

SaaS & SOA in Retail Banking

The Combination for Success

Global challenges force financial organizations to seek new technology foundation for business. The combination of Service Oriented Architecture (SOA) and Software-as-a-Service (SaaS) delivers ultimate expandability cost-effectively and prepare organizations for rapid change

SaaS, a delivery model that assumes software will be delivered over the internet in a one-to-many model, combined with a repository of SOA components provide the ability to align technology with the business needs like never before.

Monolithic on-premise applications are no longer viable when it comes to delivering products or services in a highly dynamic environment. SaaS & SOA enable retail banks to design and redesign business processes as fast as possible. Now they can focus on business needs instead of tinkering with technology limitations.

SaaS based on solid SOA framework will play a major role in transformation of financial organizations' operating models towards back-office cross-country consolidation, global knowledge sharing and global marketing practices.

A Global Delivery Challenge

The banking industry is on the peak of transformation. Globalization that provides access to, and influence from, huge populations in emerging countries like India and China as well as high merger & acquisition activity force financial organizations to consolidate their marketing, client management and support functions on national and cross-border level.

To compete successfully for customers banks also must be flexible enough to develop and replace new products and services as markets needs dictate.

To keep up with the pace organizations should transform their operating model and achieve IT agility in the following areas:

Product

In order to deliver new products and services fast, it is essential to foster an open-finance distribution model (products produced by other financial institutions distributed through the bank's network) and outsourcing of back-office, IT & support functions.

Marketing

Implementation of global strategic marketing, common data structure, analytics, profiling, and client segmentation models ready to be applied in each country. Adaptability of a bank's marketing approach is critical: local branches must be able to customize products according to local needs.

IT Infrastructure

Common IT architecture and a modular application suite will give financial organization the ability to address global challenges as well as react on changes in local markets quickly.

New Standards for Efficiency

The combination of SaaS and SOA allows financial organizations to design global business processes from loosely-coupled services, utilize vast resources of legacy assets through the use of Web Services layer and also buy services and processes from 3-rd parties like Sales Force. As a result, banks' IT systems become more responsive to the global challenges.

Smarter Outsourcing

Back in the days when SaaS providers were known as ASP's, they offered conventional software on demand in a single-tenant environment. Because the applications were not net-native, performance was poor and application updates were no better than self managed applications.

In contrast, SOA-enabled SaaS providers deliver applications in one-to-many model (single instance, [multi-tenant](#) architecture) and can scale, flexibly change and version the software in a very efficient way. New technology provide the ability to mix and match outsourced business processes with on-premise assets and services.

Instant Legacy Renovation

Ironically, retail banks that are naturally the most dynamic of all financial institutions, are also citadels of legacy technology. Due to competition pressures neither application re-development nor enterprise-wide transformation are eligible options in most cases.

SOA enables the consumption of components and the creation of links to established legacy installations through the use of a Web services layer without re-developing the software from the ground up. For instance, old account management application may be used to expose services such as “account balance”, “authorization to debit an account” or “posting of an operation on an account”

These services are delivered in a request/answer mode, under a service level contract (security, response time, throughput, etc.), and accessed through a standard interface which hides the technology of the underlying

Business Flexibility

SOA Framework addresses the need for a global and consistent view across the channels and allow to design specific sales or service processes for each channel. Much like building lego, one can use blocks (objects, functions, applications) to design whole portals shared across enterprise or specific to channel or market niche.

