

TEMENOS COREBANKING Deployment Case Study



RSI



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RSI Corporate Background



▶ **History**

1.1 "Caja Rural" Group

1.2 R.S.I. history

1.3 Corebanking history



1.1 "Caja Rural" Group History

- ▶ Fifth/Sixth Spanish Banking Group.
- ▶ 75 Rural Savings Banks.
- ▶ 3 Owned Subsidiaries:
 - Back Office Bank (BCE)
 - Insurance Company (RGA)
 - IT Outsourcing Company (RSI)



1.2 R.S.I. History

- ▶ RSI founded in 1986.
- ▶ Acquisition of a computer package (TOGA) from a Spanish financial entity.
- ▶ First implementation CR.La Roda-1988.
- ▶ First Outsourcing Center in the Spanish Financial Sector.



1.3 Corebanking System History

- ▶ 1994 – IRIS (now TCB). Kick off. Strong partnership with IBM
- ▶ Most ambitious project of Spanish retail banking sector
 - True multibank,
 - True multichannel
- ▶ First implementation CR.Granada-1998
- ▶ Now leading outsourcing/ASP center in Spain



Requirements that RSI had for a solution



2.1 Legacy System Problems

2.2 The Selection Process

2.3 Why Iris - TCB

2.4 General Attributes Iris-TCB



2.1 Legacy System Problems

- ▶ Lack of flexibility to answer the requirements quickly (Time to market).
- ▶ High maintenance costs.
- ▶ Need for scalable growth
- ▶ No technological consistency among solutions.
- ▶ Different environments, dispersed databases, many tools and interfaces.



2.2 The Selection Process

- ▶ French SBS from SEMAGROUP
- ▶ Spanish ALTAMIRA from Arthur Andersen
- ▶ Danish Danke Bank System
- ▶ Spanish SIGIB (Caixa Catalunya)
- ▶
- ▶ Legacy System (TOGA) reengineering
- ▶ Winner: Iris-TCB with IBM



2.3 Why Iris - TCB

- ▶ Other Spanish Solutions:
 - No truly multi-entity

- ▶ Foreign Solutions:
 - Weak support for legal, regulatory & cooperative banking requirements.



2.4 General Attributes of Iris-TCB

- Integrated System
- Uniform Architecture
- Multi-entity
- Multi-channel
- High scalability
- Access & use control
- Lead by parameters
- Multi-platform to state of the art (long life)
- High availability
- Integration with Office suites



Main Project Drivers

3.1 Needs

3.2 Iris-TCB Targets

3.3 Architecture

3.4 Figures



3.1 Needs

- ELASTICITY → EASY GROWTH
- VERSATILITY → NEW PRODUCTS
- AGILITY → ANSWER TIME
- RELIABILITY → DECISION MAKING PROCESS
- DEPTH → TARGET'S DRILL-DOWN ANALYSIS
- POWER → GENERIC & SELECTIVE CHOICES
- QUALITY → CUSTOMERS' LOYALTY
- COSTS → VARIABLE & DECREASING



