Improving Global Performance with a New Core Banking System

Capgemini streamlines international IT systems and provides region, language-specific solutions for a top 10 major global bank

The Situation

For leading financial services firms, strong international growth can bring challenges as well as benefits. In the case of our client, one of the top 5 major banks in Europe[1], the issue was multiple IT systems in use across 40 global retail banking subsidiaries. With so many platforms in use, our client was unable to achieve optimal transparency into its business, standardize best practices around the world, and gain from the efficiency of all subsidiaries speaking the same IT language. Even more important, harmonizing its core banking system would make it easier for the bank to comply with a growing array of banking regulations, as well as reduce its maintenance and support costs.

[1]Ranking based on Forbes Global 2000 for 2011, www.forbes.com/global2000.

For these reasons, our client set out to standardize the IT systems of key subsidiaries in Europe, Africa, the Mediterranean and other global regions. The company sought a partner that could manage a centralized service center to support the implementation, and could collaborate with its teams for the full length of the project in each local language and specific geographic area.

Capgemini was chosen for this significant role for four important reasons: our strong commitment to support the bank, intimate understanding of the bank's requirements, proven expertise within the

People matter, results count.

banking sector, and an industrialized approach to program implementation.

The Solution

Capgemini has played a leading role in helping our client implement a new core banking platform to boost standardization, efficiency and effectiveness in key geographies around the world, beginning with Ghana, Croatia and China. The first step was to create a dedicated service center and project team in India with a unique set of skills, encompassing banking sector knowledge, software package integration, project management expertise and international rollout experience. Next, the team designed all the necessary processes and procedures, making sure it could replicate these in all the bank's subsidiaries. Capgemini has also deployed mobile teams with global talent to implement the new IT system in each subsidiary.

The Result

Capgemini has supported our client's international growth by optimizing its cost base while strengthening the coherence of IT platforms serving its employees across the globe. Expected benefits are increased net bank income, the sharing of best practices, and improvements in products, risk management and service quality.

How We Work Together

Our client's new platform is comprised of two solutions: Delta Bank™ for small-to-medium sized subsidiaries and Finacle Bank™ for larger ones. To date, these solutions have been introduced successfully in Ghana, Croatia and China, with additional implementations planned in coming months.

In Ghana, the bank's goal was to replace the existing core banking solution with Delta to reduce maintenance and support cost as well as streamline and cleanse data used by the system. As a first step, Capgemini worked closely with our client to understand the subsidiary's current systems and processes. This enabled the team to gather detailed requirements for the planned system, and configure it for testing. Capgemini teamed with the system vendor to implement it, including a comprehensive testing strategy to ensure high quality and functionality levels. Data migration and cleansing were also emphasized by the team, since much of the data in use by the subsidiary was unclean.

Capgemini's implementation of the new platform in Croatia was similarly tailored to that subsidiary's specific goals, which included reducing maintenance costs, improving support, ensuring integration with legacy systems, boosting regulatory compliance, and standardizing key operational processes. The team began with detailed requirements gathering, mapping each business line to capture existing product features, processes and dependencies, and identifying all potential performance gaps.

Capgemini also tested the new system's performance against requirements, including intensive integration and user acceptance tests. As in Ghana, the team led comprehensive change management and training efforts to ensure the bank would derive maximum value from the new platform, and fostered a smooth go-live by providing support in migration, data cleansing, training, and system stabilization.

In China as well, Capgemini began with in-depth user interviews and workshops to gather requirements for the new system, and worked with the vendor to ensure these requirements would be reflected in the system's configuration. Capgemini also provided implementation and project management expertise, including issue tracking and resolution, project status updates, risk identification and mitigation, and communication management. In addition, Capgemini provided in-depth testing services and migration support, and helped define interface requirements across multiple functional areas and applications.

Capgemini's approach to knowledge management also adds significant value. By running implementations in several different countries in parallel, each team shares knowledge dynamically and learns from each other. Indeed, the India-based Knowledge Manager works closely with each of the mobile teams, capturing knowledge from one location and storing it centrally. Capgemini can thus effectively address any knowledge gaps at other locations.

This approach of deploying mobile teams that can re-use knowledge-backed up by a service center in India-has been critical to the success of this global program. Capgemini's Service Center Manager in India ensures the effectiveness of this approach by permanently monitoring and tuning the services and the operating procedures with a strong industrial perspective. The overall organisation is headed by a program director located near the bank's corporate headquarters in Europe to design services aligned with the client's strategic orientations for its international IT systems. Not only does this give our client greater value at lower cost-it also enables the bank to speed up time-to-market and win market share.

Following the success of this first phase of core banking implementations, Capgemini is continuing its global collaboration with our client, enriching the service center's range of offerings to accelerate the roll-out of the new core banking platform and specialized business applications around the world. Furthermore, Capgemini has extended its delivery model to encompass the entire life cycle of applications requiring functional and production support, upgrade testing and additional development. Capgemini delivers these new services from the offshore location once the delivery responsibility has been transferred from our client's subsidiaries to Capgemini's service center. Globally, the service center teams now address over 30 countries where the global bank has offices.

If you would like to find out more about this project, please contact: **success.story@capgemini.com**

About Capgemini

With around 120,000 people in 40 countries, Capgemini is one of the world's foremost providers of consulting, technology and outsourcing services. The Group reported 2011 global revenues of EUR 9.7 billion. Together with its clients, Capgemini creates and delivers business and technology solutions that fit their needs and drive the results they want. A deeply multicultural organization, Capgemini has developed its own way of working, the Collaborative Business Experience™, and draws on Rightshore®, its worldwide delivery model.

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