



CASE STUDY

Bank ABC Fuels Global Growth in Trade Finance



Through Fusion Trade Innovation, we successfully scaled up to support a three-fold growth in our letters of credit business in late 2018.”

Paul Baker

Deputy Group Head of Operations,
Bank ABC

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FINANCE IS OPEN



At a Glance

Solution

- Fusion Trade Innovation

Partner



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With a focus on value in the past, we can now also increase volumes. And following the Fusion Trade Innovation upgrade, we now have a strong platform in place to introduce digital services and boost revenue growth.”

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About Bank ABC

Headquartered in the Kingdom of Bahrain, Bank ABC (Arab Banking Corporation B.S.C) operates across five continents, covering countries in the Middle East, North Africa, Europe, the Americas, and Asia. The bank provides innovative global wholesale banking coverage and products; including transaction banking (trade finance and cash management), project and structured finance, syndications, treasury and financial markets products and Islamic banking for corporate and financial institutions. Bank ABC also offers retail banking services through its network of retail banks in Jordan, Egypt, Tunisia and Algeria. Leading the Fintech agenda in the region, the bank hosts the Middle East and Africa Fintech Forum annually with its subsidiary Arab Financial Services.

The Challenge

Ahead of an upcoming SWIFT standards release, Bank ABC was required to upgrade its trade finance application across 10 jurisdictions. The bank identified this as the perfect opportunity to simplify its IT infrastructure. In parallel, the bank also launched an ambitious digital transformation strategy with the aim of consolidating disjointed workflows and supporting the growth of its wholesale banking activities. In the meantime, Bank ABC also needed to address business as usual, including a surge in demand for letters of credit generated by a change in regulation in one of its core markets: a growth opportunity that would have previously put undue pressure on the organization.

The Solution

Bank ABC deployed Fusion Trade Innovation from Finastra to standardize its core wholesale banking systems and processes for 10 jurisdictions onto one central hub. While the project progressed, Bank ABC also opened another branch and was required to undertake a further deployment as a result.

The Result

Since aligning its wholesale banking workflows with a single, intuitive system powered by Fusion Trade Innovation, Bank ABC has achieved significant efficiency savings and maintenance cost reductions. Standardized business processes enable the bank to establish operations in new markets in under two weeks, strengthening Bank ABC's ability to grow its global business.

bank-abc.com



Fusion Trade Innovation simplifies our ability to deploy operations in new jurisdictions, demonstrated by us recently rolling out an additional instance to a new market in under two weeks—80 percent faster than what would have been achievable before.”

Paul Baker

Deputy Group Head of Operations, Bank ABC

Bank ABC fuels international expansion by streamlining its mission-critical wholesale banking workflows with Fusion Trade Innovation

Fresh Opportunities

After a recent change in regulation in one of its core markets, Bank ABC saw a dramatic increase in demand for export letters of credit, an opportunity for growth that the bank was eager to seize.

To ensure that it could scale up its operations smoothly, Bank ABC was able to leverage its recent digital transformation strategy and process alignment for its entire trade operations. The aim was to enable the bank to meet customer expectations for rapid, reliable services as business volumes grew.

Paul Baker, Deputy Group Head of Operations at Bank ABC, comments: “When demand for our wholesale banking services suddenly increased, we were able to quickly respond by redeploying staff in order to support our strategic growth objectives. This would not have been possible prior to the implementation of Fusion Trade Innovation.”

Over time, Bank ABC had developed a complex system of 10 disparate trade finance systems across its international business, each with unique workflows for specific regional offices. As well as driving up maintenance costs, operating many different systems limited the bank’s ability to transfer personnel from one location to another if that region experienced a surge in demand—hampering agility and reducing Bank ABC’s growth potential.

Standardize, Simplify, Centralize

To unite its global operations and facilitate international growth, Bank ABC upgraded its multiple trade finance systems with a centralized commercial finance hub powered by Fusion Trade Innovation from Finastra. At the time of implementation, Bank ABC was also preparing for a new wave of SWIFT updates.

“We’ve used Finastra solutions in many areas of our business for the past two decades, so we knew we could rely on their solutions to deliver the flexibility, reliability, and scalability to step-up our operations,” comments Paul Baker.

