/departments
2. Use cases are **prioritized** with top management, and planned in by the Advanced Analytics teams
3. During execution the Advanced Analytics team works closely together with the business unit (**product ownership** is within the business)
4. Use cases can **change**, be concretized or even be **stopped** (agile approach)
5. Eventually use cases are ready once the full value is captured in either cost savings or revenue growth



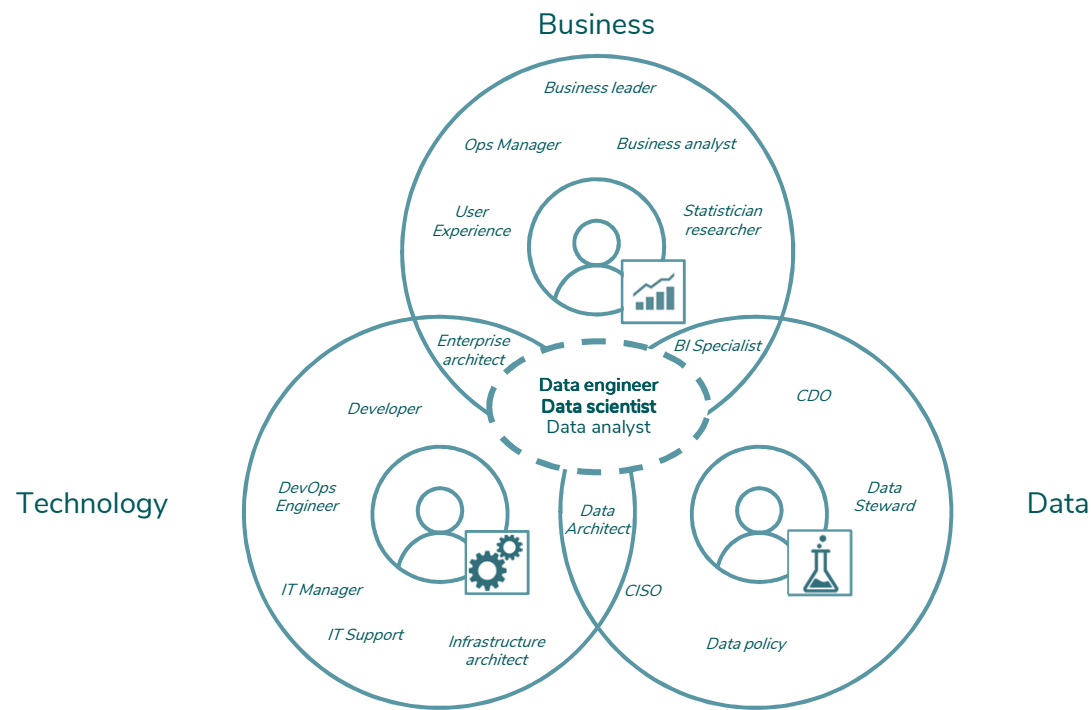
# Prioritizing advanced analytics initiatives across VLK is at the discretion of the Executive Board

| Driving business value from Advanced Analytics across Business Units |              |     |     |               |                   |
|----------------------------------------------------------------------|--------------|-----|-----|---------------|-------------------|
|                                                                      | Private bank | Evi | KCM | Merchant Bank | Support Functions |
| Commercial Effectiveness                                             | ①            | ... | ○   | ○             | ○                 |
| AI-Powered Solutions / Products                                      | ②            | ○   | ○   | ○             | ○                 |
| Operational Efficiency                                               | ③            | ○   | ○   | ○             | ○                 |

*Prioritize per business line and across business lines*



To realize full potential of analytics it should be an integral part of the Business supported by Data and Technology