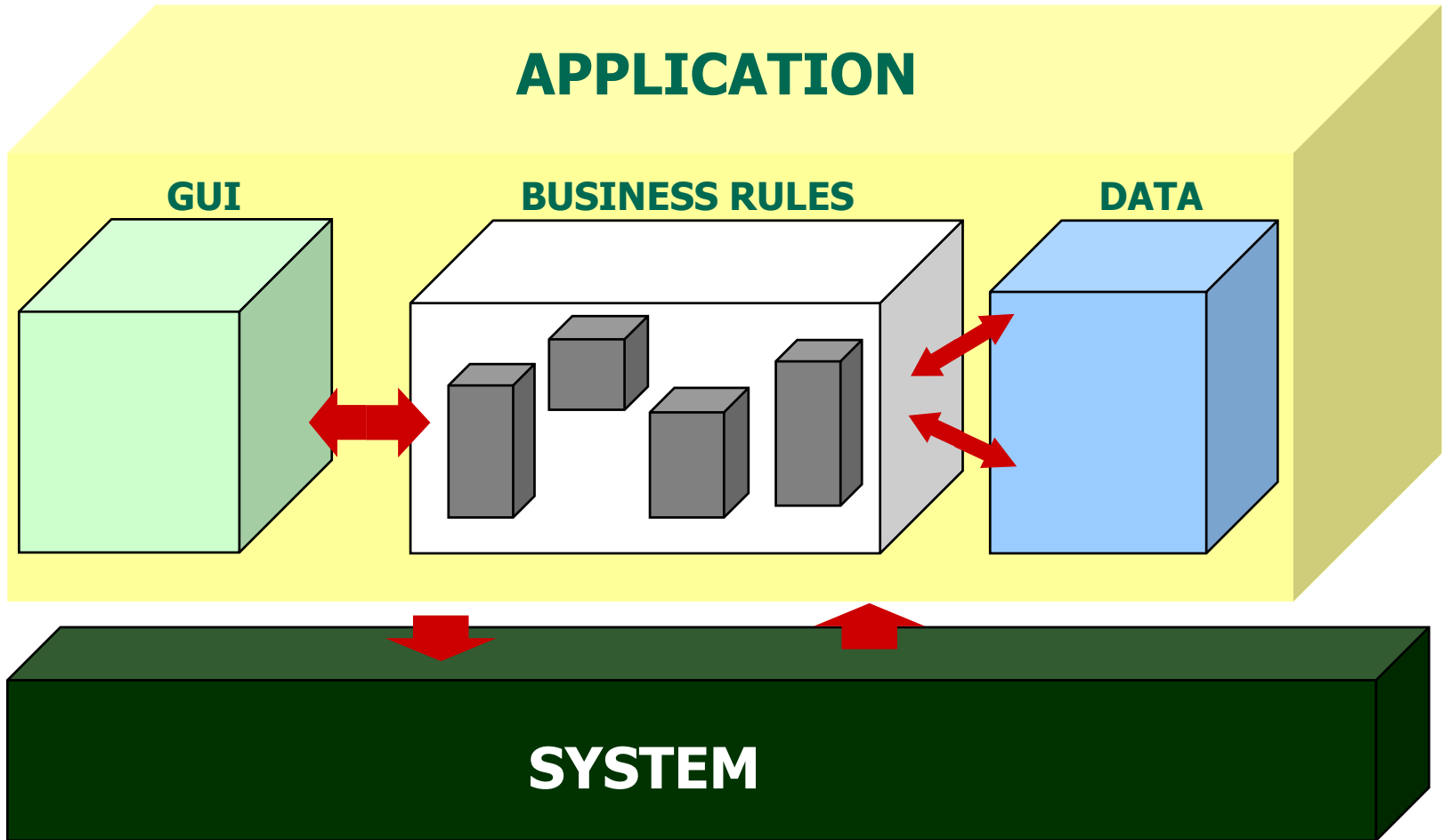
3.2 Iris - TCB Targets

- ▶ Global vision of customers and their behaviors.
- ▶ Simple and agile foundation of new procedures.
- ▶ Marketing support tools.
- ▶ Open new channels.
- ▶ Information about profitability from clients, branches and products.
- ▶ More efficient bank operations.



Main Project Drivers

3.3 Architecture





3.4 Figures

- Windows 2.325
- Rules 51.124
- DB2 Tables..... 1.565
- On-Line Transactions..... 3.164
- % Rules Code Reuse 49



