

Implementing FLEXCUBE: A Case Study



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Askari Bank Pakistan is the eighth largest private bank in Pakistan with a branch network comprising 200+ branches, and a customer base of around 700,000, operating in the Corporate, Retail and Islamic Banking sectors. Askari Bank selected Oracle Financial Services and Software (OFSS)'s Universal Banking Solution as its Core Banking Solution and chose Techlogix as its implementation partner in April 2008. The project was kicked off in August, 2008. The first branch's Parallel Run started in January, 2010 and the branch was taken live in April, 2010.

The Challenge

In investing in a world-class Banking platform, Askari Bank seeks a transformative advantage whereby the Bank can compete both functionally and technically with national and international competitors. Thus, the full ROI for an investment of this nature will only be realized if Askari Bank is able to utilize this solution to implement a next generation Banking infrastructure.

The specific modules of FLEXCUBE selected for implementation include:

- ◆ Core
- ◆ CASA (Current, Savings and Term Deposits)
- ◆ Limits and Collateral Management
- ◆ Consumer Lending
- ◆ Local Payments and Collections
- ◆ Fixed Asset Management
- ◆ Retail Branch
- ◆ Trade Finance (LCs & LGs)
- ◆ Bills and Collections
- ◆ Treasury:
 - Money Markets
 - OTC Options
 - Foreign Exchange
 - Securities
- ◆ Islamic Banking
- ◆ Internet and Mobile Banking
- ◆ FLEXCUBE XML Interface (For interfacing with Channels like ATM, Visa, PoS etc)

Apart from the complexity of implementing the functional modules (more than 400 banking products to be analyzed, consolidated, configured and tested), the following implementation challenges further complicate the overall implementation:

- ◆ Phased Module Roll Out (Retail and Corporate rolled out in Phase 1 and Treasury and Islamic Banking rolled out in Phase 2)

- ◆ Phased Branch Roll Out (No big bang approach)
- ◆ Co-existence infrastructure (functional and technical): For the next two years, FLEXCUBE and UniBank (current Legacy system) will be operating side by side
- ◆ Data Conversion: Data Cleansing, Enrichment in all 200+ branches, systematically rolling out groups of branches over successive weekends
- ◆ First implementation of FLEXCUBE in a Pakistani origin bank (no experienced resources available in the market)
- ◆ OFSS teams' inability to travel to Pakistan (strong onsite – offsite model);

The Solution:

The project was initiated with a 20 person Techlogix team and a 15 person Askari team working together to achieve the following:

- ◆ Identification of gaps in products and processes;
- ◆ Consolidation of the bank's general ledgers and products;
- ◆ Design and Parameterization of the bank's products;
- ◆ Data Migration Strategy and Conversion of branches;
- ◆ Design and Build of Interfaces to cater to Co-Existence of FLEXCUBE and the legacy system;
- ◆ Design and Build of Interfaces to cater to Parallel Run of FLEXCUBE and the legacy system in the branches;
- ◆ Interfacing with the bank's legacy system, eight peripheral systems, national ATM network, SWIFT and a Teradata Data Warehouse;
- ◆ Hardware Sizing estimates projected to cater to the bank's needs for the next 5 years;
- ◆ Identification, analysis and development of Regulatory and Operational Reports;
- ◆ Training for the Bank's Core Team and End Users;
- ◆ Testing Strategies, test cases and reconciliation tools (aimed at User Acceptance Testing, System Integration Testing, Mock data conversions, business simulations etc);

Additional steps taken to ensure success:

- ◆ Strict project management focused on taking out the pilot branches in a year's time;
- ◆ Strong off site teams in Bangalore and Romania supporting the onsite teams on a daily basis;
- ◆ Strong project governance committees and processes in place;
- ◆ Regular communications via email, phone calls and video conferences between the onsite and offsite teams;

- ◆ Focused ownership within the Bank and Techlogix (Functional Lead, Technical Lead, Testing Lead, Data Conversion Lead, Co-Existence Lead all reporting to a single PM);

Key Contributions: Turning challenges into strengths

The project was kicked off with some major risks already in place:

- ◆ First partner led implementation of FLEXCUBE globally;
- ◆ First global implementation of FLEXCUBE's fully browser based version 10;
- ◆ First global implementation with no OFSS resources available onsite

Foreknowledge of these challenges meant devising practical mitigation steps for each one of them. A focus on developing Techlogix resources instead on relying on external consultants was a key mitigation step. Extremely focused and result oriented project management was another. Stringent Exit and Entry criteria for major phases / activities was another. Finally, a transparent relationship with OFSS with detailed reviews of work outputs ensured that a highly experience offsite team was able to review quality on an ongoing basis.

Key Contributions: Timely Delivery

Techlogix delivered the 10,000+ Man Days project within the contracted timelines and on the agreed upon quality parameters. This implementation is the first Core Banking implementation in Pakistan to have successfully completed all its major milestones within time.

Key Contributions: No compromise on Quality

Techlogix supported around 6 months of User Acceptance Testing utilizing six thousand test scenarios to cover all the modules and all possible functional and technical scenarios.

Key Contributions: Repeated Successes before Go Live

Techlogix supported 3 months of Parallel Run in the first pilot branch. The activity comprised reconciling three month ends and a year end with the live legacy system; eventually ending up in the bank gaining extreme confidence on the quality of the configured software.

About Techlogix

Techlogix is a global Consulting and IT Services company. With over 300 consultants in the US and Asia, Techlogix delivers solutions in key practice areas including Core Banking, BPM/SOA, Master Data Management, Business Intelligence, Project Portfolio Management and Enterprise Applications. Our practices areas deliver breakthrough business value for enterprise customers.

Contacting Techlogix

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