

case study

BSP Fiji



Run-Grow-Transform strategy pays dividends for successful South Pacific bank

By **Freddy Tivaknoa Konousi**, Relationship Manager, TCS Financial Solutions

In December 2009, Bank of South Pacific acquired Colonial Fiji Group to form BSP Fiji. Together, the combined entity set an ambitious new goal: To become the number-one financial provider in Fiji and the region.

The entire BSP Fiji organization met the challenge head-on. Ten years ago, the bank was a distant third in a marketplace with four major players. Today, they're running a close second in a more-crowded marketplace that includes two major Australian banking groups. "By 2020, we expect to be the number-one bank in Fiji," says Omid Saberi, CIO of BSP Fiji.

Since the mid-1990s, Colonial Fiji Group had been using the core banking solution that, in 2005, was incorporated into TCS BaNCS. Based on that strong, long-lasting relationship, and the cost advantages, performance benefits, and stability of the core banking solution, it was a clear choice to move the combined entity onto TCS BaNCS.

With that choice, the seeds of today's success were planted at the time of the merger. "We compared all the systems from both BSP and Colonial, at that time, and our assessment was to stick with TCS,"

says Saberi. "In hindsight, we made the right decision. TCS BaNCS has worked for us, and TCS has been a good partner."

TCS was initially just BSP's core banking provider, but now, the relationship has expanded to include multiple solutions and projects. "We have had a long-term relationship with the people at TCS that goes back for over 25 years," says Saberi. "The longevity in that relationship really works well for us, because we know that when we deploy a project, TCS will be there to support it."

DIGITAL BANKING TRANSFORMATION

One of BSP Fiji's key objectives was to enable digital banking. "Digital is not just about access through the Internet," says Saberi. "It's starting from core banking all the way up to the touchpoints around the channels. It's providing efficiencies, enhanced customer experiences, cost savings, and competitiveness."

As such, the solution could not consist merely of bolt-on solutions onto the existing core. "Core banking is a pivot point for every product," says Saberi. "No matter what we

deliver, it has to interface with the core banking system."

That's why, before rushing ahead to deploy new digital capabilities, BSP Fiji began with a comprehensive upgrade of its core banking solution. This approach to transformation is described as "Run-Grow-Transform."

The first step, "Run," aimed to reduce risks in technology and operations with upgrades to existing systems, including the deployment of TCS BaNCS across the entire bank.

The second step, "Grow," expanded the deliverables provided to customers through existing systems, including new end-user applications.

The third step, "Transform," improved overall performance with reengineered workflows.

"We had to go through all of these stages, one at a time," says Saberi.

This "Run-Grow-Transform" approach has yielded new solutions in multiple areas:

- **Loan origination system.** BSP Fiji has significantly reduced the time it takes for a bank branch employee to process new applications for unsecured loans. These were previously processed manually, taking hours or even days. "If



you have all the paperwork and everything is in place, you can come into a branch and come out with your unsecured loan within 20 minutes," says Saberi. "This has been a huge success, and is now one of our biggest products," says Saberi.

- **Wholesale and treasury systems.** From being predominantly a retail bank, BSP Fiji has expanded into commercial lending and asset management. "Previously, everything was done on spreadsheets," says Saberi. "Now, everything is automatic, and at any time we can see our institution's positions."
- **SMS USSD banking.** BSP Fiji has the specific challenge of deploying banking services across a geographically dispersed region, including remote islands that lack basic banking services. To reach these customers, BSP Fiji provides mobile banking services using SMS messages and USSD sessions; and uses post offices as agencies acting on behalf of the bank. "We have to be creative," says Saberi.
- **Online apps for smartphones.** Demonstrating the readiness of the marketplace for online banking, as

AT A GLANCE

Company:
BSP Fiji

Headquarters:
Port Moresby,
Papua New Guinea

Business Challenge:
Digital transformation
for geographically
dispersed customers

Solution:
TCS BaNCS Digital

well as the power of word-of-mouth marketing, over 10,000 people downloaded BSP Fiji's smartphone app before the bank placed a single advertisement.

"Revenues are showing a very strong upward trend," says Saberi. "Our transformation has been a good success story for the bank."

Next up for TCS and BSP Fiji are advances in compliance and risk management, including new components for anti-money laundering, including transition monitoring and watch list checks. In addition, BSP Fiji is working to automate the reconciliations process, and on deploying EMV chip cards.

"We will not relent in our endeavor to become better at what we do, and to service our customers in better ways, and TCS is there whenever we turn to them, helping us to achieve those ends," says Saberi.

Omid Saberi,
CIO of
BSP Fiji



FAST FACTS

BSP is one of the largest and most successful banking organizations in the South Pacific. With a proud and established reputation in Papua New Guinea, and a long history of a highly successful business in the region, BSP has become the most respected bank in the Pacific.

In addition to being the largest bank in Papua New Guinea, BSP is represented in Fiji, Solomon Islands, Samoa, Tonga, Cook Islands, Vanuatu and Cambodia.

BSP Fiji has over 250,000 customers, and Fiji's widest network of customer touchpoints.

The bank is Fiji's largest commercial financial sector employer, and Fiji's largest commercial institutional investor with an asset base of over USD\$1 Billion.