Implementation Background



4.1 Project Timeline

4.2 Deployment Calendar

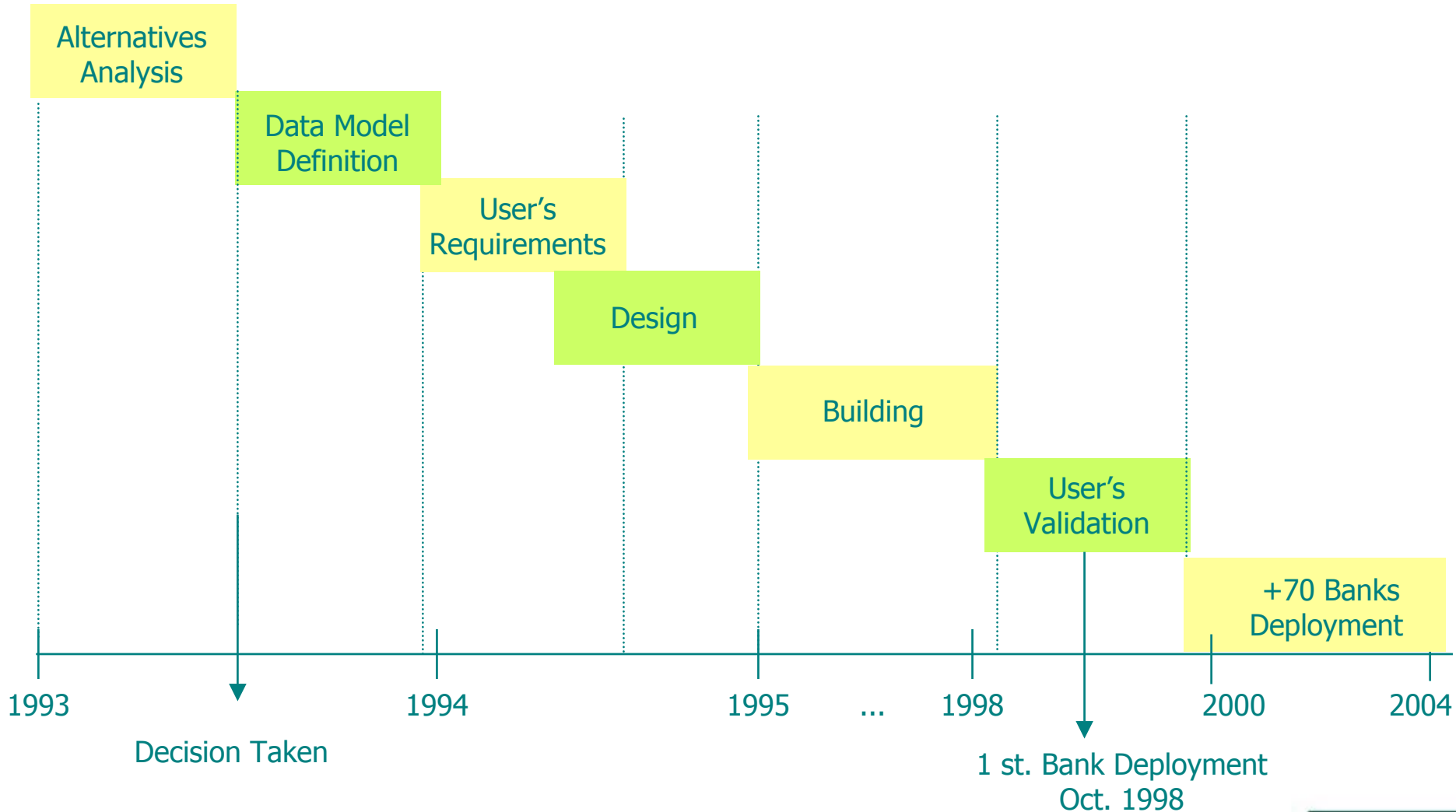
4.3 Key Volumes

4.4 Transactions Growth



Implementation Background

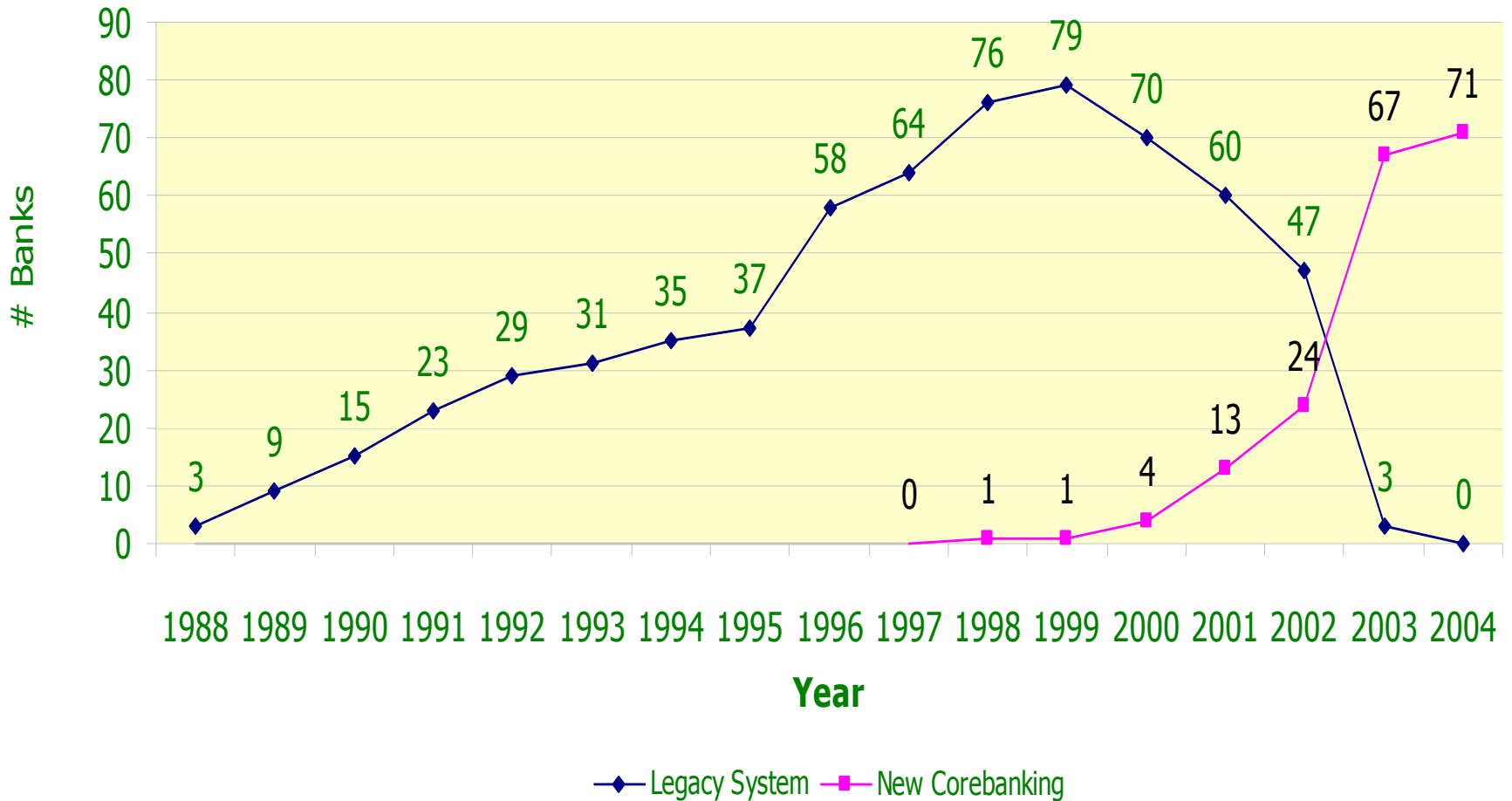
