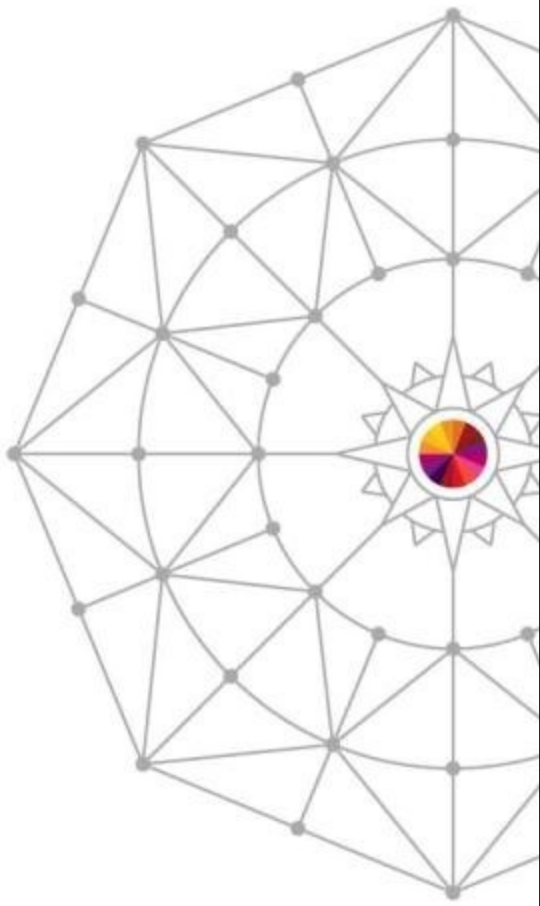
#SHAREorg

SHARE
Technology · Connections · Results

Beyond the Cloud - The industrialization of IT Services in Sicoob

Paulo Nassar
Sicoob

03/11/2014
14996

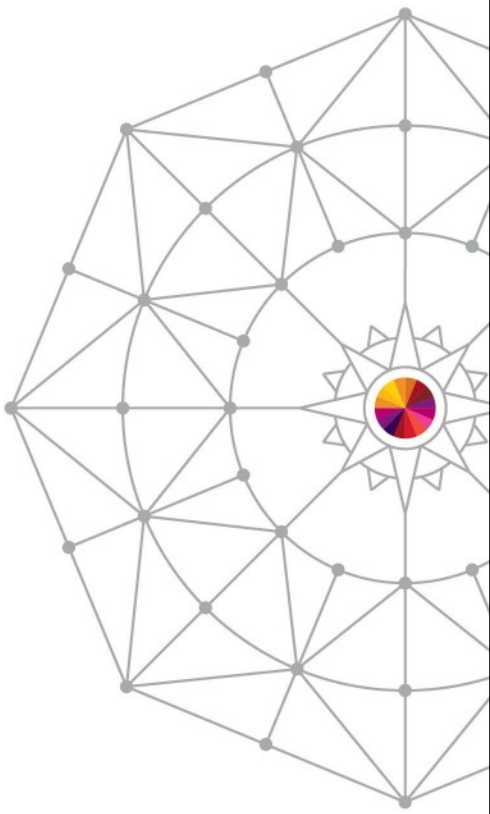


SHARE in Anaheim

Copyright (c) 2014 by SHARE Inc. Except where otherwise noted, this work is licensed under http://creativecommons.org/licenses/by-nc-sa/3.0/

What will be covered

- Credit Cooperativism
- What is Sicoob?
- Brazilian Financial System
- Challenges
- Concepts and Sicoob Cloud Project
- Efforts
- Sicoob Cloud Reference Architecture
- Business Technology



