

SUMMER 2009

MICROSOFT TECHNOLOGY IN THE FINANCIAL SERVICES INDUSTRY

## POWER TO CONNECT

How Intertech developed an integrated banking platform to ensure growth and efficiency at DenizBank

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Microsoft's Susan Hauser tells us her views on the new risk management and compliance challenges facing financial firms today. **Page 36**

"The solution has put us in a very good position with a modern skill set that we can recruit into and train people in. It's given us a very stable platform with great performance."

**Paul Penney, HBOS I&I**



## IN BRIEF

UK investment consulting business **Mercer** has selected **Vermilion Software** to address its client performance reporting needs. "With any organisation that has regular reporting requirements – whether they be daily, weekly, or yearly cycles – we can automate that whole process through Workflow; extracting data from multiple disparate systems, generating customisable templates and then publishing in native Word, PowerPoint or Excel," said Simon Cornwell, sales and marketing director at Vermillion.  
<http://uk.mercer.com>  
[www.vermillionsoftware.com](http://www.vermillionsoftware.com)

**Temenos** has launched Insight, a packaged business intelligence suite designed to empower banking staff to make better decisions about customer insight, risk and compliance and performance management strategies. Insight is a modular, browser-based application, underpinned by Microsoft's Business Intelligence platform, and fully integrated with the company's T24 system. The new offering stems from Temenos' acquisition last November of Lydian Associates, a UK-based business intelligence software provider for the banking sector.  
[www.temenos.com](http://www.temenos.com)

## London Market Network roundup

Microsoft's London Market Network continues to gain momentum, with partners providing innovative solutions for London Market insurers.

At the third London Market Network event, Bruce McKee, insurance business development manager at Microsoft, explained how the tools already being used by insurers are being bundled together and offered on a Software-plus-Services (S+S) model. Finsbury Solutions is one of the network partners currently working with the Microsoft Business Productivity Online Suite to enable the delivery of hosted solutions.

Moore Stephens has seen success with its Microsoft CRM data warehouse at Towergate, and is now working on exposure mapping and modelling solutions. Sequel Business Solutions is building on a successful year with several

key business wins and integration of its technologies with K2, Microsoft CRM and SharePoint.

Ciber demonstrated its SharePoint Project Management Office solution, which it has remodelled into Microsoft CRM so that underwriters and policy handlers can work with either interface.

Open Text rounded off the evening with an update on its involvement in several London Market integration projects, including its work with Canopus Group.

[www.bintelligent.co.uk](http://www.bintelligent.co.uk)

[www.ciber.co.uk](http://www.ciber.co.uk)

[www.finsburysolutions.com](http://www.finsburysolutions.com)

[www.k2.com](http://www.k2.com)

[www.opentext.com](http://www.opentext.com)

[www.sequel.com](http://www.sequel.com)



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# LEVELLING THE PLAYING FIELD

AS FIRMS FIGHT TO SURVIVE IN A TOUGHENING COMPETITIVE ENVIRONMENT, PARTH DESAI LOOKS AT THOSE TURNING TO SOLUTIONS TO INCREASE THE AUTOMATION OF THEIR PAYMENTS PROCESSING

**F**inancial institutions are facing a dilemma as a result of the troubled economic climate: budgets are being cut but payments volumes continue to rise, which means they must do more with less. Growing pressure on firms to manage their internal operating costs with reduced headcounts has led many to turn to solutions to increase the automation of their payments processing. However, the choice of provider and type of solution must be considered carefully, as time is of the essence and firms need to be able to roll out these solutions quickly where required.

The payments world is rapidly evolving and this entails greater complexity and increased volumes against a background of decreasing margins. In order to survive in a toughening competitive environment, firms need to become early adopters of innovative technology solutions to allow them to increase profits and increase market share.



**PARTH DESAI**  
**CEO and President,**  
**ACE Software Solutions**

Parth founded ACE Software Solutions in 1991. He has over 20 years experience in the financial messaging for Swift, payment and securities sectors. As the head designer and architect of the ACE intelligent messaging solution, Parth has a deep understanding of the payments, securities, anti-money laundering and risk management fields from both the business and technology viewpoints.

[www.acesw.com](http://www.acesw.com)

To this end, firms need more time to focus on the value added areas of their business and this can only be achieved by partnering with a trusted solution provider to take the responsibility for the bulk of the processing.

These firms also need to keep up with changing regulatory requirements and pay attention to the increased risk management focus in the current market. Moves toward European harmonisation and increased globalisation now mean that regulatory compliance generally involves significant changes to payments architecture. This entails a requirement for greater coverage and scalability, which usually results in increased total cost of ownership.

This is where Software-as-a-Service (SaaS) comes in. SaaS is a more cost-effective way of tackling IT challenges. There is no software installation required because access to the solution is provided on demand over secure networks, and the solution provider manages everything in a secure central location. SaaS implementations are also quickly deployed because no complex code changes are required; it is 'plug and play'.

The only downside normally associated with SaaS solutions is that the service available is 'standard' and hence common to everybody. However, some of the advanced SaaS solutions enable agile rule-based implementations with innovative custom functionalities, offering a competitive edge to customers. Also, second-generation extensible solutions allow firms to start with a small standard service and then enhance this, while offering new services.

SaaS implementations actually result in a reduction in the total cost of ownership and provide increased predictability of future costs. No one knows what is next around the corner and SaaS therefore provides some stability in a volatile climate. SaaS solutions do not require high investments and also result in immediate operational cost savings in infrastructure requirements and IT personnel knowledge requirements.

As well as reduced costs, SaaS reduces the time and resources required for software upgrades resulting from developments in the payments market. No maintenance is required in-house and this means a lower learning curve for users, as the third party solution provider deals with any problems.

**"No one knows what is next around the corner. SaaS provides some stability in a volatile climate"**

There is also a reduction in the risk of having to deal with the transition to different versions of software – firms can rely on the third party to provide them with a high level of service and seamless integrations. Global availability also means there is less risk in terms of business continuity issues.

SaaS levels the playing field for small to medium sized firms because they can gain access to more sophisticated systems, which they would never be able to build in-house. It gives them immediate access to the latest innovations in payments technology.

It allows for increased flexibility for change. Firms can focus on other areas such as core competencies and value-adds for clients. This allows them to achieve a competitive advantage over their rivals and frees up IT personnel to focus on improving day-to-day technical operations, instead of troubleshooting third-party software or maintain aging infrastructure.

SaaS is appealing for corporates in particular because the solution is Web-based, requires no installation in-house and can therefore be implemented very quickly. This speeds up the project and reduces costs, based on a pay-per-month model.

Firms must choose a trusted and experienced partner that can provide an intelligent SaaS solution to meet their payments processing requirements. They must also consider its flexibility to meet future requirements. At a basic level, such a solution should provide functionalities including: Swift or network connectivity; payments handling and transmission; and exceptions processing, authorisations and cash management capabilities. With the cost of Microsoft Windows-based servers reducing and availability of virtualisation technologies, we see several software solutions being offered as SaaS. **F**