4.1 Project Timeline





Implementation Background

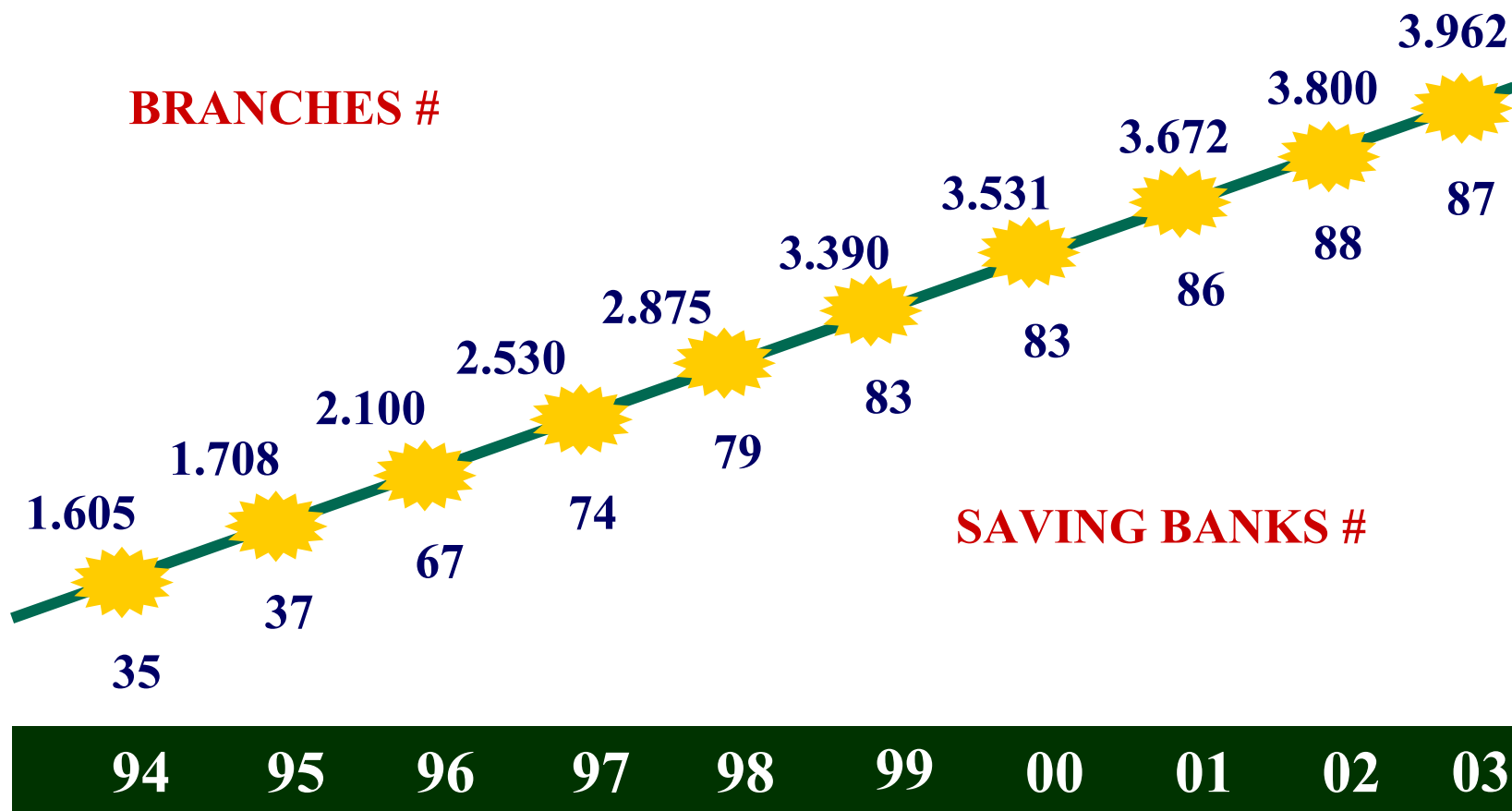
4.2 Deployment Calendar





Implementation Background

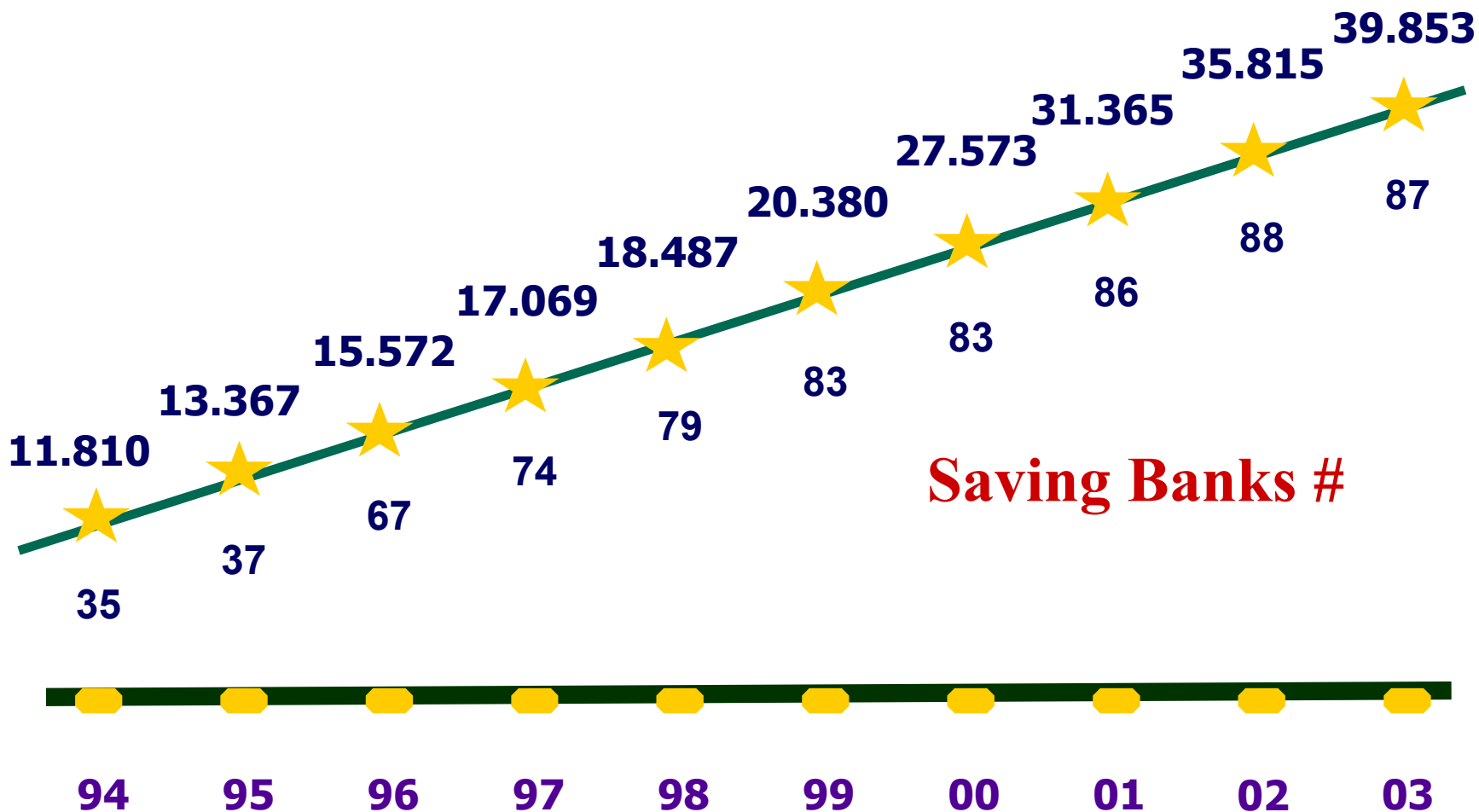
