

Smartstream's Final ISO 20022 Paper Reveals 67% of Errors Are Due to Data Quality and Calls for a Holistic Operating Model



Business Wire

Smartstream, the trusted data solutions provider for leading global financial institutions and enterprises, today announces a new paper which marks the conclusion of a four-part series in partnership with The ValueExchange – it examines the structural pressures reshaping the asset servicing industry. Titled '**The Case for Transformation**', the report argues that incremental fixes are no longer sufficient, and that firms must pursue a holistic operating model change, with ISO 20022 and messaging interoperability at the core.

Over the course of the series, the research has documented how asset servicing has reached a genuine inflection point. Transaction volumes are increasing at more than 25% year on year. Settlement and reporting timelines are shrinking. Regulatory expectations continue to intensify, with the mandatory transition to ISO 20022 by November 2026 representing a critical milestone. Yet many operating models remain rooted in outdated frameworks never designed for scale, transparency, or intraday control. The report also highlighted that 67% of asset servicing errors were attributed directly to data inaccuracies.

The final paper synthesises the insights of the previous three editions:

- **Part 1** demonstrated how structured data standards offer a pathway beyond manual, exception-driven workflows.
- **Part 2** quantified how compression and fragmentation increase both cost and operational risk across the value chain.
- **Part 3** outlined how ISO 20022 enables a more mature, status-driven operating model built on richer, standardised data.

This concluding paper moves beyond advocating for ISO 20022 adoption in isolation. Instead, it positions the standard as the foundational enabler of broader transformation, supporting interoperability, real-time visibility, automation, and resilient governance.

Martin Lawrence, Chief Customer Officer, The ValueExchange commented: "Our findings show that the real value of ISO 20022 emerges when it is paired with genuine process redesign. By replacing fragmented, narrative-heavy workflows with structured, interoperable data, firms gain clarity, control and resilience at a time when volumes and regulatory expectations continue to rise."

The paper argues that firms that treat regulatory and messaging change as compliance exercises risk compounding fragmentation. By contrast, those that embed structured data and interoperability into a redesigned operating model can reduce operational risk, lower long-term costs, and improve client experience.

Adam Cottingham, Product Manager, Smartstream commented: "The central question facing organisations is no longer whether change is required, but how to justify and execute change at scale, and in particular in the case of corporate actions processing. ISO 20022 provides the common language, but true transformation requires firms to rethink workflows, accountability, data ownership, and client transparency end-to-end."

At a strategic level, the investment case aligns with broader transformation agendas. By 2030, firms expect to dedicate 63% of budgets to innovation and resilience, freeing capacity that is currently tied to legacy technology. ISO 20022 can serve as the architectural foundation for that shift in asset servicing, turning regulatory compliance into an operational advantage.

As asset servicing enters a period defined by volume growth, compression, and transparency demands, the paper concludes that the opportunity is not simply to upgrade messaging, but to redefine the operating model itself.

Smartstream unlocks trusted, intelligent data insights – clearly, consistently, and without compromise.

Empowering leading global financial institutions and enterprises with innovative solutions that deliver accurate, timely data insights to streamline operations, reduce costs, and meet regulatory demands with confidence.