

## **Slide 1: Title Slide**

Good morning, everyone. Today, we will be presenting our analysis of Information Systems Strategy and IT Governance for LOLC Finance PLC.

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## **Slide 3: Introduction**

Let's talk about the introduction

LOLC Holdings operates in several industries, including financing, manufacturing, insurance, leisure, and agriculture. Our study, we focus on LOLC Finance PLC, to explore how IS/IT plans are integrated to support its operations.

When we talk about LOLC Finance PLC, It is a non-banking financial company in Sri Lanka founded in 2001, and it is the financial arm of LOLC Group. The company provides financial services like leasing, digital banking, loans, microfinance, and digital solutions.

## Slide 4: Strategic Plan

The company's **vision** is inclusive financial services exceeding customer expectations

The **mission** is to set industry standards in non-banking financial services.

### Goals and Objectives

- Facilitate SME growth.
- Embed sustainability and ESG principles.
- Leverage technology for scalable solutions.
- Expand and diversify offerings globally

## Slide 5: IS/IT Strategy Plan

LOLC Technologies Ltd company is the IT service provider in LOLC Finance. It provides all the IT services and software support. Let's talk about **Specific IT-related Goals and Objectives**.

- The primary IT-related goal is to provide an uninterrupted banking experience through online banking platforms.
- Developing a leading online payment mobile application and being a leading digital financial service provider in Sri Lanka.
- Implement industry-standard security protocols.
- Providing 24-hour real-time digital financial experience without systems down.

### The main components of IS/IT strategy plan

1. Core Banking System for financial operations.
2. Digital Channels
3. Cloud and data center infrastructure.
4. Real-time KPI monitoring for decision-making.

## Slide 6: IS/IT Strategy Plan Cont...

### Current approach to ICT management and implementation

The company implements software development and integration efforts based on Product-Focused Innovation. These are the main products LOLC Finance developed.

- The iPay app: It is a user-friendly digital payment platform.
- FusionX: It is the core banking system of the organization
- Bank, Merchant, and Call Center web portals for managing user information.
- OASYS^ is an online platform for easier enterprise resource planning (ERP) and human resources (HR).

## Slide 7: IT Governance Maturity Analysis

We used Luftman's Strategic Alignment Maturity (SAM) Model to assess how effectively an organization aligns its IT and business strategies. The first criteria is,

1. **Communication:** The company centralized policies and training.
2. **Value Measurement:** KPIs linked to IT investments.
3. **Governance:** The company has regulations and audits.
4. **Partnership:** Bank of Ceylon and ACTED is the main partnership in the company.
5. **Scope:** Integrated systems like FusionX and iPay.
6. **Skills:** Continuous upskilling and collaboration.

## Slide 8: IT Governance Maturity Analysis Cont...

**Image:** This image shows maturity rating using Luftman's model. Communication and Scope are in level 4, and others are in level 5.

Based on the company interview insights and the findings of the SAMM ratings, we have chosen LOLC Finance's IT governance maturity to be around Level 5 with some aspects trending forward to Level 4.

## Slide 9: Steps for IT Strategic Alignment

### Integrating ICT investments with corporate Strategy

- Align ICT with corporate strategy.
- Invest in partnerships and alliances.
- Budget for innovation and security.
- Leverage global tech providers (e.g., Microsoft, Oracle).

### Business Opportunities for Growth

- Digital platforms (iPay).
- Geographic expansion (Cambodia, Myanmar, Nigeria).
- Flexible financial solutions via cloud infrastructure.

### Cost-effective and flexible technology infrastructure for the future

- Cloud services
- Network security and cybersecurity

## Slide 10: Implementing IT Governance

LOLC Finance PLC is a financial institution therefore, COBIT framework is typically the most suitable and comprehensive IT Governance

These are the **key steps** in the COBIT framework:

1. Stakeholders buy-in and gap analysis.
2. Designing governance structures.
3. Implement processes and controls.
4. Conduct training and awareness.
5. And monitor and review for continuous improvement

## **Slide 11: Implementing IT Governance Cont...**

### **The use of ITG frameworks in similar organizations**

Other organizations in the financial sector, like Commercial Credit, Dialog Finance, and Softlogic Finance, also use IT governance frameworks such as COBIT and ITIL. These frameworks help ensure security, compliance, and effective IT management, like LOLC Finance.

## **Slide 12: Conclusion**

In conclusion, LOLC Finance operates in a competitive market and leverages robust IT strategies to maintain its leadership. While its IT governance is strong, adopting COBIT fully can help manage risks, optimize resources, and align IT with business goals. With ongoing improvements, LOLC Finance is well-positioned for future growth and innovation.

## **Slide 13: Thank You**

Thank you for your attention.