4.3 Volumes: Network Growth





Implementation Background

4.3 Volumes: Assets Evolution (€ - Million)





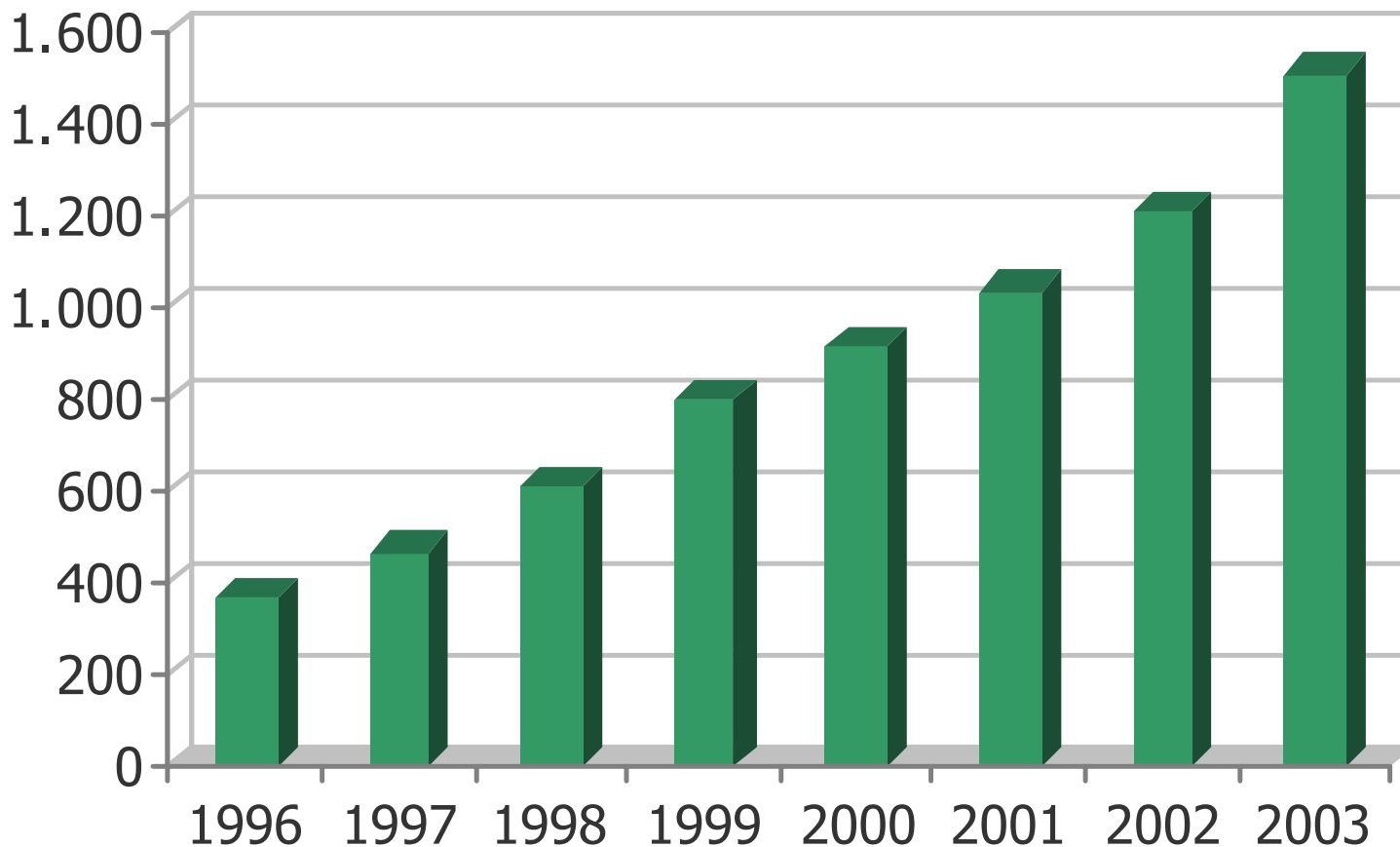
Implementation Background

4.3 Volumes (End Dec.-2003)

CUSTOMERS	:	6.472.095
CHECKING ACCOUNTS	:	4.135.490
LOANS	:	670.869
FIXED TERM DEPOSITS	:	741.847
CARDS	:	2.403.819
POS's	:	50.367
e-BANKING CUSTOMERS	:	242.214
ATM's	:	2.964
Terminals	:	20.846
Transactions / day	:	4.600.000



