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Inside Sherpa – Digital Internship

Technology, Strategy & Architecture – TS&I

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ADVANTAGE ANALYSIS

Pros

- **New customer demographics Brand differentiation**
- **24/7 account and service access.**
- **Speed and efficiency.**
- **Online bill payment.**
- **Low overhead can mean low fees.**
- **Low overhead can mean high interest rates on deposit accounts.**
- **New products/ services that can be offered**
- **Increasing productivity due to fewer manual interactions**
- **Enhanced reporting and analytics**

Cons

- **No Personal Relationships : A traditional bank provides the opportunity to get to know the staff at local branches.**
- **More Limited Services : Some direct banks may not offer all the comprehensive financial services that traditional banks offer, such as insurance and brokerage accounts. Traditional banks sometimes offer special services to loyal customers, such as preferred rates and investment advice at no extra charge.**
- **Due to the open nature of the Internet, Online Banking are inherently subject to risks such as online theft of your Access Code/User ID/Username, PIN/Password, virus attacks, hacking, unauthorized access and fraudulent transactions.**

TECHNOLOGY CONSIDERATIONS

Technology Architecture

Explore the technicalities needed to run an online banking solution, considering:

- Software –platform, operating system etc.
- Infrastructure –database capabilities, hosting etc.
- Security –encryption, secure log-on etc.
- Support –level of training of IT support staff required.

Usability of the Solution

To ensure the solution is user-friendly and well adopted, including:

- Ease of use –large customer base testing the interface during design to enhance development cycle.
- Meets customer needs –considering different user scenario and use cases for the business type across all devices.
- Web standards –Web Content Accessibility Guidelines (WCAG) v2 compliant

Technology Delivery

Technology capabilities to be procured and implemented, including:

- Components that would work well as Software-as-a-Service –e.g. savings calculators
- External vendors needed if any, or if it can be built in-house

Technology Framework and Compatibility

To cater as many customers as possible:

- Check internet browsers to support –IE, Chrome, Microsoft etc.
- Internet bandwidth / performance issues
- Website code/language selection like Java, C++, Flash

HIGH LEVEL BUSINESS CASE CONSIDERATIONS

Benefits Realisation

Potential benefits to be realised from an online banking solution:

- New customer demographics Brand differentiation
- New products/ services that can be offered
- Increase in productivity due to fewer manual interactions
- Enhanced reporting and analytics

Process Improvement

Online-first solution improves business processes:

- Less customer contact points
- Effort and time significantly reduced due to some services that can be fully automated –e.g. term deposits submitted online

Increased Automation

To increase the client's technical capability and level of automation:

- No legacy system considerations
- Ability to up-scale quickly
- Increased level of expertise / offerings to the customer

Cost Analysis

Costs incurred when establishing an online-first versus a bricks-and-mortar banking solution, considering:

- Lower overhead / operating costs • Reduced infrastructure costs needed
- Reduced staff costs needed • Reduced inventory needed