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Transform Your Retail Banking Strategy

Oracle FLEXCUBE Core Banking

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Architect Your Business to Overcome Compounding Industry Dynamics, Not Application Limitations

Banks can no longer remain idle on legacy applications. Growth, and perhaps even survival, depends upon an agile, cost-effective core banking solution that delivers a differentiated service experience.

Chosen by more than 319 customers in more than 115 countries, this next-generation core banking solution is tailored to help your bank achieve its strategic objectives.

Comprehensive, integrated, and modular, Oracle FLEXCUBE Core Banking can be flexibly deployed to support all your technology and business objectives. With this solution, you can effectively reduce operating costs, establish higher customer intimacy, and reduce time to market for new products. You can stay ahead of the competition and efficiently fulfill demanding compliance mandates while processing higher transaction volumes and meeting increased customer expectations. Oracle FLEXCUBE Core Banking helps you transform your bank with next-generation technology.

Comprehensive Core Banking Functionality Designed for Future Growth

Oracle FLEXCUBE Core Banking helps banks overcome the challenges of intense competition, reduced margins, and increased customer expectations by creating a unique competitive advantage built upon improved profitability and an extended customer reach.

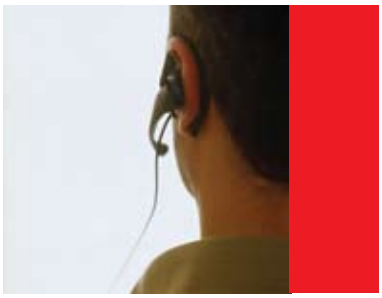
The Next-Generation Core Banking Solution Imperative

Fueled by an evolving business landscape and fierce competition, financial institutions must adopt core banking technology that will enable strategic transformation without disrupting current operations. These core systems need to interoperate with existing IT investments to eliminate information silos and create an end-to-end service-based infrastructure. A well-conceived core banking migration will accomplish the following:

- **Replace legacy systems:** Old technology slows innovation and decreases productivity. Banks need new systems that empower the enterprise through an integrated infrastructure and processes aligned with strategic objectives.
- **Increase competitiveness:** The right core banking solution can help your bank quickly deploy new products and lower costs to enhance your ability to compete.

"We believe IT is the competitive weapon for the banking industry. Oracle financial services [solutions have] provided us with [a] worthy arsenal and helped us reach this leadership position."

Aditya Puri, Managing Director, HDFC Bank



- **Facilitate regulatory compliance:** Compliance is complex and expensive. The right regulatory platform will lower costs through improved asset reusability, faster turnaround times, and increased accuracy.
- **Improve information flow:** To improve the speed and accuracy of decision-making, banks must deploy systems that streamline integration and unite corporate information to create a comprehensive analytical infrastructure.
- **Optimize customer value:** Through a holistic core banking architecture, banks can target customers with the right offers at the right time with the right channel to increase profitability.
- **Create a service-oriented architecture (SOA):** A flexible, robust IT architecture based on SOA is not optional. Banks must embrace SOA to survive.

Key Technical Capabilities

- 24/7 processing of large transaction volumes, with high availability.
- Multiple delivery channel support, including branches, ATMs, point-of-sale terminals, call centers, mobile devices, and internet banking.
- An XML Web-based user interface with context-sensitive help.
- Security management covering application and role-based access.
- Online validations and automated exception processing.
- Centralized, decentralized, and combination deployments.
- Ease of integration with existing systems using flexible Java Platform, Enterprise Edition technology.
- Operational risk management controls, including limits, collateral, and nonperforming assets.

"With Oracle financial services [solutions] and a flexible application like [Oracle] FLEXCUBE, we now have the solution to streamline our core banking operations in existing branches and move into new countries rapidly."

Alain Cartron, Head, Information Systems and Operational Process, Natixis, Europe

Achieve Your Critical Banking Objectives

Through a single view of the customer, you can build customer intimacy by analyzing customer needs and creating new products and solutions based on accurate, up-to-date customer profiles. In addition to building a long-term relationship with your customers, you can provide relationship-based pricing—offering special benefits and services such as preferential pricing for interest, charges, commissions, fees, brokerage expenses, and taxes based upon overall customer value.

Implementing Oracle FLEXCUBE Core Banking will help you reduce costs through straight-through processing and exception handling. In addition, regulatory requirements for Basel II and anti-money laundering provisions of the U.S. Bank Secrecy Act are supported through a highly secure data management system, which can easily integrate with third-party solutions at your bank.

