Askari Bank is the eighth largest private bank in Pakistan with a branch network comprising 250+ branches, and a customer base of around 700,000, operating in the Corporate, Retail and Islamic Banking sectors. The Bank is publicly listed and provides a full range of products to its customers.

In 2008, Askari Bank embarked on an ambitious IT upgrade project. The cornerstone of the upgrade was a migration from their existing, in-house developed COBOL based Core Banking solution to Oracle FLEXCUBE, the world leader in Core Banking. This shift was driven by the need to switch from a decentralized branch based solution to a centralized system with consistent product offerings and customer service levels across the entire bank. Askari Bank offers a full range of asset and liability financial products and the Bank planned on migrating all operations to FLEXCUBE including Retail operations, Lending, Trade Finance etc.

Techlogix was engaged by Askari Bank to take primary responsibility for the FLEXCUBE rollout. Since this was our first Core Banking implementation, the Techlogix team engaged Oracle Financial Services Consulting to provide remote support in reviewing the product requirements gathered by Techlogix and validating the product design. After an intense 18 month effort, the first Branch went live in April 2010. The Bank completed its full cutover of all 250+ branches to FLEXCUBE in 2012.

Customer
Askari Bank Limited

Industry
Financial Services

Offering
Oracle FLEXCUBE

About the Client
Askari Bank operates in the Corporate, Retail and Islamic Banking sectors and provides a full range of financial products to its customers.
The Challenge

In investing in a world-class Banking platform, Askari Bank sought a transformative advantage whereby the Bank could compete both functionally and technically with national and international competitors. Thus, the full ROI for an investment of this nature would only be realized if Askari Bank was able to utilize this solution to implement a next generation Banking infrastructure.

The specific modules of FLEXCUBE selected for implementation included:

- Core
- CASA (Current, Savings and Term Deposits)
- Limits and Collateral Management
- Consumer Lending
- Local Payments and Collections
- Fixed Asset Management
- Retail Branch
- Trade Finance (LCs & LGs)
- Bills and Collections
- Treasury:
  - Money Markets
  - OTC Options
  - Foreign Exchange
  - Securities
- Islamic Banking
- FLEXCUBE XML Interface (For interfacing with Channels like ATM, Visa, PoS etc)

Apart from the complexity of implementing the functional modules (more than 400 banking products to be analyzed, consolidated, configured and tested), the following implementation challenges further complicated the overall implementation:

- Phased Module Roll Out (Retail and Corporate rolled out in Phase 1 and Treasury and Islamic Banking rolled out in Phase 2)
- Phased Branch Roll Out (No big bang approach)
- Co-existence infrastructure (functional and technical): For two years, FLEXCUBE and UniBank (the Legacy system) would be operating side by side
- Data Conversion: Data Cleansing, Enrichment in all 250+ branches, systematically rolling out groups of branches over successive weekends
- First implementation of FLEXCUBE in a Pakistani origin bank (no experienced resources available in the market)
- OFSS teams’ inability to travel to Pakistan (strong onsite – offsite model)

The Solution

The project was initiated with a 20 person Techlogix team and a 15 person Askari team working together to achieve the following:

- Identification of gaps in products and processes
- Consolidation of the bank’s general ledgers and products
- Design and Parameterization of the bank’s products
- Data Migration Strategy and Conversion of branches
- Design and Build of Interfaces to cater for the Co-Existence of FLEXCUBE and the legacy system
- Design and Build of Interfaces to cater for Parallel Run of FLEXCUBE and the legacy system in the branches
- Interfacing with the bank’s legacy system, eight peripheral systems, national ATM network, SWIFT and a Teradata Data Warehouse
- Identification, analysis and development of Regulatory and Operational Reports
- Training for the Bank’s Core Team and End Users
- Testing Strategies, test cases and reconciliation tools (aimed at User Acceptance Testing, System Integration Testing, Mock data conversions, business simulations etc)

Additional steps taken to ensure success:

