

FUSION ISLAMIC

Harness Cutting-Edge Technology to Fully-Optimize Your Islamic Banking, Driving More Profitable Growth



Islamic banks are lagging behind—while conventional banks are averaging 15% Return on Equity, Islamic banks average just 12.6%.”

PwC, 'Voice of the Customer' Survey

Islamic banking is a key growth area in international financial markets. How will you stay ahead of your competition, differentiate your bank and gain market share?

Growth in assets held by Islamic banks is strong, but consumer confidence and loyalty is waning. According to research by PwC, 23% of Muslims aged 18-24 use non-Islamic products, but those aged 45-64 soars to 58% using non-Islamic products. And as the 'silver economy' expected to bloat towards 2050, this presents both a challenge, and opportunity to Islamic banks. How will banks win back the older generation to Islamic banking? Islamic banks need to match the service levels of conventional banks—but to win new customers, you will need to offer something more, something better.

Accelerate time-to-market

The complexity of Islamic banking products results in a slow and costly product launch process—from design, through Shari'ah Board approval and final release. In order to remain competitive and out-innovate your competitors, it is essential that you can accelerate this process.

Drive profitable growth

Post-global financial crisis, banks have struggled to recover pre-crisis Return on Equity (ROE) levels. Islamic banks in particular are running at lower than average ROE, due in part to higher than average administrative and operational costs. Now you must innovate and use technology to automate, find new efficiencies and profitability.

Manage obligations to be Shari'ah-compliant

Only 52% of Islamic banks' customers believed their provider 'was a true Islamic bank and followed Islamic Shari'ah' (PwC). This consumer distrust is diluting the value of Islamic banking at its essence. Banks need to not only better manage their Shari'ah obligations, you need to demonstrate this publicly to their customers.

Capitalize on the Endless Opportunities in Islamic Banking

With three decades of experience in Islamic markets, Finastra brings innovation to Islamic banks. We work with hundreds of established and challenger banks around the world.

38 million

customers globally with Islamic banking accounts

Built from the ground-up specifically for Islamic banking modernization, Fusion Islamic heralds the next generation of Islamic banking. The most agile banking system on the market today, Fusion Islamic is new breed, designed for 21st century banking. It is delivered with pre-configured Shari'ah compliant products, ensuring rapid time-to-market for your core banking implementation.

The process-driven nature of the system truly empowers business users of the bank to design and build new Shari'ah-compliant products in a simplified and intuitive nature. This concept alleviates pressure on IT teams, and reduces time to market of new financial products.

A typical modern core banking system will be workflow-based. Fusion Islamic goes beyond this. Breaking each workflow down into micro-workflows, this allows a superior level of flexibility with process design.

Due to the challenge of Shari'ah interpretation, your core banking system must be flexible enough to cater to rapid change with minimal recoding. Fusion Islamic is not hard-coded, it is completely process-driven. This process-driven nature provides a future-proof platform—built to be adaptable and flexible.

Accelerate time-to-market of new financial products. There is greater transparency among financial products—competition is intense and innovation essential. Being able to out-innovate your competitors, bringing to market the most compelling and relevant products will ensure your bank is a leader in its market. The 'building block' nature of workflows dramatically accelerates the origination cycle of Islamic products.

Create a richer customer experience. Fusion Islamic is a fully-automated system, which speeds up the processing time of new product sales—from origination to customer fulfillment. This ensures your customer receives the service levels expected—on par, if not superior to that offered by conventional banks, and far ahead of your Islamic competitors. This efficiency will also improve sales conversions.

Better manage your Shari'ah compliance. Fusion Islamic caters for Shari'ah compliance across the complete finance origination process. The solution delivers banks unparalleled agility to evolve with Shari'ah interpretation—reducing the cost and complexity associated with compliance.

