

Preface

This book is really meant to address a couple of gaps in academic and business literature.

On one side, restructuring and turnaround are topics well covered for corporates, but there is limited literature and formalized knowledge available on how to restructure and turnaround a bank or a financial institution in general. This mix of art and science is also rapidly evolving, following the recent global financial crisis and the—now well under full implementation—European regulatory regime for managing banking failures, to disconnect the link between a bank insolvency and the potential home Country's one, and to be less of a burden for taxpayers in the future. Also, the methodology needs to be clarified and differentiated as banks are just different for well-known reasons, here amply described.

On the other side, the scope and detail of the financial changes happening right now because of digital innovation and of the so-called fin-tech revolution is not well documented and ever changing—often the realm of hyper-visionaries or techno-scientist, of the booms and busts of the capital markets. This financial innovation is actually one of the main structural reasons that will make banks keep failing, even increase their rate of demise in the future, as they will be outsmarted by e-players and shadow banks, and will therefore need to restructure, turnaround, and transform, or just be liquidated—for the benefit of markets and societies as intuitively explained in the Schumpeterian principle of “creative destruction”—new life and stronger breeds are born out of death and by the reallocation of the ashes.

Building on these two gaps, this book is explaining “how to restructure and turnaround successfully a bank or financial institution” given not just what has happened, but what is going to happen in the global financial system because of digital innovation—across geographies and business models, and encompassing all main fundamental functions of the global financial system. The agenda (now still under development and with some potential future refinement) covers the topics taught by the author at similar courses held at SDA Bocconi in Milan—master in corporate banking and finance; master in corporate finance; and executive master in banking and real estate—and at the Imperial College in London (master in

management—course of risk management, with cases on banking restructuring and turn around). It is also supported by the first-hand experience gained by the author as a practitioner and adviser focused on banking restructuring and turnaround topics and leading the FIG practice of one of the major consulting companies active in this area, and he is also a contributor/participant to fin-tech working groups at the WEF.

Special thanks to Daniele Del Maschio and Paolo Pucino for their support and relevant contribution.

London, UK

Claudio Scardovi

Restructuring and Innovation in Banking

Scardovi, C.

2016, VIII, 99 p. 36 illus. in color., Softcover

ISBN: 978-3-319-40203-1