- Strict project management focused on rolling out the pilot branches in eighteen months
- Strong off site teams in Bangalore and Romania supporting the onsite teams on a daily basis
- Strong project governance committees and processes in place
- Regular communications via email, phone calls and video conferences between the onsite and offsite teams
- Focused ownership within the Bank and Techlogix (Functional Lead, Technical Lead, Testing Lead, Data Conversion Lead, Co-Existence Lead all reporting to a single PM)

Key Contributions: Turning challenges into strengths

The project was kicked off with some major risks already in place:

- First partner led implementation of FLEXCUBE globally
- First global implementation of FLEXCUBE’s fully browser based version 10
- First global implementation with no OFSS resources available onsite
Foreknowledge of these challenges meant devising practical mitigation steps for each one of them. A focus on developing Techlogix resources instead of relying on external consultants was a key mitigation step. Extremely focused and result oriented project management was another. Stringent Exit and Entry criteria for major phases/activities was another. Finally, a transparent relationship with OFSS with detailed reviews of work outputs ensured that a highly experience offsite team was able to review quality on an ongoing basis.

Key Contributions: Timely Delivery
Techlogix delivered the 10,000+ Man Days project within the contracted timelines and on the agreed upon quality parameters. This implementation is the first Core Banking implementation in Pakistan to have successfully completed all its major milestones within time.

Key Contributions: No compromise on Quality
Techlogix supported around 6 months of User Acceptance Testing utilizing six thousand test scenarios to cover all the modules and all possible functional and technical scenarios.

Key Contributions: Repeated Successes before Go Live
Techlogix supported 3 months of Parallel Run in the first pilot branch. The activity comprised reconciling three month ends and a year end with the live legacy system; eventually ending up in the bank gaining extreme confidence on the quality of the configured software.

Benefits
In migrating to FLEXCUBE, the Bank now has:
- A centralized view of all its customer relationships
- Unified management of credit limits and exposures
- Standardized and centrally managed product offerings which are consistent across the Bank
- Access to ongoing improvements and enhancements in Oracle FLEXCUBE
- Complete conversion of all 250+ bank branches to FLEXCUBE
“After a comprehensive selection process, Askari Bank chose FLEXCUBE UBS as their core banking platform and selected Techlogix as the System Integrator to implement the system within the Bank. Askari Bank’s ambitious plans of a nationwide rollout of the new system across more than 225 branches requires the System Integrator to have a strong ability to address all the challenges encountered on such a long and complex project. This includes detailed functional knowledge of core banking system, the ability to address the technical track of its implementation (including channels integration and reporting), having structured teams and leadership, and a strong governance of the project to ensure timely delivery. We are pleased to note that Techlogix has been able to meet all of these challenges of Core Banking implementation exceedingly well and we are happy with their performance.

Having worked closely with the Techlogix team for over two years now, we are satisfied that our goal of successful nationwide deployment of FLEXCUBE is on track and is expected to be realized in the appropriate timeframes.

Javed Iqbal
Chief Information Officer
Askari Bank Ltd.

Financial Services
www.techlogix.com/financialServices

Techlogix implements a full range of solutions for the Financial Services industry focusing on Commercial, Islamic and Microfinance Banks. Our implementation portfolio includes FLEXCUBE Core Banking, Risk Management solutions, Compliance and Anti-Money Laundering and Reporting and Data Warehousing. We also provide Application Management Services for these solutions with both onsite and offsite models. We also implement BPM and workflow solutions which automate and improve operational processes within Banks.

Contact
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About Techlogix
Techlogix is an IT Services, Consulting and Business Solutions company that helps its global clientele achieve enterprise transformation by harmonizing people, process, and technology. Techlogix builds high performance solutions using practice-specific delivery methodologies that utilize its globally distributed development teams. Our people combine the spirit of engineering excellence with a strong commitment to end-to-end customer experience. Techlogix employs approximately 300 people in 5 delivery centers worldwide.

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