redhat | TEMENOS

BCCL MODERNIZES CORE BANKING PLATFORM WITH RED HAT AND TEMENOS

BANCO CREDICOOP
COOPERATIVO LIMITADO

La Banca Solidaria

SOFTWARE AND SERVICES

Red Hat® Enterprise Linux®

Red Hat Enterprise Linux High Availability Add-On (formerly Red Hat Cluster Suite)

Red Hat JBoss® Enterprise Application Platform

Red Hat Process Automation Manager (formerly Red Hat JBoss BPM Suite)

Banco Credicoop Cooperativo Limitado (BCCL), a large cooperative bank in Argentina, manages millions of customer accounts. To respond to increasingly complex industry and regulatory environments, the bank upgraded its core banking platform. To support its new platform, Temenos T24, the bank deployed Red Hat Enterprise Linux, Red Hat JBoss Enterprise Application Platform (EAP), and other enterprise open source software. This cost-effective, easy-to-use environment helps the bank provide reliable, efficient services to its customers.

Buenos Aires, Argentina ●

HEADQUARTERS

FINANCIAL SERVICES

265 BRANCHES
2.65 MILLION CUSTOMER ACCOUNTS

"*Working with Temenos and Red Hat has been a very good experience for us. We're extremely pleased with our Red Hat products and all our projects based on their offerings.*"

PABLO RECEPTER
CIO, BCCL

BENEFITS

• Increased system reliability to avoid unscheduled downtime

• Enhanced software interoperability and innovation with standardized, supported enterprise open source solutions

• Improved efficiency to process 2 million transactions daily

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FACING INCREASING COMPLEXITY AND REGULATION

Founded in 1979, Banco Credicoop Cooperativo Limitado (BCCL) has 265 branches and 24 service centers throughout Argentina. The bank provides a wide range of financial services to small and medium businesses, cooperatives, social enterprises, and individuals.

BCCL decided to replace its core banking systems as part of a digital transformation initiative. "The goal of this major strategic project was to have the necessary technology to ensure the bank could function effectively in an increasingly complex industry, as well as meet changing regulatory requirements, while maintaining costs," said Pablo Recepter, CIO at BCCL.

As part of this update, the bank migrated to Temenos T24, a comprehensive management platform. "We formally analyzed 53 different possible solutions and found that T24 met our demanding technological requirements," said Recepter. "It is scalable, flexible, able to be customized, and provides a wide range of functionality. We also appreciate how Temenos invests heavily in research and development."

However, to take full advantage of this new software, BCCL needed a more effective software environment. As a result, the bank sought software to create a robust IT foundation for its core banking systems and Temenos software, resulting in better support for modern business.

CHOOSING A RELIABLE CORE BANKING PLATFORM

For its new core system, BCCL evaluated several alternatives before choosing to deploy solutions from a Temenos certified partner, Red Hat. The bank was already familiar with Red Hat Enterprise Linux from other projects. Based on these positive experiences, BCCL decided to use Red Hat Enterprise Linux to support its new Temenos T24 solution, as well as its Oracle 11g database.

"We chose Linux primarily due to our preference for using open source software whenever possible because of its diversity, security, vendor independence, and lower overall costs," said Recepter. "And Red Hat is a trusted vendor."

BCCL deployed Red Hat JBoss Enterprise Application Platform (EAP) as an application server in cluster mode for its Temenos software, as well as Red Hat Process Automation Manager (formerly Red Hat JBoss BPM Suite) and Red Hat Enterprise Linux High Availability Add-On (formerly Red Hat Cluster Suite) to gain high availability for its network file system (NFS).

"After reviewing three or four solutions from key market players, we chose Red Hat Process Automation Manager because it was a robust, proven, and cost-effective option that placed highly in our comparative analysis," said Recepter. "It also aligned with our preference for open source software."

Implementation occurred in multiple phases, with support from Red Hat and Temenos, as well as Semperti and other local partners. As part of its migration, the bank customized much of its core banking system—with 150 employees working to develop 230 functions and 130 interfaces, as well as changes related to regulatory updates during implementation. Testing involved over 25,000 test cases, with the final system version implemented for a single branch location for verification before being rolled out to all locations. BCCL is now running close to 100 servers on Red Hat Enterprise Linux, 32 JBoss EAP cores, and 16 Process Automation Manager cores.

