Why should I work with you?

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At some level, we're all selling something, even if it's just ourselves. Everyone has a reputation and a résumé to build. Information is power. We all have bosses to please, goals to meet. So when and how do these stars align such that we can work together?

Payments is a network industry with chicken-and-egg problems. It requires someone to step forward, perhaps to risk losses, in order to build networks of users and providers that enable a payments network to operate. Think of a simplistic credit card network—users need to know that merchants will accept it, banks need to know that they can make money to provide the lending that backs it, and merchants need to know that they'll be compensated with business in order to justify the costs.

The same dynamics apply to those who are minding the store when it comes to addressing risk and fraud in payments networks. Who's willing to step out (at some risk) to take on the tough challenge of pulling the variety of industry, regulatory, law enforcement, merchant, and consumer interests together? Where's the money to be made? Where's the competitive advantage?

In the best sense, law enforcement is imbued with an altruistic drive to do good by catching the bad guys, and bank supervision is all about ensuring a safe and sound banking system.

In the best sense, payment services providers seek to provide a safe and efficient environment for the exchange of value. But will any service provider risk exposure to reputational and other risks just because it's good for the payment system?

Payments is also an industry that offers opportunities to leverage positive "network effects"—the more users of a payment mechanism make it more valuable for all as it becomes more ubiquitous, commonly understood, and efficient. The same network dynamics should apply to those who are minding the store when it comes to retail payment systems risks.

All these interests and perspectives can align if we are realistic in our approach to interest alignment and continue to collectively look for opportunities of mutual benefit.

Where do you see alignment and opportunity?

By Clifford S. Stanford, assistant vice president and director of the Retail Payments Risk Forum at the Atlanta Fed

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