

# FINANCIAL TECHNOLOGY BOSTON

*Ongoing Coverage of FinTech Innovation*

January 2017

Last month, 200 financial services, health care, and data science thought leaders gathered at the Boston Federal Reserve Bank for our data science leadership convening - **The Massachusetts Data Science Opportunity: Partnership Strategies to Win in a Digital World.**

Hosted by Mass Insight's Boston Financial Services Leadership Council (BFSLC), the goal was to take a large step forward in establishing Boston and the region as a leader in using data science to advance financial services and life sciences/health care innovation. The speakers and roundtable discussions throughout the day framed some of the region's major data science opportunities and helped to build consensus for new initiatives in these areas. *Here are some key takeaways.*



**"Trusted Data - Public Good": Boston has the opportunity to take the lead.**

***Connecting data analytics, AI/machine learning, and human behavior research to solve industry and societal challenges***

Sandy Pentland, co-founder of the MIT Media Lab, highlighted the opportunities for innovation through data analytics - from improving patient care and lowering healthcare costs to streamlining financial processes to improve customer service and grow small businesses. However, he stressed that people will not share data unless it is secure - therefore, they are two sides of the same coin.



Bill Guenther (L), MIGP, and Sandy Pentland (R), MIT

## **Boston has deep talent: Success is all about retaining it.**

***Millennials want to work on hard problems with open data sets, and Massachusetts faculty experts are leading groundbreaking innovations in other regions of the world. We need to organize and retain this innovation in the region.***

Boston's world-class academic institutions, professors, and students are critical to innovation. Our **FinTech Collaborative** will ultimately have a large-scale physical platform and bring together BFSLC member firms, startups and entrepreneurs, the investment community, and academics to identify and respond to higher order, cross-industry challenges that the market has yet to solve. BFSLC members will take the lead in identifying these challenges - in essence, flipping the shark tank model. A full-scale Collaborative will be launched in 2017/2018.



Prasanna Gopalakrishnan, Boston Private

## **Design Partnerships: Startups need a customer onramp and large firms need access to startups and innovation.**

A central component of our FinTech Collaborative will be **FinTech Design Partnerships**

- collaborations that bring together BFSLC member firms and startups, along with academics and the investor community, to identify and solve industry and societal challenges.

This year, we will hold a series of FinTech Partnership Convenings to bring together critical stakeholders. These will lead to four to six-month First Cohort Design Partnerships linking large firms and startups to refine products and solutions.



## **The Intersection of Wealth and Health: What that means for data innovation.**

Mike Fanning, EVP of MassMutual, highlighted the critical intersection of financial security and health - or, as he put it, "wealth and health." A cornerstone life sciences/health care initiative is being launched by Mass Insight in 2017. Through our **Regional Oncology Data Analytics Collaborative Pilot**, we are working with several leading hospitals, PhRMA, and data partners to conduct deep analytics to review physician practices and drug therapies for a selected cancer.



Mike Fanning, MassMutual

### *Did you know?*

An October survey of bank executives by the law firm Manatt, Phelps & Phillips, LLP found that **88% believed that partnerships with fintech firms will define their industry over the next decade.**

Source: [LendingClub Chairman Launches New Fintech VC Fund](#)

Boston Financial Services Leadership Council

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