4.4 Transactions Growth (millions)





New Corebanking Benefits



5.1 Features

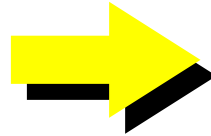
5.2 Advantages



5.1 Features

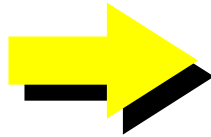
▶ Business Focus

**LAUNCHING
NEW
PRODUCTS**



**BUSINESS
OBJECTS
READY TO
ASSEMBLE**

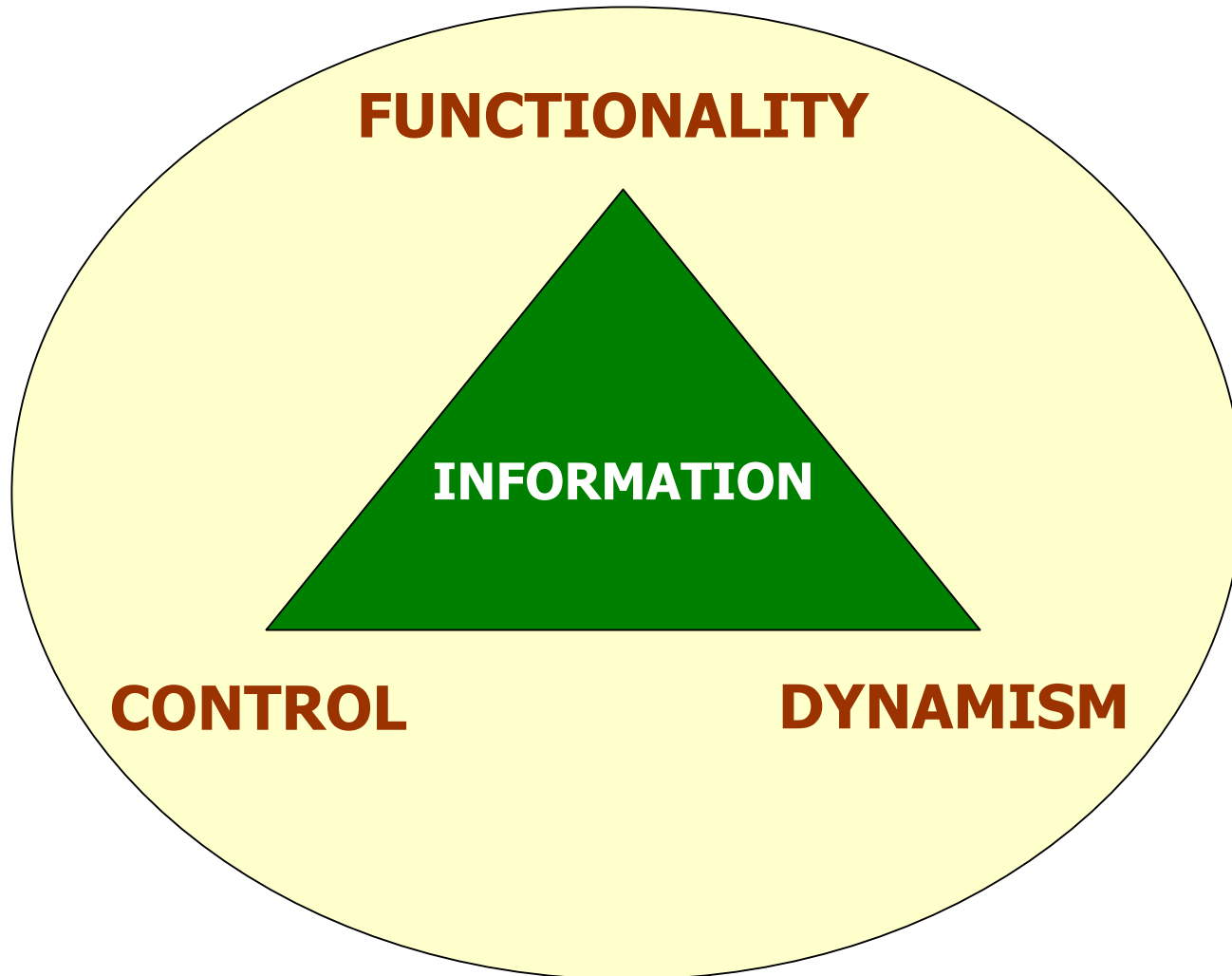
**MORE
INFORMATION
AVAILABLE**



**DATA
MODEL
COMPLETE &
STABLE**



5.2 Advantages





New Corebanking Benefits

5.2 Advantages

▶ Functionality

- Agreements
- Liquidations
- Account/Journal Entry
/Balance
- Assets
- Liabilities
- Terms/dates
- Portfolio
- Foreign
- Services

▶ Dynamism

- Workbench (Products, Accounting, Documents)
- Setting Rates
- Simulations
- Annotations/Remarks

