Eliminating friction in report generation, relationship-based pricing, and cross-entity transactions

When one of our North American clients went live on TCS BaNCS, it marked a major milestone in the North American banking industry's march towards modernization. The core transformation initiative is foundational to the bank's digital transformation objectives: to improve the customer experience, digitize and streamline operations, and better leverage data assets to better serve customers.

The bank's core transformation program brings seven affiliate banks onto a fully integrated core loan and deposit system. This project has served as an impetus for the bank to address customer and employee frustration points, simplify and de-risk how they do business, and adapt to future digital technology, customer, and regulatory expectations. Having a simplified back office and providing significantly greater information to their frontline bankers has also helped them improve customer experience.

In the following sections, we describe three before-and-after scenarios that demonstrate how TCS BaNCS built frictionless digital financial journeys for the bank and its customers.

Operational and MIS report generation

Before: When business users at the bank needed to generate operational, management, regulatory and ad hoc

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reports, they would have to extract data from the core banking system, move it to a separate Enterprise Data Warehouse, and make use of third-party business intelligence software. The process was cumbersome, requiring users to understand the internal processing of these systems down to the individual fields on forms and queries.

After: Drawing upon our contextual knowledge in banking amassed from numerous successful transformation programs at banks worldwide, TCS built a Business Reporting Layer (BRL) providing access to a certified Authoritative System of Record (ASOR) for reporting and research. Instead of making business users do the work, BRL automates the creation of simplified views of data that summarize complex information from the core banking database. Using these pre-calculated views, business users can easily generate consistent reports of complex and commonly required data. This made report generation seamless for users, while also easier for administrators to perform monitoring, auditing, and archiving. The BRL provides a single point of access to SQL, PowerBI, and other analytics tools, allowing developers and business users throughout the company to generate insights from an intuitive and easy-to-interpret database.

Enterprise-wide relationship-based pricing

Before: As part of its loyalty and retention program, the bank wanted to cross-sell and up-sell with incentives on interest rates and lower fees. But, these incentives were not feasible. The bank's existing relationship pricing module was part of a legacy mainframe application tightly coupled with the core banking system, and it was challenging to change any of it, let alone implement a new loyalty strategy.

After: TCS created a new relationship pricing module with ample flexibility to support new pricing strategies, including a holistic approach that delivers an enterprise-wise customer relationship with the bank.

The relationship pricing module allows banks to assemble products with flexible combinations of interest rates, fees, and cash benefits, and then offer them to specific customers that match criteria based on customer, account, and product attributes, and on relationship and transaction patterns. Furthermore, the solution has the flexibility to define how often to reassess customer eligibility for any given offer.

Whether by encouraging customers to use cost-effective channels including voice banking, internet banking, mobile banking, and ATMs; by offering waivers or discounts to the bank's most-valued customers based on account or relationship balances; and by targeting specific segments based on geography, customer attributes, or account details, the bank crafts fee structures to meet any situation. And because the staff has a single view of the customer, the service levels at the branch can be tailored just as easily as any other factor.

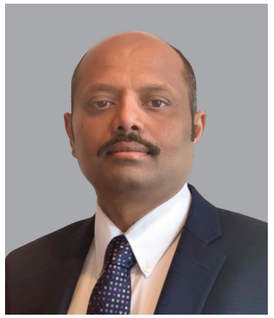
The results have been transformative, giving bank relationship managers the tools and offers they need to encourage loyalty and retention.

A co-existence layer for easier walk-in customer transactions

Before: The affiliate banks associated with a single parent company were to be migrated onto TCS BaNCS in a staged, multi-phase process. Nevertheless, customers expected to be able to conduct transactions with any affiliate, regardless of the underlying core banking platform.

After: As a first step, TCS BaNCS created a co-existence layer to ensure that TCS BaNCS and legacy applications could smoothly handle batch and online transactions. However, for cross-affiliate transactions involving cash transaction reporting, fund availability and other complex requirements, a more innovative solution was needed to ensure minimal impact on the customer experience. This solution connected the extensible teller module of TCS BaNCS with the bank's legacy payment processing platform. In affiliate locations where this solution has been deployed, customers can perform transactions on accounts that reside on another affiliate, even if that affiliate has yet to be converted to TCS BaNCS.

These before-and-after examples demonstrate TCS' ability to assess challenging business problems, develop future-proof solutions, and deliver smooth implementations of frictionless business processes.



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