PREVENTING DOWNTIME FOR MILLIONS OF CUSTOMERS

GREATER SYSTEM RELIABILITY

With Red Hat software, BCCL can ensure availability for its critical banking systems and services, avoiding unscheduled downtime. For example, Red Hat Enterprise Linux High Availability Add-On supports NFS high availability. The bank has run Red Hat Enterprise Linux on a particular server for 10 years—and it has only been rebooted three times, for scheduled downtime.

Without this level of reliability, the bank would be unable to offer core retail banking services, such as access to account details or payment transfers.

"Red Hat JBoss EAP is robust, with no outages to date, and it saves time in daily maintenance," said Ricardo Soto, chief technology officer (CTO) at BCCL. "One of the capabilities we found most useful is the online live updating feature that eliminates any downtime for updates."

OPEN SOURCE INNOVATION

With open source software combined with enterprise support from Red Hat, BCCL can take full advantage of a no-cost development model to support and improve its software environment.

"Using open source whenever possible is a priority for our bank, because there is a lot of documentation and community support," said Recepter. "The variety of standard formats and specifications helps us to meet our requirements, including keeping costs low and complying with increasingly complex regulation. Standardization means better interoperability between our systems, without the compatibility issues we tend to see with proprietary software."

For example, JBoss EAP offers the prerequisite connectivity for the bank's Temenos T24 back end, helping the software interact smoothly with its Red Hat solutions.

In addition, switching to open source solutions creates financial benefits for the bank. "Open source software has lower installation and support costs. The business model is based on services and not licenses. Services end up being local work, resulting in greater economic and social growth for our country," said Recepter.

FASTER PROCESSING

BCCL's core banking solution now processes around 2 million transactions daily and helps the bank manage 2.65 million customer accounts. This productivity is supported by faster workflows. For example, Red Hat Process Automation Manager is responsible for dozens of processes and thousands of daily procedures across the bank's departments, from human resources to foreign trade.

The ease of use of the bank's Red Hat software also speeds the bank's work by helping employees devote less time to routine processes and focus on value-creating work.

"Red Hat JBoss EAP is easy to use. Its features have a relatively low learning curve," said Soto. "We also have very good documentation for it from Red Hat and the open source community."

HEADING TOWARD DIGITAL TRANSFORMATION

Working with Red Hat, Temenos, and other local partners on its core banking project has helped BCCL take advantage of the market-leading capabilities of Temenos T24 and open source software innovation while avoiding the cost and vendor lock-in of proprietary middleware. As a result, the bank can now continue on its path toward digital transformation.

"Working with Temenos and Red Hat has been a very good experience for us," said Recepter. "We're extremely pleased with our Red Hat products and all our projects based on their software distributions."
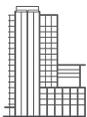
ABOUT BCCL

The Banco Credicoop Cooperativo Limitado (BCCL) is, from its origin, a genuinely cooperative organization. It was created in 1979 by the merger of 44 cooperative credit funds, some with more than 60 years of experience. BCCL is a nonprofit institution that is run by its own associates. Today, with 265 branches and 24 service centers throughout Argentina, BCCL is the leading cooperative bank in Latin America.

ABOUT TEMENOS

Temenos AG (SIX: TEMN), headquartered in Geneva, is the world's leader in banking software, partnering with banks and other financial institutions to transform their businesses and stay ahead of a changing marketplace. Over 3,000 firms across the globe, including 41 of the top 50 banks, rely on Temenos to process the daily transactions of more than 500 million banking customers. Temenos customers are proven to be more profitable than their peers: over a seven-year period, they enjoyed on average a 31% higher return on assets, a 36% higher return on equity and an 8.6 percentage point lower cost/income ratio than banks running legacy applications. For more information, please visit www.temenos.com.

ABOUT RED HAT

Red Hat is the world's leading provider of open source software solutions, using a community-powered approach to provide reliable and high-performing cloud, Linux, middleware, storage, and virtualization technologies. Red Hat also offers award-winning support, training, and consulting services. As a connective hub in a global network of enterprises, partners, and open source communities, Red Hat helps create relevant, innovative technologies that liberate resources for growth and prepare customers for the future of IT.

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