

Second live site for emerging core system

United Trust Bank (UTB) has gone live with the Aurius core banking system from Sword Apak, switching off its old Misys Bankmaster system. It is the second to do so and cutover came on 1st May. While both of the first two takers are relatively small UK banks, the system is an interesting one from the perspective of design (highly configurable, strong workflow, Microsoft .Net and SQL-based). It now seems to be generating interest from other UK banks, while the supplier also has international aspirations (and a French parent).

UTB's cutover was only around one month behind the initial schedule but it has experienced no issues since then. In many ways, it sounds as though a key reason for opting for this system and supplier has come to fruition, with the bank keen to be of strategic importance to the supplier, rather than signing as a small user of a larger, more widely installed system.

Certainly, UTB looked at the likes of Temenos with T24 and, not surprisingly, given it was the incumbent supplier's proposed way forward, Misys' Bankfusion Universal Banking. 'The biggest single issue in the selection was the trade-off between a reasonably new product and one that was proven,' says UTB's CEO, Graham Davin. The only taker at the time of the selection was another small UK bank that shares the same initials with UTB, Unity Trust Bank (IBS, October 2006, Unity Trust Bank case study: From little acorns...). This specialist, which is majority owned by individual trade unions and trade union federations, went live in mid-2006, so it's been quite a wait for the second cut-over.

One reassuring aspect, says Davin, was that Sword Apak is part of a relatively substantial organisation, at least as large as some of the mainstream core banking system vendors. Paris-based Sword Group, which acquired Bristol-based Apak in mid-2007 (IBS, August 2007, Sword Group buys Apak for undisclosed amount), is listed on the Paris Stock Exchange and has more than 1000 staff.

In trying to understand where to head, UTB understandably spent a fair while with the other UTB. This first user has seen a steep increase in volumes and the system has stood up well, Davin says. 'So that was

encouraging and the people there enjoy the product.' UTB also spent a lot of time getting to know the Sword Apak staff, building confidence in their commitment, expertise and delivery capabilities. 'They had a lot riding on it and we are the beneficiaries of this,' says Davin.

It was the size of the system, as well as the size of the provider, that was felt appropriate. 'We looked at some offerings from bigger vendors but they were far too all-encompassing,' says UTB's head of IT, William Dobbie. UTB, which was incorporated in 1955, offers asset finance, bridging and development finance on the lending side and a range



Graham Davin,
UTB

of deposit products. Its main requirement for the system, says Dobbie, was to support deposit taking and mortgage lending. UTB would have been a 'small fish' for the likes of Temenos.

Davin adds: 'If we'd have taken T24, which is a great product, it was potentially overkill for ourselves. This left us with a choice between a heavy-duty product that was tried and tested, but where we'd be a very small user, or buying different applications from a selection of vendors. So there was an element of breaking the mould in going with the Aurius product.'

What about the enigmatic Bankfusion, Misys' long-promised new core banking system? 'There was a general feeling that it is was very much in its infancy,' says Dobbie. Through the Bankmaster user group, the feedback

wasn't encouraging, he says, and there was the impression that Misys was still very much in development mode. 'It didn't give us what we wanted in the timescales that we needed.' Davin points out that this was two years ago, so Bankfusion was at an earlier stage than it is today, and he says Misys had good people and had served the bank well. Nevertheless, it seemed clear that this was not the route for UTB.

There was a lot of set-up with Aurius because of the workflow nature of the system, something that did not exist within Bankmaster. UTB had around six years of experience with workflow tools, having done work outside of Bankmaster around its deposits processing, says Dobbie. This had provided good tracking and control, and it was fairly well accepted within the bank. As it was, Sword Apak took on most of this workload, spending time with the bank to understand the product sets and then undertaking the configuration, before delivering a bespoke version to the bank. 'We were satisfied. They did pretty well from an outsider's view and it gave us a flying start,' says Davin.

Other aspects also went smoothly. With data migration, for instance, the bank knew from previous experiences that this would be a difficult issue, says Dobbie, but this was planned for from the start. There was also early acceptance from the staff, which made a major difference. This was surprisingly quick, he says,

and it helps that UTB is a relatively small organisation, so there was involvement during the selection from many of the 42 staff that are now using the system. Davin adds: 'Previously there was a lot of paper, lots of different systems, lots of duplicate keying, so Aurius provided clear, demonstrable advantages.'

The one area that caused a little delay was integration with other systems. UTB has a separate document management system, which it was upgrading, from InVu to Virtual Cabinet from Lindenhouse, and it also has a separate data warehouse for all its financial, regulatory reporting and modelling. There wasn't integration with Bankmaster and the task took longer than expected. On the document management side, there is now seamless access to documents from within Aurius. One ancillary system that was replaced by Aurius was

Sage's ACT CRM, with the Sword Apak system handling pre-account opening tasks around marketing and data capture, with no rekeying needed when an account is opened.

Another benefit is a shift from the flat files of Bankmaster to the relational database of Aurius, so all history from initial contact is held in one place and is readily accessible. The close attention that UTB was hoping for was duly achieved. Davin says, 'we had a lot of attention, from the CEO of Sword all the way down to the implementation team and at no stage did we have to fight for resources.' There was no third party involved, with the project

managed jointly by bank and supplier.

The go-live was particularly smooth, says Dobbie. There were several parallel runs and training of staff since January. There were a few normal issues but everything was reconciled within a reasonable period, he says.

What of the future? From UTB's own perspective, there is the implementation of customer-facing portals for each of its main products, to streamline the capture of data. The first is likely to be delivered in October 2013. There is also full integration with the data warehouse and the need to comply with the latest FINREP and COREP reporting regulations that are

in the pipeline. More widely, UTB is due to receive visits from a couple of other banks in the UK in the next two or three weeks. It is clear that these include other Bankmaster users. Of those that remain, Dobbie feels quite a few are now near the end of their licence periods and need to look again at replacement. Several did so five or so years ago but then put things on hold. For Sword Apak, he feels the next step is probably now to add more customers and build a user base that can spread the investment in the system. He is confident it will achieve that.



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