

Dear Reader,

Over the last year, the financial services industry has gone through some of the hardest and most difficult times in its history. We have seen mergers gone wrong, bankruptcies, takeovers, massive cash withdrawals, unprecedented government interventions, and huge losses on the different international stock exchanges. After many successful years of growth, this has hit our industry in ways that will change it forever.

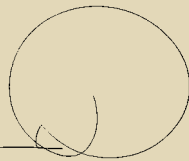
On top of that, we are starting to see the adverse effects of our industry's impact on the overall economy. Financial institutions worldwide influence the economic balance of the countries they operate in. Due to the number of institutions affected, the impact weighs on the growth of the world economy. While the International Monetary Fund still foresaw economic growth for most countries at the end of last year, the organization recently adjusted its outlook downwards to match the present economic situation.

The first consequences of this crisis are already visible for most of us; how we are to move on from here is less clear. However, let us keep one thing in mind. Not only do we have to make sure we get through this crisis, we also have to ensure that we take the necessary precautions in order to prevent making the same mistakes again. This is an era where hard business decisions will have to be made at all levels within the organization. Technology will lend a hand, but we have to rethink our core processes in order to regain investor trust.

Whether our global economy will enter a recession, or whether we can hobble along with tiny growth, financial organizations have to look forward. In order to prepare ourselves for an after-crisis future, strategic and operational investments have to be made. This edition of our Journal of Financial Transformation hopes to assist you with some of the tough investment choices you undoubtedly have to make in the months to come.

Enjoy, and good luck!

Yours,



Rob Heyvaert,
Founder and CEO, Capco