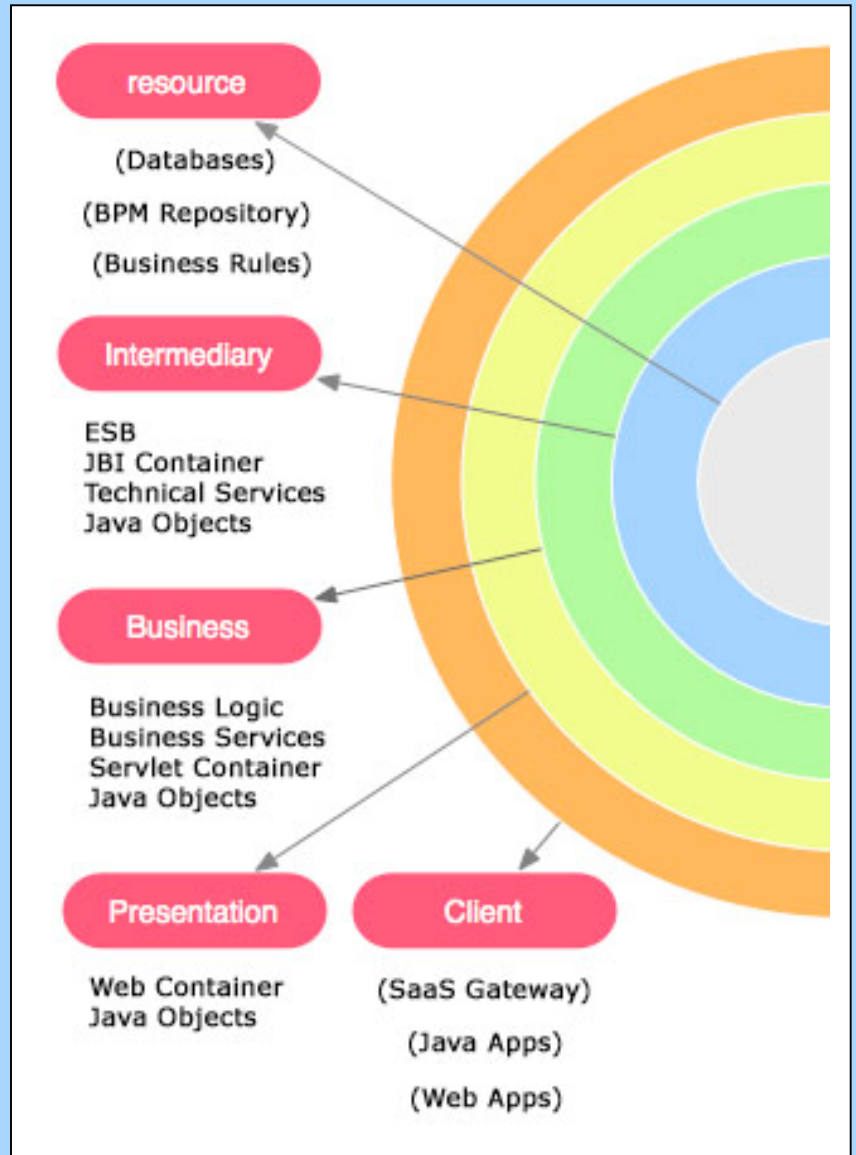
Instead of building a monolithic application around a whole function, like accounting, customer or product, new solutions can be designed from small blocks within a short timeframe. Within the SOA framework, each major business service provides a specific, targeted business capability such as “submit order” or “schedule production run” as a pluggable interface into IT applications

Solution Showcase | Building the ecosystem

To accommodate the increased competitive pressure unleashed by the combined effects of deregulation and globalization banks split their value chain between business units positioned either as distribution specialists or as production specialists.

While distribution specialists are focused on data mining, decision support and business process automation, production specialists aim at achieving economies of scale through cards/payments processing, consumer & mortgage loans management

We leverage the power of java platform and service oriented approach to deliver highly flexible enterprise SaaS solutions that enable seamless sharing, in-sourcing and out-sourcing within retail bank partners/clients ecosystem.



Business Benefits

- Faster deployment time and reduced time-to-market
- Reduced IT acquisition and maintenance costs
- Ease of use and implementation
- Reliability and scalability

Technology Toolbox

- JAX-WS 2.0 & JSR 181
- EJB 3.0
- JAXB 2.0
- JavaSever Faces 1.2
- Hibernate
- Java Facelets
- AndromDA

Financial Software Outsourcing

etnasoft.com

Globalization challenges call to explore new opportunities in high-growth emerging markets like China and India. Thus organizations must focus their IT transformation efforts on achieving customer-centricity and managing offshoring practices in back-office as well as in IT functions as a critical core competency.

ETNA Software is a trusted supplier of complex, reliable and scalable outsourcing services. Our custom-built solutions help financial institutions keep up with the pace and achieve the following strategic goals:

- Replace Legacy Technology with More Flexible Systems
- Gain Solid Understanding of Your Customers
- Improve Operational Efficiency

Our expertise include:

- [Online Trading](#)
- [Enterprise Document Management](#)
- [Customer Relationships Management](#)
- [Internet Banking](#)

Tel.:+1-512-772-4666
Fax:+7-812-633-3394
Email: info@etnasoft.com

