

Core Banking Transformation using Oracle[®] FLEXCUBE

Unlocking the power of FLEXCUBE with Capgemini



People matter, results count.

Moving towards a packaged system transformation program

Capgemini is an Oracle Diamond level partner, the highest ranking available in the OraclePartnerNetwork (OPN) Specialized program

Responding to changes driven by regulation, consolidation and competition, banks and financial institutions are taking steps to foster long-term customer relationships and capture a greater share of the customer wallet. But for most banks, legacy or custom-built systems not only handcuff their ability to be flexible and efficient in developing and offering new products or delivering a desirable customer experience but are also proving expensive to maintain.

For forward-looking banks this represents an opportunity to build competitive advantage and further strengthen their performance by replacing these legacy systems with new age banking platforms. Indeed, by converting to a new core banking platform, financial institutions can create a simpler and more flexible IT environment, boost their efficiency and drive down total cost of ownership. New core banking systems also can add speed and responsiveness, and enhance a bank's adaptability to new financial regulations.



Universal banking transformation offers banks a way to combine best-of-breed technology with multiple modules or business solutions—all within a single package. As a result, many banks across the globe have begun analysis and planning for core banking transformation initiatives. Since core banking systems use service oriented architecture (SOA), these initiatives can also help banks achieve the benefits of SOA.

Implementing a universal banking system requires a strong commitment from bank leadership but also brings opportunities by:

- Enhancing and re-defining the bank's IT landscape for future growth and scalability by ensuring IT resources and infrastructure are best utilized
- Re-engineering current business processes to help define a more cost effective, efficient and productive operating model

- Improving relationships with external trading partners, customers and suppliers through co-sourced service oriented business applications that enable business-to-business processes
- Supporting a smooth change management process for bank employees

Unlock the Value of your FLEXCUBE Platform

Oracle FLEXCUBE Core Banking is one of the most preferred platforms and has been deployed by more than 319 customers in more than 115 countries. It is a comprehensive, integrated, and modular platform and can be flexibly deployed to support all clients' technology and business objectives.

FLEXCUBE is built on SOA principles and allows ease of integration with existing systems using flexible Java platform. Its robust technical architecture allows banks to meet rigorous scalability and availability demands while seamlessly integrating multiple channels and ancillary programs to create an end-to-end process framework.

Not only that, FLEXCUBE architecture allows banks to speed up the launch of new products. It reduces the need to devote resources to deployment and support by bringing in functionalities for multiple countries, entities, branches, currencies or time zones, along with ability to deliver a high degree of straight through processing with end-to-end support for the payments lifecycle.

Of course, as with any sophisticated platform, the value delivered by FLEXCUBE is dependent upon the quality of your implementation and integration with the bank's existing systems and business processes. Capgemini offers comprehensive core banking system services for FLEXCUBE including core banking system strategy, implementation, upgrade and support that help banks unlock the full value of core banking transformation. By working with Capgemini, your bank can do more than just replace the current platform: you can take advantage of this opportunity to create a core banking system environment that is less complex, more efficient, and highly flexible and responsive to the dynamic banking industry.

Building on our proven track record and expertise building solutions for financial institutions, Capgemini has partnered with Oracle Financial Services Software to provide enterprise transformation with a business process focus. Our phased approach helps banks replace legacy systems by leveraging co-existence, system integration and replacement. This method helps banks derive the best benefits from technology while managing implementation changes.

Key Offerings from Capgemini's FLEXCUBE Competence Center

At Capgemini, we work closely with financial institutions to support the core banking transformation journey. We call our unique way of working the Collaborative Business Experience™.

Capgemini offers a comprehensive suite of end-to-end core banking transformation services, encompassing strategy formulation, business scope and vision, business case and benefits realization tracking, target operating model design, package implementation, integration, data migration, testing and multi-site rollouts.

Business Transformation

Together with you, our team **builds a business case** for core banking transformation and crafts detailed implementation roadmaps. Capgemini can help its banking clients evaluate the feasibility of a transformation, build the transformation strategy and roadmap, define a target architecture and operating model, define and formulate business requirements and structure the transformation project.