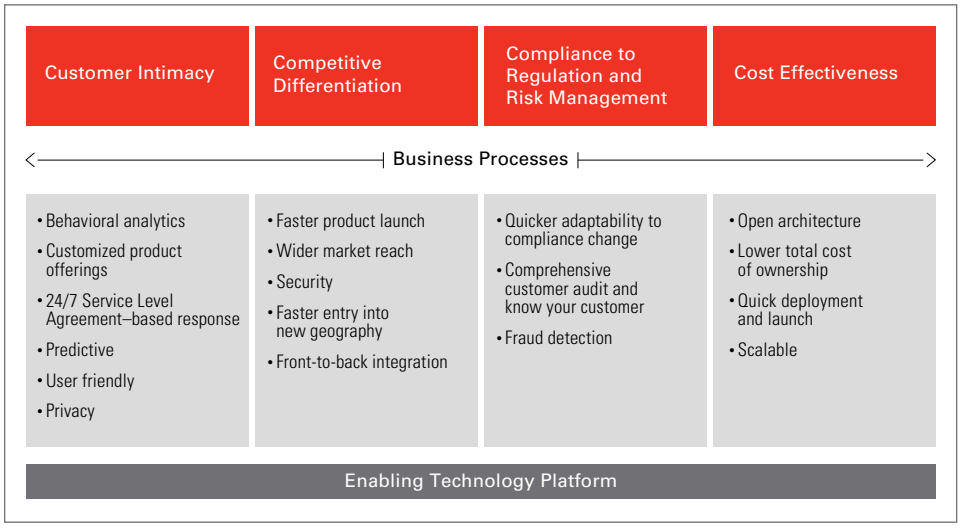


Figure 1: Key capabilities for next-generation core banking systems

Leverage a Robust, Service-Oriented Technical Architecture

Effective core banking systems help you innovate, exceed customer expectations, increase efficiency, reduce operational costs, and improve customer retention. Accomplishing these objectives requires a robust technical architecture capable of meeting rigorous banking scalability and availability demands while seamlessly integrating multiple channels and ancillary programs to create an end-to-end process framework. Oracle FLEXCUBE Core Banking combines standards-based technology and industry best practices to create a comprehensive platform for service-oriented growth.

Working in concert with Oracle Industry Reference Model for Banking, a comprehensive repository of industry-specific processes, the application architecture supports agile and business processes management using Business Process Execution Language (BPEL), SOA, and a Web services-based model. It enables integration of all third-party applications, including in-house banking software, to facilitate simple and complex business processes. You can automate your banking operations with BPEL and link them to a large set of Web services within the Oracle FLEXCUBE suite.

Customer Success: HDFC Bank

Facing stiff competition from long-established government banks, HDFC Bank needed a robust core banking solution with the ability to handle large volumes of transactions in support of rapid growth across a range of products and channels. The bank chose Oracle FLEXCUBE (formerly i-flex FLEXCUBE) as its strategic technology partner to address its complete application software requirements.

Using Oracle FLEXCUBE Core Banking, HDFC Bank has captured significant market share by rolling out new products, such as multi-branch access, phone banking, ATM cards, call center, internet banking, utility payments, and debit cards, and it participates in global ATM networks. As a result, HDFC Bank has become India's leading private sector bank and has achieved a return on equity in excess of 20 percent for the last two years.

Broad Functional Support for Retail Products and Services

Many financial applications stress the value of a flexible architecture but fail to deliver the necessary functional support. They opt instead to provide a toolkit for banks to create their own services—not Oracle FLEXCUBE Core Banking. On top of its sophisticated technical foundation, Oracle FLEXCUBE Core Banking delivers broad functional solutions for banking products and services that reflect industry best practices. These modules can be deployed individually or together, at the same time or in a phased approach. Regardless of your deployment preferences, every module delivers world-class functionality on the same technical framework.