▶ Control

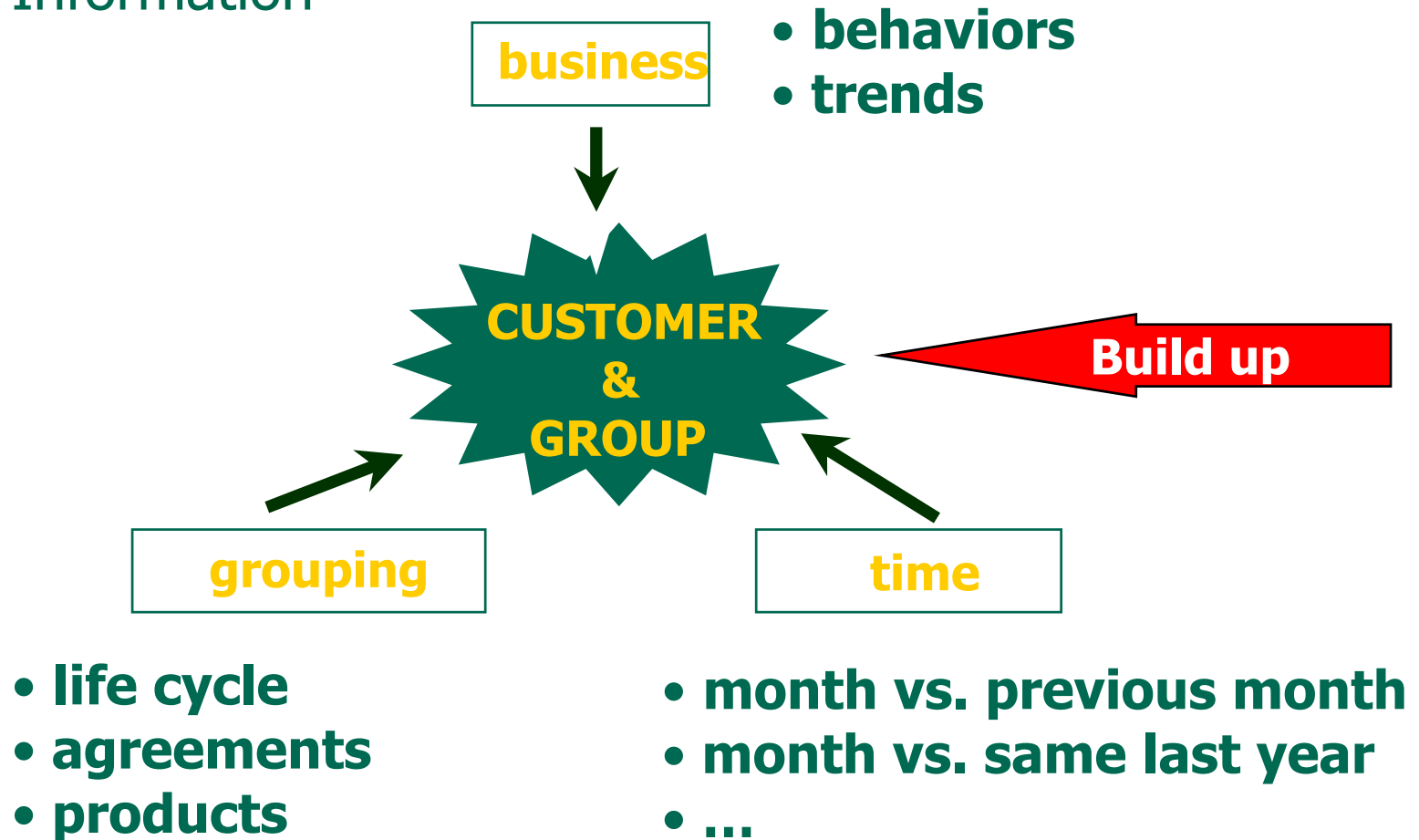
- Journal Entries Auditing
- Attributions / Profiles
- Cash Pooling
- Events Manager
- Bad Debt Management
- Accounting



New Corebanking Benefits

5.2 Advantages

▶ Information





5.2 Advantages

▶ IT costs (RSI) / Assets (Savings Banks)

COST 1997/ 1996 ASSETS	0,1573 %
COST 1998/ 1997 ASSETS	0,1549 %
COST 1999/ 1998 ASSETS	0,1254 %
COST 2000/ 1999 ASSETS	0,1235 %
COST 2001/ 2000 ASSETS	0,1204 %
COST 2002/ 2001 ASSETS	0, 1203 %
COST 2003/ 2002 ASSETS	0, 1168 %



Partnership Opportunities



6.1 With Temenos -> TCB



6.1 With Temenos -> TCB

- ▶ RSI as reference site for TCB
- ▶ R&D system performance & optimization
- ▶ New hard./soft. platforms for TCB
- ▶ Sharing infrastructure (for development, training,...)
- ▶ TCB Integration with T-24/3rd.Parties
- ▶ Legs. & Regs. (Basel, IAS, etc.)
- ▶ Sharing know-how (deployment, training, etc.)
- ▶ Future channels development ...