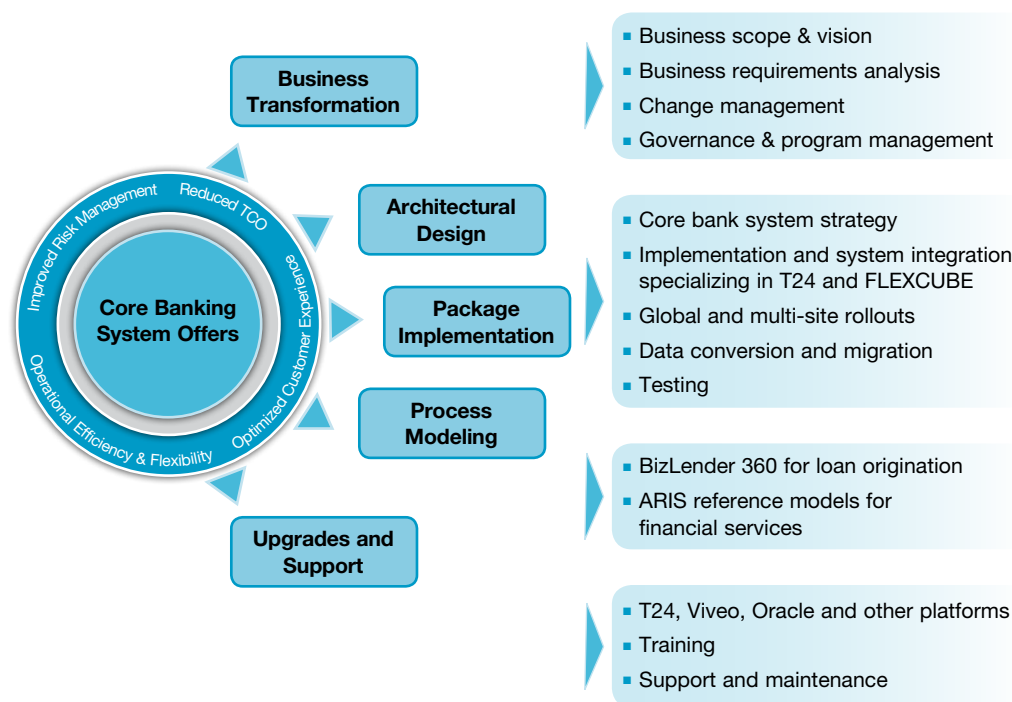
Implementation

From gathering requirements to design, build and test, Capgemini offers a **full range of development and integration capabilities**, and can tap into a global network of delivery resources, as well as seasoned project managers on the ground at client locations.

Support & Maintenance

We support post go-live systems, future enhancements, version upgrades and other application maintenance tasks through our Rightshore® network which includes over 75 delivery centers in more than 24 countries.

Exhibit 1: Capgemini's Core Banking System Replacement Services



Enabling Your Core Banking Transformation

As banks choose a partner to help them with their FLEXCUBE platform, Capgemini has the skills and experience they need to unlock the platform's full potential.

This helps us take the right approach to derive the maximum business and technology benefits from your transformation program.

FLEXCUBE Competence Center

As part of our commitment to provide best-of-breed solutions to our clients, Capgemini created a competence center to focus on core banking transformations using FLEXCUBE Universal Banking solution.

Capgemini's FLEXCUBE Competence Center provides a single source for end-to-end services that support fast and smooth core banking transformations. It helps in leveraging unique assets, technical tools and best practices to provide accelerated, low-risk core banking implementations.

The Right People with the Right Skills

Capgemini understands that any transformation initiative requires more than just technology skills. Our teams include subject matter experts throughout the program lifecycle,



Overall Capgemini's accelerators can reduce your transformation program timeline by upto 20%

from process design and requirements gathering through implementation and adoption. By bringing to bear this broad and deep banking and technology expertise Capgemini ensures the ultimate solution is effective, efficient, and well-adopted by the business.

Our global core banking network provides clients scalable access to more than 500 core banking consultants including more than 100 FLEXCUBE consultants, 1,750 testers that specialize in banking, and more than 1,700 experienced business analysts, technical architects, and project managers. Capgemini has the experts you need where you need them, with more than 75 centers in 24 countries including the US, UK, Netherlands, France, Austria, India, Taiwan, China, Poland, Brazil, Chile, Guatemala, and the Philippines.

Proven accelerators to speed your work

We use proprietary accelerators to approach transformation programs using a successful, pre-defined path to align your strategy with your organization. Our large repository of business reference models, which both speeds the attainment of benefits and allows banks to design processes that foster competitive advantage. Our teams can utilize more than 300 robust business process reference models. By using these proven models clients can build best-in-class core banking solutions more rapidly, in fact, using them accelerates Target state design by up to 20 percent.

Additionally, our professionals can call upon our proven Structured Expert Method for Business Analysis (SEMBA) approach when gathering requirements for such projects, as well as a proprietary data migration approach and more than 17,000 test cases for retail and corporate banking.



