

CASE STUDY

BIDV Leads the Market with Pioneering Treasury Services

“

Fusion Treasury has truly helped us lift our services to a new level. The solution gives us the speed and flexibility we need to keep our treasury operations in sync with today's demands.”

Quynh Do Ngoc
Head of Treasury, BIDV

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FINANCE IS OPEN



At a Glance

Solution

- Fusion Treasury



Since introducing Fusion Treasury, we have been able to retire around six software systems that we were previously using for treasury management.”

Quynh Do Ngoc

Head of Treasury, BIDV

About BIDV

The Bank for Investment and Development of Vietnam (BIDV) is the largest commercial bank in Vietnam, with total assets of over USD 38.6 billion. BIDV provides a wide range of finance, brokerage, investment and insurance services to more than 50,000 institutional and corporate customers.

The Challenge

Strong growth in the Vietnamese economy is driving unprecedented demand for treasury products and services. BIDV was keen to capitalize on this lucrative opportunity in order to grow revenues and assets, but disjointed systems and inefficient manual processes increased time-to-market for new offerings and threatened the bank's market-leading edge.

The Solution

BIDV reinvigorated its treasury operations with an all-in-one solution from Finastra: Fusion Treasury. Featuring seamless coverage across a full range of asset classes, powerful straight-through processing and front-to-back integration, as well as robust risk management, the platform enables BIDV to supercharge operational efficiency while cutting complexity and risk.

The Result

BIDV has been able to shorten development cycles for new products by 75%, enabling it to bring offerings to much market faster and thereby gain a valuable first-mover advantage over competitors. The bank has replaced many different systems for managing treasury products, reducing operating costs and complexity. Embracing more unified and automated processes has enabled BIDV to move away from time-consuming and error-prone manual work, boosting staff productivity and minimizing risk.

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Quynh Do Ngoc
Head of Treasury, BIDV

BIDV supports efficient and agile treasury operations with Finastra, helping it to meet fast-changing market demands and stay one step ahead of competitors

The Challenge

Vietnam ranks as one of the fastest-growing economies in Southeast Asia, for which growth is forecast to rise by a further [6.5% in 2018](#).

This growth is driving huge demand for treasury products and services, and BIDV, the country's leading commercial bank, was looking to seize the opportunity to lift its associated revenues and market share even higher.

Quynh Do Ngoc, Head of Treasury at BIDV, explains: “Our customers are seeking a greater variety of services, as well as more complex types of treasury products. We wanted to capitalize on this demand by launching innovative products that respond to current market needs, and by improving our business processes so that we can deliver exceptional customer service.”

However, BIDV found that fragmented and inflexible systems stood in the way of its ambitions.

“We still relied on many standalone systems and manual processes in our treasury division, which prevented us from developing and launching new products quickly and dulled our competitive edge,” says Quynh Do Ngoc.

“Similarly, because we lacked a single, trusted view of our operations and customers, we couldn't support the depth of analytics insight we needed to achieve our goals. We were concerned that we were missing out on opportunities to improve processes and understand customers' needs and preferences, as well as reduce risk.”

The Solution

BIDV realized it needed a fresh approach to treasury management, and chose Fusion Treasury from Finastra to support front-to-back operations and a wide variety of products.

Quynh Do Ngoc notes: “We chose Fusion Treasury because it is a proven solution, used by many leading global banks in different markets. With this kind of tried-and-tested platform, we could really learn from the experience of Finastra and other banks to create a modern and efficient treasury platform for BIDV.”

He adds: “We also felt that Fusion Treasury offered the capabilities we needed to solve our challenges. For instance, we could use straight-through processing [STP] across the front, middle and back office to automate processes and generate higher-quality data. These processes also help us to ensure robust risk management.”

Today, Fusion Treasury forms the backbone of treasury operations at BIDV, delivering strong strategic planning, control, and execution from a single, integrated platform. The Finastra solution has also enabled the bank to rationalize its systems landscape.

“Since introducing Fusion Treasury, we have replaced many different software systems that we were previously using for treasury management,” confirms Quynh Do Ngoc. “It has helped us to reduce costs and complexity, and streamline the way we work.”

Ready for Growth

BIDV has infused its treasury business with newfound agility. The bank can now design and bring new products to market faster than ever, helping it keep up with the fast pace of Vietnam's banking sector and gain a crucial first-mover advantage over its rivals.

Quynh Do Ngoc states: “We estimate that we've cut the amount of time taken to develop new products by around 75% with Fusion Treasury. It has transformed our ability to launch products in the market and we are now leading the pack when it comes to introducing new offerings.”

In addition, BIDV has harnessed Fusion Treasury to pre-build products, so that it is ready to respond immediately when new customer demands emerge.

“As Vietnam is still a developing market, demand for more sophisticated treasury products is just starting to take off,” explains Quynh Do Ngoc. “We've analyzed trends in other markets to forecast what products customers in Vietnam might be looking for in the near future. We've used that research to pre-build around 50 new products that we can launch to market as soon as the demand is there.”

“Whereas before we were fighting to keep up with competitors, we are now one step ahead of the market. Fusion Treasury has truly helped us lift our services to a new level. Without question, the solution gives us the speed and flexibility we need to keep our treasury operations in sync with today's demands.”

By embracing a highly digitized and automated approach to treasury management, BIDV has cut risk and improved work-life balance for its teams



We are very pleased with the improvements that Fusion Treasury has brought to our business. It delivers the all-around excellence we need to maintain our market-leading position.”

Quynh Do Ngoc

Head of Treasury, BIDV

Reducing Risk and Workload

Moving away from siloed systems and manual processes has helped BIDV to minimize operational risk.

Previously, there was no all-in-one system for managing treasury products. Transactions related to each product were recorded and managed separately in different programs. What's more, the bank's old treasury system only supported a limited number of products and was not fully integrated with other applications. This resulted in database fragmentation and a high risk of error.

Today, that has all changed. Once a deal is made, a trader just has to enter the information into Fusion Treasury once, and it will flow through from front to back office without any manual intervention. BIDV has also integrated Fusion Treasury with trading platforms from Bloomberg and Thomson Reuters.

When trades are placed on these platforms, Fusion Treasury automatically captures the data and makes it available to users across the front, middle and back office.

Quynh Do Ngoc says: “Fusion Treasury has brought a high level of automation and digitization to treasury trading, helping us reduce risk and improve the work-life balance of our teams.

“For example, in the past, back office staff frequently worked until around 8 or 9 o'clock at night entering and reconciling data from the day's trades. Now, after the close of trading, they spend a maximum of one hour on closing activities and no longer have to work late into the night.”

He concludes: “We are very pleased with the improvements that Fusion Treasury has brought to our business. The solution is making life easier for teams behind the scenes and allows us to provide better service to customers on the front end; it delivers the all-around excellence we need to maintain our market-leading position.”

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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