

# **The Turret is Dead – Long Live the Turret!**

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There has been much discussion lately around whether dealer board turrets are becoming redundant, due to a changing workforce increasingly using desktop applications. But while modern traders may like to use PC-based apps such as instant messaging (IM) and chat for tasks such as information gathering and discussing trading ideas, the majority of actual trades, by value, are still concluded via voice and the hype around software-only voice solutions as the next big thing to combat the perceived high cost of turrets is unwarranted.

Having said that, it is generally recognised that there is a need to upgrade the technology solutions available in this somewhat traditionalist area of financial services. Recently the availability of innovative and agile technology has offered potential for significant disruption to the industry. Does this mean the traditional turret is about disappear? Or rather, is a technological transformation of the turret a more desired outcome?

The industry is definitely ripe for disruption: businesses are looking to reduce costs across the board; traders need quality connectivity; regulators demand compliance; and technologists want the latest technology.

## **It must work for the Traders**

Traders today are bombarded with information from all sides and every piece of screen real estate is essential. This is one of the reasons why traders like to use dedicated turrets instead of applications which consume screen space.

Equally, turrets have been designed specifically for voice traders, who require clearly-defined functionality, reliability, and ergonomic solidity at their fingertips. Contrast this with PC-based solutions, which despite their flexibility and low cost, can be unintuitive and erratic in terms of their stability.

Added to this, software-only voice solutions vie for processor resources along with all the other applications that are running, rendering their performance unpredictable, compared with dedicated turrets.

## **Addressing the Business challenges**

There is a misconception in the industry that in order to reduce the cost of voice trading, it is necessary to compromise on functionality. In fact, with the advent of the latest technology and development techniques, the opposite is true. It is now possible to deliver a fully functional voice

turret that can work across asset classes at a much lower cost base than previously imagined, without having to resort to the well-advertised but compromised software-only options.

It is however true that the traditional turret options, which incur fixed-term high-cost capital expenditure, are unsustainable both for the supplier (as the cost base is too high) and for the buyer (as it is too expensive).

The industry has long needed a different approach ultimately based upon a utility model, which allows clients to be flexible and future-proof their voice trading technology decisions. This must provide the facility to be able to scale up and down from one to thousands of turrets, as and when it is required, and pay for what is needed with no waste of bandwidth and no unused turrets.

And this is now a reality!

### **Best of both worlds**

There are clearly advantages to be gained by moving from the traditional turret to a hybrid “voice-as-data” solution, using the optimum combination of dedicated, robust hardware and flexible, mobile software.

Cue the next generation turret, delivered via tablet-based technology and proprietary speaker hardware. This provides the best of both worlds, enabling intelligent software-driven turrets with lower footprint and increased functionality, all at an even lower cost than the software-only model.

It also offers much more flexibility. The modern trader needs to be able to move between offices and continue trading securely whatever the location. Tablet technology enables the trader to use the turret in any compliant location - office, remote office or home.

In conclusion, what needs to be replaced is not the turret per se, but the existing architectural, technological and business models that define traditional turrets and some of their alternatives.

Today's traders are now accustomed to working with touch screens and tablets across multiple channels in other areas of their business, so today's turrets should be designed with this in mind.

The reign of the traditional turret is now over. Welcome to the world of the new turret, which caters for today's trader, offering enhanced functionality, reduced desk footprint, expected levels of reliability and resiliency, free seating, flexibility and high voice quality, all at a reduced cost with a linear pricing model and architected as a fully integrated, collaborative, business tool.

To find out more about the enepath approach please do contact me [gavin.davis@enepath.com](mailto:gavin.davis@enepath.com)