Exhibit 2: Reference Models Expertise

- Deposits: CASA and term deposit
- Lending: Consumer, retail and corporate
- Customer information file (CIF) and customer relationship management (CRM)
- Means of payment
- Accounting and general ledger
- Treasury
- Wealth management
- Cash management

Minimizing Risk for our Clients: When Experience Matters

Through strategic alliances with technology leaders like Oracle, and armed with combined expertise in supporting hundreds of large-scale financial services technology initiatives and complex core banking implementations, Capgemini can help minimize implementation risks and make the win predictable for the bank. We bring:

- **Extensive and in-depth banking industry knowledge.** We are familiar with both common industry pain points and Oracle Financial Services Software applications
- **Experience** in managing and successfully implementing large and complex core banking projects
- **Experience setting up and configuring FLEXCUBE** based on business requirements
- **A library of pre-built test cases** based on Oracle Financial Services Software applications including FLEXCUBE suite
- **Training capabilities** for end users and post go-live activities to support launch
- **Experience successfully managing and executing FLEXCUBE implementation projects** involving rollouts to multiple countries
- **Proven methods and tools** for core banking system implementation
- **Familiarity in defining and designing requirement specifications** for external interfaces needed to work with Oracle applications

Capgemini & Oracle

Capgemini is an **Oracle Certified Advantage Partner** and leading systems integrator with significant expertise across the Oracle product suite. Capgemini was named an Oracle Diamond level partner, the highest ranking available in the OraclePartnerNetwork (OPN) Specialized program. By achieving a Diamond level status, Capgemini has proven its extensive expertise in implementing Oracle software and its ability to help our customers worldwide leverage technology to accelerate growth and business success.

Capgemini has been associated with Oracle since the 1990s and over the last decade the partnership has greatly increased. To date, Capgemini has achieved more than 22 Oracle Specializations, 5 Advanced Specializations, and offers more than 2,700 Oracle specialists with deep financial services expertise.



In Practice: FLEXCUBE Core Banking Implementation and Maintenance for a Leading European Financial Institution

Our client wanted to set up direct banks throughout Europe to collect deposits from emerging markets by leveraging their existing insurance network. The first rollout was planned for the Czech Republic.

The bank selected FLEXCUBE as the core banking platform and engaged Capgemini as system integrator and business implementation partner.

Capgemini Solution

Capgemini managed the project using teams in Brussels and Prague. Other tasks:

- Used proven methods and tools to identify and mitigate risks, adhere to schedules, meet milestones and track costs.
- Provided significant assistance to define the requirement specifications for interfaces and products and the parameterization of FLEXCUBE modules and the successful GO-LIVE.

- Developed test strategy and test cases for database modules, general ledger module and FLEXCUBE technical requirements. Performed system and UAT testing.
- Created and managed end user training for the new system. We planned the training schedule, prepared training materials and trained all end users.
- Supported business process definition and implementations for accounting, payments, clearing, deposits, and cards.
- Supported infrastructure operations.

The Results

The system went live in early 2010. The FLEXCUBE implementation and successful rollouts helped the client:

- Gain flexibility and agility to minimize the response times.
- Offer new products in emerging geographies.
- Establish a model of continuous improvement in order to put the focus on increasing process efficiency.

Learn more about Capgemini's FLEXCUBE services and solutions.

Email us at banking@capgemini.com or visit www.capgemini.com/banking.



About Capgemini and the Collaborative Business Experience

Capgemini, one of the world's foremost providers of consulting, technology and outsourcing services, enables its clients to transform and perform through technologies.

Capgemini provides its clients with insights and capabilities that boost their freedom to achieve superior results through a unique way of working, the Collaborative Business Experience™.

The Group relies on its global delivery model called Rightshore®, which aims to get the right balance of the best talent from multiple locations, working as one team to create and deliver the optimum solution for clients.

Present in 40 countries, Capgemini reported 2011 global revenues of EUR 9.7 billion and employs around 120,000 people worldwide.

Capgemini's Global Financial Services Business Unit brings deep industry experience, innovative service offerings and next generation global delivery to serve the financial services industry.

With a network of 21,000 professionals serving over 900 clients worldwide, Capgemini collaborates with leading banks, insurers and capital market companies to deliver business and IT solutions and thought leadership which create tangible value.

For more information please visit www.capgemini.com/financialservices

Rightshore® is a trademark belonging to Capgemini

About Oracle

Oracle is the world leader in solutions for financial services. Oracle provides banks and financial institutions the most comprehensive footprint of hardware, software and applications. Oracle helps banks become more customer centric, drive efficiency in transaction processing, better manage their risks, be compliant to regulations and manage their performance. Oracle world leading offerings include solutions for core banking, risk and compliance management, anti-money laundering, fraud detection and business analytics. Oracle partners with financial services industry leaders – including 20 of the top 20 banks – to transform their businesses.