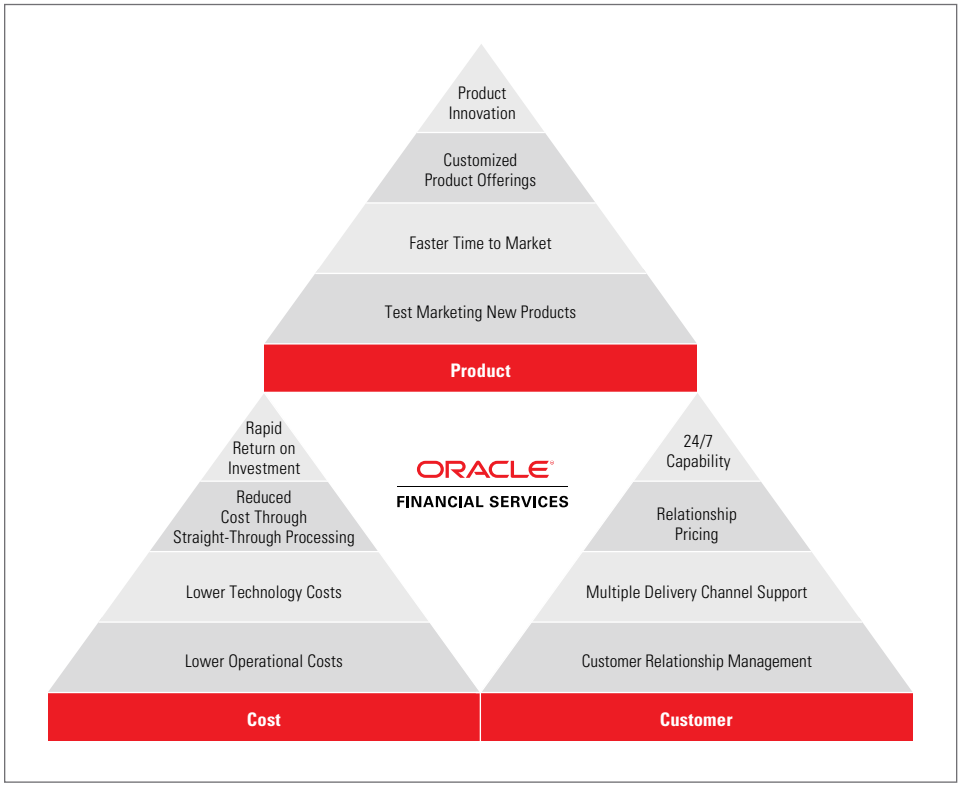


Figure 2: Oracle FLEXCUBE Core Banking's robust platform and streamlined operations

Fact: Oracle FLEXCUBE Core Banking delivers tangible business benefits by leveraging a robust technical platform that streamlines operations and optimizes the relationship between customers, products, and costs.

Support for the Full Spectrum of Banking Operations

Oracle FLEXCUBE Core Banking offers comprehensive technical features to support the full spectrum of banking operations—from small community banks to large, multinational financial institutions.

Supported Products

- Current and savings accounts (CASA)
- Deposits
- Credits
- Loans
- Collections
- Safe deposit box

Supported Services

- Sweeps
- Standing instructions
- Direct debits and credits
- Payments (Society for Worldwide Interbank Financial Telecommunication, or SWIFT, accredited)

Customer Success: Shinsei Bank (Japan)

Shinsei Bank was running a set of nonintegrated, disparate applications. This lack of integration precluded real-time data analysis, hampering the update process and the generation of financial statements. The bank needed a solution that would support retail functionality, achieve a 120-to-160 basis point return, manage financial and operational risk, enable regulatory compliance, and promote customer self-service adoption.

Shinsei Bank chose Oracle FLEXCUBE Core Banking because of its comprehensive functionality, flexible platform, integration capabilities, multichannel support, and built-in banking best practices. Using Oracle FLEXCUBE Core Banking, Shinsei Bank has reduced application maintenance costs by 40 percent, deployed 24/7 call center and internet support, entered new markets, deployed new services, and achieved ATM processing speeds 40 times faster than other Japanese banks.

Transform Your Bank for Current and Future Growth

"[Oracle] FLEXCUBE will be our single operating platform, will link the multiple entities we have acquired to a common hub, enable faster growth, and deliver better customer service across the regions."

Dr. Josef Schurarzecker
Member of Board and CIO
BAWAG PSG Group

A core banking solution must be technologically sophisticated and serve future business objectives. Oracle FLEXCUBE Core Banking is a flexible, powerful, long-term solution that will help you transform your bank into a next-generation financial institution. Through repeated, high-profile customer wins, Oracle FLEXCUBE Core Banking has demonstrated that it can successfully replace legacy systems and improve banking operations with minimal disruption and no loss of existing functionality.

Responding to customer demands, exploiting competitive opportunities, and creating an efficient infrastructure are critical success factors for every bank. So is Oracle FLEXCUBE Core Banking.

CONTACT US

For more information, please visit **oracle.com/industries/financial_services** or call +1.800.ORACLE1 to speak to an Oracle representative.

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