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## Abstract

We believe there several ‘innovation truths’ that should not be up for debate. First, organizations that are successful with innovation have a bias towards forward progress and concrete outcomes. In other words, there needs to be less talk about the process and more emphasis on speed, scalability, and cooperation. It has also been found that high-growth companies tend to have a formal innovation process that correlates to innovation maturity and positive revenue impacts.

It is also better to have an imperfect innovation today than to overthink the process to the degree that a delay of 12 to 18 months occurs. The banking industry traditionally likes to focus on larger innovations that take months when iterations of processes, products and operations may be a better way to proceed. In other words, it is better to avoid tentativeness in implementation as it relates to the size of the endeavor.

The best performing financial organizations have an innovation mentality that is not centralized in a single department but shared throughout the organization with top-down leadership support. Having the C-suite completely aligned with all innovation initiatives is directly correlated to success.

With innovation, success is far from guaranteed. This creates challenges, especially in banking where risk avoidance (as opposed to risk management) is the foundation for a great deal of the legacy thought process. Usually, the success of innovation is directly correlated to the length of time spent on the innovation. But that does not mean that speed is not important. It comes back to iterative innovation.

Finally, an organization with a 'challenger mindset' realizes that 'failures' are *learning* opportunities that precede *earning* opportunities. This is definitely a paradigm shift for many financial institutions that have historically punished failure and discouraged risk taking. Innovation leaders engender an abundance, rather than scarcity, mindset, with a recognition that failure isn't money wasted, but instead, money invested.

This year’s Innovation in Retail Banking Beyond the Pandemic report is again sponsored by [Infosys Finacle](https://www.edgeverve.com/finacle/) in cooperation with [Efma](https://www.efma.com). This is the 13th year of this report, and it is a unique edition since we have moved beyond the crisis more of the pandemic into a new paradigm where innovation and digital transformation has become the foundation for growth and future success.