Site for sore eyes

Since the deployment of the ICS Banks core offering from ICSFS in 2010, Arab Jordan Investment Bank (AJIB) has not missed a beat. It has become a major reference site for the vendor, has migrated its operations in Cyprus and Qatar to the new system, and enhanced its services through the implementation of additional modules. IBS talks to the bank's assistant general manager, Wael Al-Qadi.

'Complicated' is how Al-Qadi describes a big-bang implementation of a core banking package in Jordan. He speaks from experience as AJIB itself, a private and investment bank which caters to high net-worth individuals across the region, underwent a three-year intensive core transformation project. The bank switched to ICSFS's core offering, ICS Banks, from its in-house developed system, in February 2010 at its head office and across 24 domestic branches. In the following year, ICS Banks also went live at AJIB's operations in Cyprus and Qatar and the bank has recently become one of the main reference sites for the vendor. ICS Banks covers end-to-end operations at AJIB, including investment, commercial and private banking, trade finance and lending. The new system is interfaced to an electronic cheque-clearing solution from Jordanian vendor ProgressSoft Corporation, as well as its ATM network, SMS and internet banking, and workflows for letters of credit and guarantees.

According to Al-Qadi, the legacy system did not fit the bank's 'new, ambitious and expansionary strategy and was neither upgradable nor scalable'. The search for a new core banking system started in early 2007, with the help of international consultancy firm, Deloitte, to assist identifying the current and future needs of AJIB. Main requirements for the platform included a system built in the 4GL programming language, to cover all banking activities, to generate a wide range of reports, to support business continuity and quick restoration of data in case of failover and the ability to interface with other systems and applications using ISO standards, notes Al-Qadi. Having evaluated Oracle FSS with Flexcube, BML Istisharat with ICBS and ICSFS with ICS Banks, AJIB chose the latter. Level of local support, user-friendly technology and ease of integration were key selection factors, he adds.

The contract was signed in August 2008 and the implementation process at the bank began immediately, says Al-Qadi. The project involved system design and build, training, gap analysis, data migration, and UAT testing before going live with a big-bang migration. A project management team comprised from the bank and the vendor reported the progress of the project to AJIB's IT steering committee, says Al-Qadi. There were also auxiliary teams which consisted of technical and business specialists from different departments across the bank, he adds. ICS Banks' default configuration was adapted based on 'best international banking practices' and some minor customisations were made to comply with the Central Bank of Jordan's regulations.

Parallel to the implementation of the core, AJIB also installed the business process management and SMS banking functionality. A train-the-trainer approach was used to train all staff before the go-live, says Al-Qadi, and 24/7 support was provided by the bank to help the users overcome any obstacles. He emphasises that 'the involvement and buy-in of the senior management of the bank helped to overcome all barriers'.

For AJIB, there were four major challenges, says Al-Qadi, these surrounded the data cleansing exercise, data migration (due to large volumes of the data), the cut-off day being a working day, and maintaining new customer numbers and old customer numbers for future references. 'The best advice is to be prepared to quickly fix any unforeseen glitches, which is always part of implementing any new system.' Other advice is to schedule data cleaning exercises for every two to three years, he says. Since the deployment of the core system, the bank has purchased additional modules from the vendor, comprising payables and receivables, as well as advice and loans designed to operate in a dynamic environment. 'Investment and improvement of the bank's IT capabilities is a continuous process at AJIB,' he adds.

'We are proud to say that the implementation of the new core banking system was a major success. It was completed within the allocated budget and timeframe and the system is operating smoothly,' comments Al-Qadi. Since the switchover, departments are able to finish tasks much more quickly, since the system is more automated, which also means there are fewer errors. Al-Qadi states that the end-of-day process now takes ten to twelve minutes, compared with up to four hours previously. It is easy to follow transactions in the systems in terms of 'who worked on it and when it was originated', he says.

It has now been more than three years since the go-live of ICS Banks at the head office and based on the real-time usage of the system and continuous support from the vendor, Al-Qadi states how satisfied AJIB is with the outcome. In addition, he is complimentary of the partnership AJIB built with the vendor. With regards to future plans of the bank's IT, Al-Qadi comments, 'we are constantly looking to enhance services rendered to our clients, which includes investing in IT and new applications.' ☼