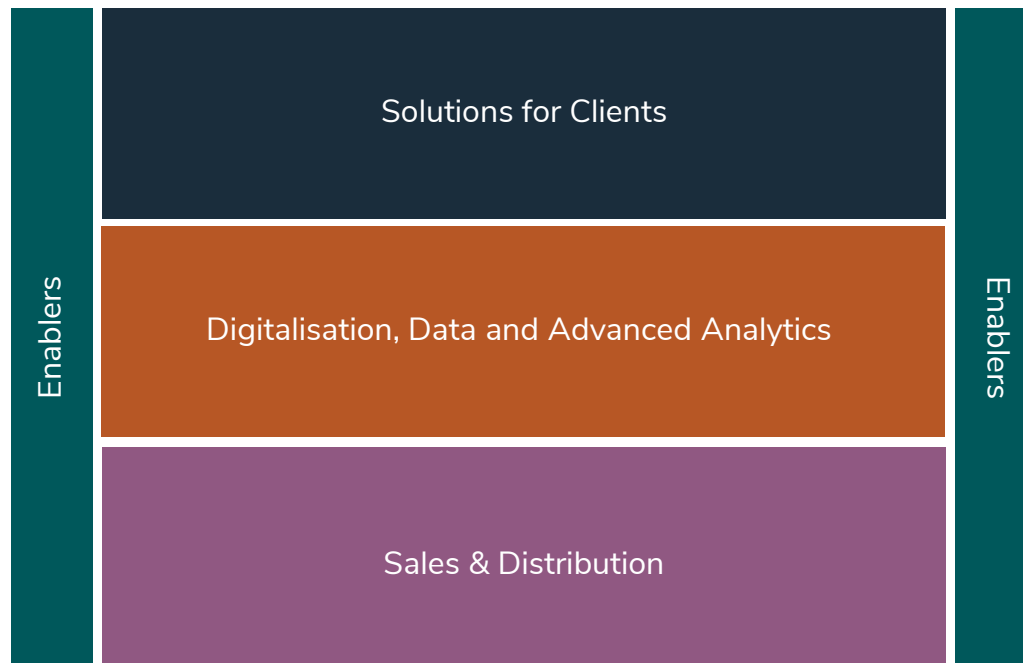


The potential of analytics can only be realized by **strong coordination and collaboration** across the company.

Technology, data and business knowledge needs to be **combined to make an impact**. Advanced analytics needs to **operate at the intersection** of these three.



Advanced Analytics is an integral part of corporate strategy and high on the CEO agenda





A person stands on a vast, undulating sand dune under a clear, deep blue sky. The sun is low on the horizon, creating a bright, glowing aura. The person is holding a large, rectangular, glowing white object that appears to be a tablet or a piece of paper, which is illuminated from within, casting a soft glow. The sand dunes are textured with ripples, and the overall scene is serene and contemplative.

Mature and scale data science efforts

### 3. Mature and scale

Working towards data science **DevOps**:

- End-to-end data science
- Smart and fast deployment via for example containers
- Making smart use of new technology such as Azure Machine Learning Services, Automated ML, Cognitive Services etc.
- Working Scrum/Agile across the business





A person stands on a rocky, grassy hillside under a clear blue sky. They are holding a large, rectangular white board that perfectly reflects the sky and clouds above them. The person is wearing dark pants and a light-colored shirt. The foreground shows some green plants and rocks. In the background, there are rolling hills and a valley under a bright blue sky with a few wispy clouds.

Use cases at VLK

# Being smart about what content to send to clients

The screenshot displays the Van Lanschot client portal interface. On the left, a sidebar titled 'Persoonlijk bericht' (Personal message) shows a 'VERZENDLIJST' (SENDING LIST) with several client names and their status (e.g., 'Slim bedienen'). The main content area is titled 'Controleer deze preview van het bericht' (Check this preview of the message). It shows a draft email with the following details:

- Aan:** xxxxxx@xxxxxxxx.xx
- Onderwerp:** Aandelen van onderwogen weer terug naar overwogen

The email body includes a greeting 'Beste Toosje,' followed by a paragraph of text regarding the Westwood Emerging Markets Fund. Below the text is a 'GERELATEERD NIEUWS' (RELATED NEWS) section with a link to 'Aandelen van onderwogen weer terug naar overwogen'. At the bottom right, there are two buttons: 'VERSTUUR TEST' (SEND TEST) and 'VERSTUUR BERICHT' (SEND MESSAGE).

On the right side of the screenshot, a mobile phone displays a preview of the email. The preview shows the Van Lanschot logo, the date 'DINSDAG 19 FEBRUARI 2019', and the subject line 'Aandelen van onderwogen weer terug naar overwogen'. The text in the preview is truncated, showing the beginning of the email body.

Commercial effectiveness





# Predicting customer outflow at Evi

For our online asset manager Evi, we designed a system that tells us which clients are most likely to be unhappy, and deserve some extra attention from the client service team.

Based on supervised learning we take into account financial markets, risk profiles, client interactions with Evi, and investment experience to predict customer churn.



# Scouting for new M&A deals with data



Our Corporate Finance team has limited resources and time.

We are therefore combining data on historic deals, news data, company fundamentals and chamber of commerce data to predict where the next M&A deal happens. We focus mostly on private companies, which have notoriously bad “structured” data coverage.



