

# Core Banking Transformation through Tech Solutions for Commercial Bank in the Middle East

## Client Overview

The client is one of the largest commercial banks in Saudi Arabia, providing commercial banking services to domestic and international customers.

## The Business Situation

The client had clear objectives of improving customer experience and increasing customer loyalty by providing innovative and customized financial solutions, while remaining compliant with the rules of the Islamic banking regulatory authority, SAMA (Saudi Arabian Monetary Authority). The bank had varied portfolios that were being managed in silos. They needed upstream and downstream data migration to and from the new core banking system that is being implemented, and customized business reporting for core banking, reconciliation, and other portfolio applications.

The bank had various legacy systems catering to the needs of different business lines. Since these applications were working in silos, this led to high operational and maintenance costs, and duplication of efforts.

The client was looking for a technology partner who could help in bringing a holistic solution in enterprise data management domain to build a data migration process to migrate the data to and from the core banking system and also build business intelligence reports and dashboards for various business lines.

## The Solution

GS Lab | GAVS offered a comprehensive solution that would reduce the total cost of ownership and help the bank in implementing the core banking solution seamlessly. The approach was to partner with the bank to optimize their business processes, leverage automation, and increase efficiency at optimized costs through our global delivery model. The key solution components were:

- Restructuring and integration of disparate IT processes and procedures and deployment of data migration to and from the core banking system
- Building a new process to migrate data from the new core banking system to a data warehouse
- Consolidation and revamping of 110+ legacy applications by formulating and implementing a well-defined application migration strategy to phase-out redundant applications while driving cost reduction
- Seamless upstream and downstream data migration of applications to a leading CBS using our homegrown Data Migration Framework
- Enhanced core banking employee productivity and customer experience through:
  - Audit trail generation for all processes to reduce business risk and maintain process compliance
  - Customized dashboard for the management for holistic view of the IT landscape

## Challenges

- Varied portfolios of data that were being managed in silos
- Needed upstream and downstream data migration to and from core banking systems
- Lack of customized business reporting for upstream and downstream applications
- Minimal governance and tracking mechanisms for IT systems
- High operational costs, duplication of effort, and customer service disruptions

## Solution Highlights

- Restructured and integrated disparate IT processes
- Consolidated and revamped several legacy applications
- Seamlessly performed upstream and downstream data migration of applications to a leading CBS
- Created and implemented several automation tools as part of the data migration framework that cuts across all the phases of data migration
- Integrated Branch Delivery System with the CBS
- Customized and delivered 'SAP-BO' reports for the upstream and downstream applications
- Developed customized executive dashboard for unified view of IT
- Enabled audit trail generation for all processes to reduce business risk and maintain process compliance

## Solution Outcomes

- Over 10% reduction in the overall cost of IT Infrastructure maintenance, year-on-year
- Over 25% increase in employee efficiency due to process and technology interventions
- 10% reduced manpower needs through task automation
- 99.9% availability of all applications
- Zero disruption/delays in bank operations
- Enhanced business and customer experience