Islamic Elements—a New Concept in Islamic Banking

Fusion Islamic caters for end-to-end Islamic finance. This includes pre-booking operations such as what-if scenarios, credit reviews, deal booking including Islamic asset acquisition, contracts generation, and accounting with finance creation. In addition to the origination process, the Fusion Islamic offers a complete set of service operations allowing banks to provide optimal service to its customers until tenor end.

To allow workflow customization at a granular level, Finastra has created the concept of 'building blocks'—one level down from the layer of standard workflow steps available within the majority of legacy core banking systems.

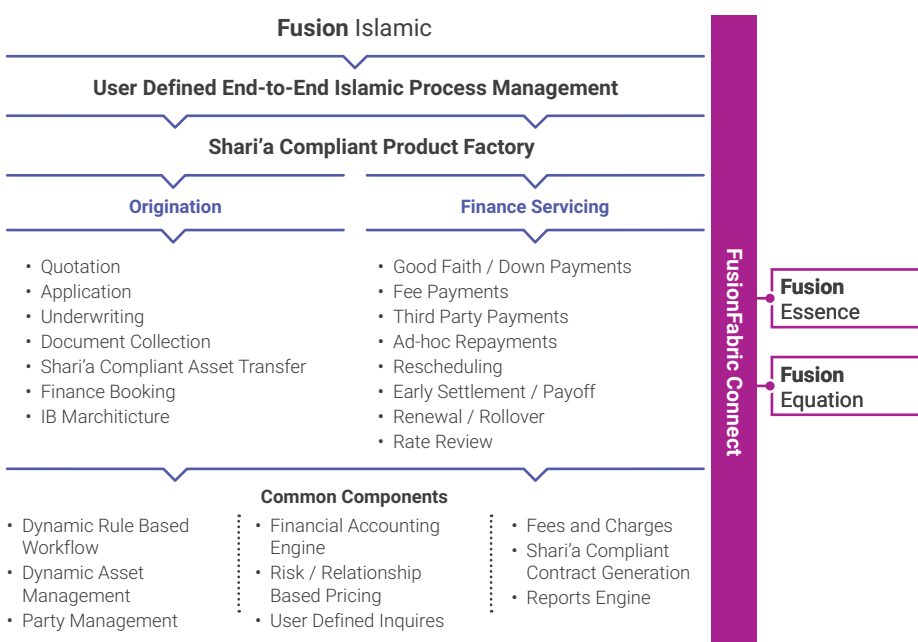
We call these pre-defined micro-workflows Islamic Elements. Islamic Elements allow banks to configure the steps within the origination cycle of an Islamic product, and have complete control over the complexity of each step. By mixing and matching Islamic Elements, banks can determine the exact behavior of each step and accurately identify the operation conducted by the user executing the step within the process.



Key Benefits

- **Increased agility.** Islamic Elements give banks new agility to simplify, reorganize and define the exact operational and Shari'ah activities within each step of a workflow.
- **Greater operational efficiency.** Pre-defined Islamic Elements will greatly accelerate the time taken to create new workflows.
- **Reduce pressure on IT department.** The process-driven nature of Islamic Elements empowers business users of the bank to design and build new Shari'ah-compliant products.

Fusion Islamic is a Major Component of the Fusion Essence Solution Suite. It Caters for End-to-End Islamic Finance and Delivers Unparalleled Agility.



The Fusion Ecosystem

The componentized architecture of the Fusion suite allows Islamic banks to rapidly transform the bank, with pre-integrated components. For example, Finastra's award winning mobile and online banking products can 'plug and play' with Fusion Islamic.

Fusion Islamic is also pre-integrated with Fusion Equation—Finastra's long established universal banking solution. In addition, Fusion Essence Islamic can be integrated with third party (non-Finastra) core banking systems. This opens up a true transformation roadmap for banks running on legacy infrastructure, without the need for costly and high risk 'rip and replace'.

Fusion Islamic Suite

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. 48 of the world's top 50 banks use Finastra technology. Please visit finastra.com

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