Commercial effectiveness



# Understanding our clients by analyzing phone calls



Our clients interact a lot with us via phone.

Can we use that data to better understand our clients needs? How do we turn this data into value?

Commercial effectiveness



# Client monitoring and fraud detection at the Private Bank



Fraud detection systems in financial institutions have caused a major stir in the Netherlands recently.

Our newly designed system is based on unsupervised learning and combines data from transactions, meeting notes, external lists, and internal CRM systems to detect suspicious cases.

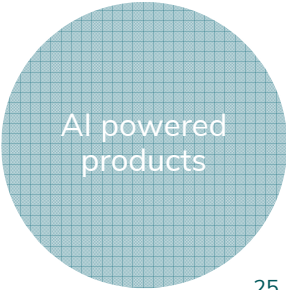
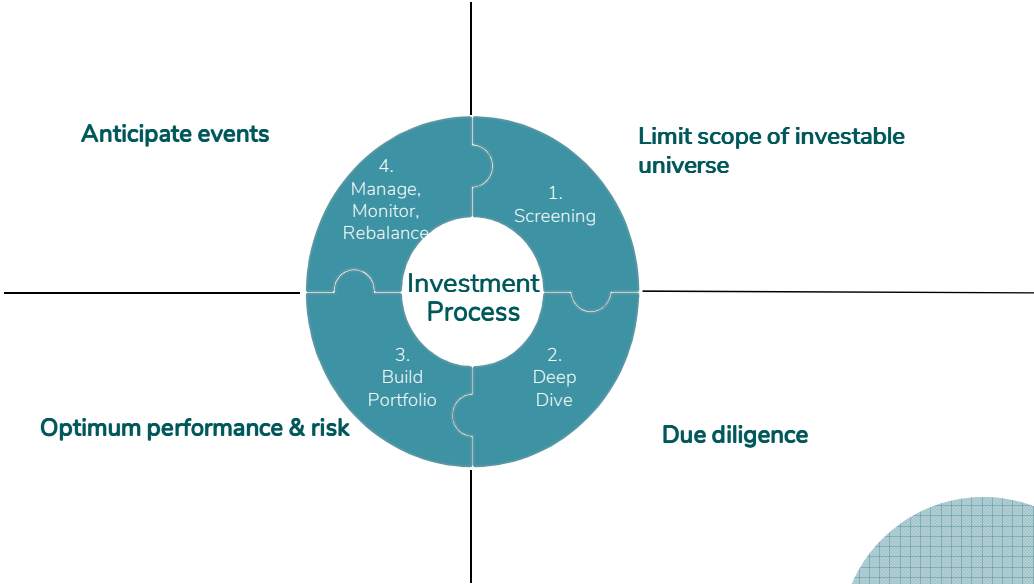
Operational  
efficiency



# Advanced Analytics in the investment process



Quantamental investing:  
stock recommender system  
for screening process







Thank you for your attention

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**Cyberconflict: A new era of war, sabotage, and fear** [See passes & pricing](#)

David Sanger (The New York Times)  
9:55am-10:10am Wednesday, March 27, 2019  
Location: Ballroom  
Secondary topics: Security and Privacy

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We're living in a new era of constant sabotage, misinformation, and fear, in which everyone is a target, and you're often the collateral damage in a growing conflict among states. From crippling infrastructure to sowing discord and doubt, cyber is now the weapon of choice for democracies, dictators, and terrorists.

David Sanger explains how the rise of cyberweapons has transformed geopolitics like nothing since the invention of the atomic bomb. Moving from the White House Situation Room to the dens of Chinese, Russian, North Korean, and Iranian hackers to the boardrooms of Silicon Valley, David reveals a world coming face-to-face with the perils of technological revolution—a conflict that the United States helped start when it began using cyberweapons against Iranian nuclear plants and North Korean missile launches. But now we find ourselves in a conflict we're uncertain how to control, as our adversaries exploit vulnerabilities in our hyperconnected nation and we struggle to figure out how to deter these complex, short-of-war attacks.

**David Sanger**  
The New York Times

David E. Sanger is the national security correspondent for the *New York Times* as well as a national security and political contributor for CNN and a frequent guest on *CBS This Morning*, *Face the Nation*, and many PBS shows.




Session page on conference website

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**Cyberconflict: A new era of war, sabotage, and fear**

9:55 AM - 10:10 AM, Wed, Mar 27, 2019

**Speakers**

 **David Sanger**  
National Security Correspondent  
The New York Times

📍 Ballroom

*Keynotes*

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