



Q&A for financial institutions

# Legacy to leading edge: Payments transformation and the future of financial institutions

Unlock secure, scalable payments with AI,  
machine learning and the cloud



The payments industry is undergoing rapid transformation, fueled by technological advancements, evolving consumer expectations and an increasingly complex regulatory landscape. To gain deeper insights into this critical shift, Jason Williams, Head of Money Movement, North America at FIS® discusses the challenges, opportunities and innovations shaping the future of payments – highlighting the strategies financial institutions can adopt to remain competitive and keep money moving at speed and at scale.



Jason Williams,  
Head of Money Movement,  
North America at FIS



### Q: What are the key drivers behind the current transformation in the payments industry?

**A:** Several factors are propelling the payments industry forward. First, consumer expectations have shifted significantly – customers now demand instant, seamless and personalized payment experiences across all channels. Businesses are mirroring these demands, seeking payment solutions that improve cash flow and reduce transaction complexities.

Second, technology plays a pivotal role. Advances in cloud computing, AI and machine learning have enabled secure, always-on payment systems that cater to real-time, data-driven decision-making. Finally, regulatory compliance continues to shape the industry. Financial institutions must strike a balance between integrating advanced payment systems and adhering to strict compliance standards, which can be difficult when navigating legacy systems.

### Q: What are the most significant challenges financial institutions face in adapting to this changing landscape?

**A:** One of the biggest challenges is overcoming the limitations of legacy systems. Many financial institutions rely on bespoke, hardwired infrastructures that are difficult to scale and prone to inefficiencies. These systems often struggle with 24/7 operations, delay integration with modern payment platforms, and face challenges in navigating increasingly stringent compliance requirements.

Additionally, cybersecurity threats are a growing concern. Aging systems may be more vulnerable to cyberattacks and fraud. To meet customer demands while ensuring operational resilience, financial institutions must adopt forward-looking, cloud-native solutions capable of scaling, adapting and providing robust security frameworks.

### Q: How can leveraging cloud-based infrastructure benefit financial institutions in this evolving ecosystem?

**A:** Cloud-based infrastructure offers several key advantages for financial institutions. First, it provides scalability and flexibility, which are essential for meeting the growing demand for real-time payments and integrating new payment schemes. Cloud infrastructure also ensures high availability and redundancy, making it more resilient to outages and cyber threats.

Furthermore, cloud platforms support faster development and deployment of new payment solutions, allowing institutions to remain competitive and agile in an increasingly dynamic market. When combined with AI and machine learning, cloud technology enables deeper insights, enhanced observability and intelligent fraud detection, driving both operational efficiency and customer satisfaction.

### Q: What role do AI and machine learning play in shaping the future of payments?

**A:** AI and machine learning are game changers for the payments industry. They enhance fraud detection by identifying suspicious patterns with greater granularity and speed, reducing the likelihood of fraudulent activities. AI also supports intelligent payment routing, optimizing cost, speed and reliability for each transaction.

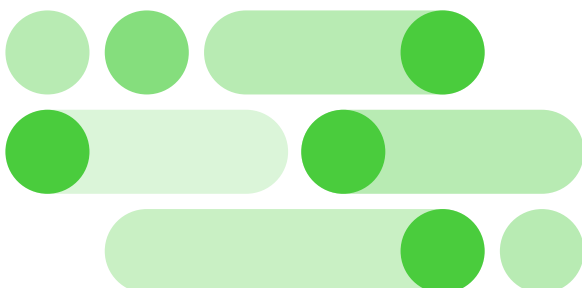
Additionally, machine learning creates opportunities for personalized financial services, offering tailored solutions that meet specific customer preferences. By integrating AI-driven observability, financial institutions can ensure more efficient operations, faster decision-making and a deeper understanding of customer behavior.

### Q: What steps can financial institutions take to modernize their payment systems and stay ahead of the curve?

**A:** To modernize payment systems, financial institutions should focus on a few critical areas:

- Adopt cloud-native platforms: Transition to cloud-based ecosystems that allow for scalability, rapid innovation and seamless integration with modern payment rails.
- Leverage data analytics: Utilize AI and machine learning to process and analyze vast amounts of data, enabling actionable insights and improved decision-making.
- Prioritize security and compliance: Implement robust cybersecurity measures to protect against emerging threats and ensure adherence to evolving regulatory standards.
- Enhance customer experience: Invest in technology that delivers personalized, real-time solutions, making it easier for customers to manage their payments and accounts.

By focusing on these areas, financial institutions can remain competitive, agile and customer-centric in today's digital-first world.



**Q: How do you see the future of the payments landscape evolving over the next decade?**

**A:** The payments landscape will continue to evolve at an unprecedented pace. Real-time and cross-border payments will become the norm, with businesses and consumers expecting seamless integration and instant processing. Innovations in AI will lead to predictive payment solutions, enabling institutions to anticipate customer needs and deliver highly personalized experiences.

We'll also see further decentralization, as new entrants like fintechs and challenger banks disrupt the market with agile platforms and innovative services. To succeed, financial institutions must adopt a forward-thinking approach by building resilient, scalable and interoperable payment systems that can adapt to shifting demands and regulatory landscapes.

**Create a leading-edge payments system**

The future of payments is filled with opportunities, but staying ahead requires strategic foresight and a commitment to innovation. The FIS Money Movement Hub provides a scalable, plug-and-play solution, allowing organizations like yours to innovate without extensive customization or resource-intensive implementations. By prioritizing such future-focused platforms, you can enhance customer trust, improve operational efficiencies, and secure a competitive edge in an increasingly dynamic market.

To stay ahead of the curve, download our white paper on the future of payments.

**UNLOCK WHITE PAPER**



**Money at rest Money in motion Money at work™**

FIS modernizes payments to keep money moving at speed and at scale. Our **technology** powers the global economy across the money lifecycle.



**Money at rest**

Unlock seamless integration and human-centric digital experiences while ensuring efficiency, stability, and compliance as your business grows.



**Money in motion**

Unlock liquidity and flow of funds by synchronizing transactions, payment systems, and financial networks without compromising speed or security.



**Money at work**

Unlock a cohesive financial ecosystem and insights for strategic decisions to expand operations while optimizing performance.

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