He continues: “Fusion Trade Innovation stood apart from other solutions that we considered. We were particularly impressed with the global zones feature, which enables us to establish standard workflows across each of our geographies while offering sufficient freedom for us to customize them to meet the specific regulatory requirements of individual jurisdictions.”

New Era of Efficiency

Since enhancing its wholesale banking operations with Fusion Trade Innovation, Bank ABC has greatly improved operational efficiency and reduced maintenance costs—empowering the bank to focus on its growth goals.

Paul Baker comments: “Centralizing our trade finance workflows in one standard build of Fusion Trade Innovation means that we have gone from maintaining multiple systems in different countries to supporting just one. This has significantly reduced system maintenance costs, which has freed up more resources for us to focus on our expansion.

“Standardized processes also reduce the risk of errors, as well as the duplicated effort of re-working tasks using different systems. With Fusion Trade Innovation, we can now send out automatic advice notices and offer eSignature capabilities for PDF advices, boosting our operational efficiency and removing obstacles for our clients.”

With all of Bank ABC’s employees using the same trade finance solution, the organization can quickly and easily relocate staff to different regional offices when it experiences a sudden surge in demand.

“When demand for export letters of credit skyrocketed in Europe, we were able to bring in trade finance experts from other locations in the group to help meet increased business with next to no additional training,” says Paul Baker. “Through Fusion Trade Innovation, we successfully scaled up to support a three-fold growth in our letters of credit business in late 2018.”

Encore Theme Technologies and Finastra worked closely with Bank ABC to deliver a rapid implementation across 11 countries



We managed to complete the upgrade to Fusion Trade Innovation in time for the changes to SWIFT standards, which enabled us to strengthen the service to our clients.”

Paul Baker

Deputy Group Head of Operations,
Bank ABC

He continues: “The standardized, end-to-end trade finance processes in Fusion Trade Innovation simplifies our ability to deploy operations in new jurisdictions, demonstrated by us recently rolling out an additional instance to a new market in under two weeks—80 percent faster than what would have been achievable before.”

Fusion Trade Innovation also provides Bank ABC with an ultra-granular management information system.

Paul Baker explains: “We struggled to monitor internal global KPIs before we deployed Fusion Trade Innovation. Now, the Finastra solution gives us detailed data on all of our core processes, which is proving to be an invaluable source of insight for improving our internal processes and meeting service-level commitments.

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Strategic Partnership

Bank ABC enlisted the support of both the Finastra Global Services team and Encore Theme Technologies to deploy Fusion Trade Innovation across its international network.

Paul Baker says: “A hybrid approach of working with Encore Theme Technologies, our specialist implementation partner, and Finastra worked extremely well and delivered rapid results. For instance, we rolled out the solution to a new country every six weeks and to 11 countries in total.

“Crucially, we managed to complete the upgrade to Fusion Trade Innovation in time for the changes to SWIFT standards, which enabled us to strengthen the service to our clients and minimize disruption.”

To ensure a smooth transition to Fusion Trade Innovation, Finastra sent out experts from its Global Services Team to Manama to assist with the deployment.

Finastra were on hand to help with the installation as well as the production environment setup, and provided expert training to ensure the project could be delivered successfully.

“Finastra’s global presence and willingness to go the extra mile was a real asset for us,” says Paul Baker. “We also engaged with the Finastra Customer Support team in the Philippines on a weekly basis. Knowing that we can call on the team if we encounter any issues puts our minds at ease. It also helps having a regional team in Dubai who are in close proximity and have a good understanding of the local market.”

Paul Baker concludes: “With Finastra assisting us in our growth, we’re better prepared than ever to deliver high-quality trade finance services to customers around the world.”

About Finastra

Finastra unlocks the potential of people and businesses in finance, creating a platform for open innovation. Formed in 2017 by the combination of Misys and D+H, we provide the broadest portfolio of financial services software in the world today—spanning retail banking, transaction banking, lending, and treasury and capital markets. Our solutions enable customers to deploy mission critical technology on premises or in the cloud. Our scale and geographical reach means that we can serve customers effectively, regardless of their size or geographic location—from global financial institutions, to community banks and credit unions. Through our open, secure and reliable solutions, customers are empowered to accelerate growth, optimize cost, mitigate risk and continually evolve to meet the changing needs of their customers. 90 of the world’s top 100 banks use Finastra technology. Please visit finastra.com

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