



RED HAT AND JBOSS SOLUTIONS ENABLE BANKA KOPER TO BECOME SLOVENIA'S FIRST BANK TO BRING ALL BANKING SERVICES ONLINE

FAST FACTS

Industry	Financial Services
Geography	Slovenia
Business Challenge	Banka Koper chose to build its new online banking solution, Banka IN, on Red Hat's open source platform to avoid vendor lock-in, enable in-house innovation, and because the Red Hat solution offered easy integration, greater efficiency, and better performance.
Migration Path	Proprietary platform to Red Hat Enterprise Linux and JBoss Enterprise Middleware
Software	Red Hat Enterprise Linux 5.2, JBoss Enterprise Application Platform 4.3, including JBoss Seam, Alfresco Content Management System, and IBM DB2.
Hardware	HP BladeSystem
Benefits	Reduced operational costs, and enabled easy integration, faster development time, and in-house innovation



BACKGROUND

Banka Koper is the sixth largest Slovenian bank based on revenue. It is part of the Italian financial group Intesa Sanpaolo, which has a presence in more than 30 countries worldwide. Banka Koper has 52 branches in Slovenia and 830 employees across the country. It serves more than 150,000 consumer and business customers.

Banka Koper is a universal bank, offering a wide range of banking services and products for households, small entrepreneurs, small and medium-sized enterprises, large companies and institutions. It processes over 45 million transactions per year. Approximately 87 percent of all the bank's transactions are conducted via internet banking and for corporate customers around 90 percent of transactions are undertaken via the internet.

BUSINESS CHALLENGE

Banka Koper believes that online banking will continue on its strong growth trajectory. As a result, it decided to launch Banka IN, a new online banking solution that offers customers a personal approach, more comprehensive services, and lower charges. Banka Koper is already viewed as the technological innovator on the Slovenian market, within the Intesa Sanpaolo group, and within the banking industry in general. By increasing the range of banking services it offers via the internet, Banka Koper aims to consolidate this position.

By developing Banka IN, a complete online banking solution, Banka Koper will be able to reduce costs, expand banking services and make them more effective, increase loyalty and reduce risks. Providing a secure banking environment is a priority for Banka Koper. As a result, a further requirement was the integration of chip and pin technology and card authentication within the Banka IN platform. Banka Koper is also keen to reach new customers, particularly of a young demographic, and strengthen its market position as a whole. The new online banking project is central to achieving this goal.

SOLUTION

Initially, the in-house IT specialists at Banka Koper selected a proprietary e-commerce platform as the basis for the Banka IN development. However, after 12 months the team concluded that the development was too slow. The previous platform was proving too costly and inflexible and Banka Koper was disappointed by the poor documentation, lack of skills and experience on this platform in the region. The team took the difficult decision to shelve their 12 months of work and look for an alternative solution. Determined to develop in Java to avoid vendor lock-in, and to ensure Banka IN could be integrated with Banka Koper's existing platforms and core business applications, they chose JBoss Enterprise Application Platform 4.3 which includes JBoss Seam and the reliable Red Hat Enterprise Linux operating platform.

“Red Hat’s open source platform is the right solution for Banka Koper. It is in line with our business strategy to become independent of any technology platform and allows us to develop our own solutions and stay at the forefront of technology innovation,”

says Mojca Plahuta, director of Information Technology Division, Banka Koper

Developing the Banka IN service using the JBoss platform also offered Banka Koper significant cost-savings and the ability to develop its own in-house solutions much more quickly. Banka IN was launched in October 2008 after 20 months of development. The solution is based predominantly on an open source stack, including Red Hat Enterprise Linux 5.2, JBoss Enterprise Application Platform which includes the powerful JBoss Seam framework, in-house developed solutions and DB2 database. The Red Hat solutions run on virtualized HP BladeSystems. The Banka IN project consists of an online banking solution, CRM and an electronic signature system for all distribution channels.

BENEFITS

The speed of the platform's development was impressive, allowing the IT team to finish the project on time despite losing 12 months of work following the switch from the previous proprietary platform to Red Hat and JBoss solutions. After laying the foundations, developers now have the freedom to develop customized in-house solutions at a faster pace. Alfresco's content management system runs seamlessly on Red Hat's solutions, and new applications have integrated well with the existing architecture and enable better disaster recovery. The simplicity of the Red Hat platforms allows for easy and cost-effective maintenance. Compared to other software payment models, Red Hat's subscription model has also proven to be significantly more cost-effective.

Red Hat's solutions allow Banka IN personal bankers to be more efficient and thus spend more time serving customers. The feedback from the market has been positive. The Banka IN solution does not require any additional costs or applications and delivers flexibility.

Also of great importance, Red Hat's solutions are compatible with Banka Koper's long-term technology strategy to avoid vendor lock-in “Red Hat's open source platform is the right solution for Banka Koper. It is in line with our business strategy to become independent of any technology platform, allows us to develop our own solutions, and stay at the forefront of technology innovation,” said Mojca Plahuta, director of Information Technology Division, Banka Koper.

After choosing Red Hat Enterprise Linux and JBoss Enterprise Middleware, Red Hat organised a workshop for Banka Koper's developers in co-operation with its local distributor, Housing Co. d. o. o. Since the launch of Banka IN, Banka Koper has enjoyed a smooth deployment.

Banka Koper aims to secure 25,000 new customers over the next three years through Banka IN. It also plans to move more of its services online, which would result in additional cost savings.

“Cost savings are evident with our new joint Red Hat and JBoss solution,” said Plahuta. “This is just the beginning of a success story. We have gained a lot of knowledge in the process of deploying Red Hat solutions and this knowledge represents an important asset to our bank. It will also reduce training times in the future and allow us to do more with our technology.”



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