

Panama branch of leading bank speeds time-to-market by 50% and reduces cost

OpenLegacy reduces post-merger technical complexities, aligns mainframes with DevOps, and helps the bank create new digital channels faster & cheaper

Financial

IBM Mainframe

AWS Lambda

Digital Payments

DevOps

Microservices

With more than 540,000 customers, this bank provides banking products and services through one of the largest networks in Panama with 55 branches and over 300 ATMs.



The Challenge

Despite wanting to be an innovative, “FinTech-ready” bank, the organization was stifled by post-merger legacy systems spread across two countries and some of the highest operating costs of any bank in the region. Mainframe programming using COBOL was done in Colombia, digital programming was done in Panama and the infrastructure was maintained by a third-party global systems integrator. Excessive complexity delayed time-to-market for new mainframe-based products and services, often requiring 6 months or more for deployment.

As a result, the bank not only lost first-mover advantage, but also higher costs ate into profits. “A high priority was to offer a modern, digital payment processing system for our commercial customers. Our inability to deliver would not only effect our bank, but all of our customers as well,” says a bank executive. “We needed to be leaner and meaner. We could no longer wait to write a program on the mainframe, then wrap it and publish as a web service.”

Overall goals were:

- Accelerate deployment of new digital innovations and applications, such as Payment Processing for commercial customers.
- Shorten time-to-market for other long-term and strategic bank initiatives.
- Make legacy systems a viable and strategic contributor to revenue.
- Align the bank’s mainframes to support and enable the bank’s DevOps initiative.



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Bank Executive

- Expose the value of their core banking application running on an IBM mainframe in Colombia with scalability and cost-savings of Amazon Lambda.
- Establish an “API-Microservice Factory” to standardize, automate and manage APIs for omnichannel deployment across mobile, the web and cloud.
- Reduce complexity by eliminating MQ/ESB layers and exposing mainframe programs directly.
- Find the best way to speed deployment with auto-generation of Java objects to deploy REST APIs.
- Reduce risk by maintaining all business logic outside of the mainframes.



The Solution

The bank’s “digital transformation” was developed using OpenLegacy’s microservice-enabled API integration and management software. Based on past experience, the bank did not want to engage in large multi-year projects. They had numerous critical development projects to run in parallel, and had embraced the power of Agile and Scrum methodologies. A major global consultancy managed the bank’s overall digital transformation project and architecture. They chose OpenLegacy as the tactical engine.

“As the name implies, OpenLegacy is an impressive combination of open standards, flexibility and focus on automating API creation from complex legacy systems,” says a bank executive. “Our situation was far from ‘out-of-the-box,’ and we needed a vendor who could handle our unique requirements, including Lambda serverless deployment.”

After initially evaluating IBM Bluemix/Cloud Foundry, the bank shifted gears to an Amazon Lambda Architecture for more granular pricing and greater cost-savings. AWS Lambda was infinitely scalable, yet could efficiently manage usage peaks and valleys for a lower Total Cost of Ownership (TCO).

“This is a game-changer that opens the doors for new channels and partnerships that simply weren’t possible before,” says a bank executive. “Plus the bank not only reduces IT complexity, but also the layers of bureaucracy, staff and vendors that had contributed to the long delays.”



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The Result

Speed

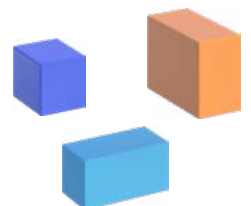
Aggressive timeframes were met, despite switching from Bluemix to serverless deployment via AWS Lambda mid-way through the project.

New digital service

Deployed new payment processing service for commercial bank clients in just 90 days, 50% faster than typical mainframe projects.

Mitigated risks

Exposed business logic from mainframe applications to extend capabilities of the web layer.



Re-use

Mainframe application data can be re-used and integrated with mobile, web and portal applications over a unified platform, thus simplifying maintenance.

Efficiency

Used automated Java SDK's to call legacy applications and REST API for deployments.

Simplification

Exposed Mainframe (Core Applications) without intermediate layers such as MQ and ESB.

Response Time

Due to less complicated architecture and processing speed from Lambda, services are about 20-30% faster.

DevOps

Mainframe modernization projects are now aligned with DevOps for velocity and scale, including specialized tests and quality control indicators. A stress-test showed that, together, OpenLegacy and Lambda could serve 60,000 concurrent requests—much higher than the bank's anticipated needs.

About OpenLegacy

OpenLegacy's Digital-Driven Integration enables organizations with legacy systems to release new digital services faster and easier than ever before. Connecting directly to even the most complex core systems, OpenLegacy automatically generates the digital-ready components needed to integrate legacy assets into exciting new innovations. With OpenLegacy, industry-leading companies release new apps, features, and updates while spending a fraction of the time and resources, so they quickly and easily become digital to the core.