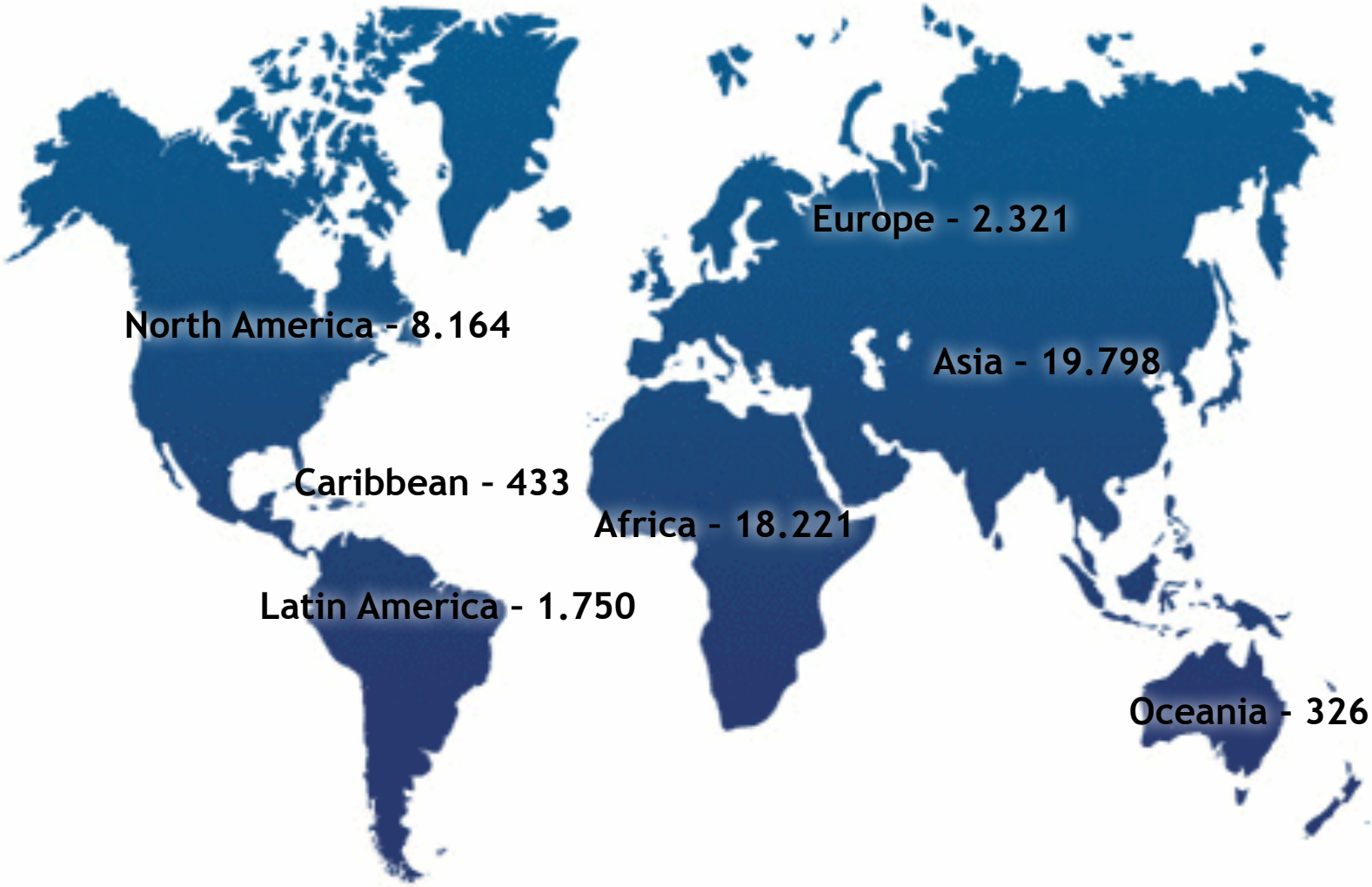
Complete your session evaluations online at www.SHARE.org/Anaheim-Eval

Credit Cooperativism

- What is a Credit Cooperative?
  - It is an association of people who seek through mutual assistance, to make a better management of their financial resources.
  - The purpose of the Credit Cooperative is credit cooperation, to provide banking services to its members with more advantageous conditions.

Complete your session evaluations online at www.SHARE.org/Anaheim-Eval

Credit Cooperativism around the world



Complete your session evaluations online at www.SHARE.org/Anaheim-Eval

Credit Cooperativism in Brazil

- Credit Cooperatives in Brazil

  In Brazil, Credit Cooperative is treated in the same way as any financial institution (Law number 4595) and all operations must be authorized and regulated by the Central Bank of Brazil.

Complete your session evaluations online at www.SHARE.org/Anaheim-Eval

Credit Cooperativism in Brazil

05
National Confederations

38
Central Cooperatives

1.273
Singular Cooperatives

02
Cooperative Banks

4.825
Service points

56.178
Direct jobs

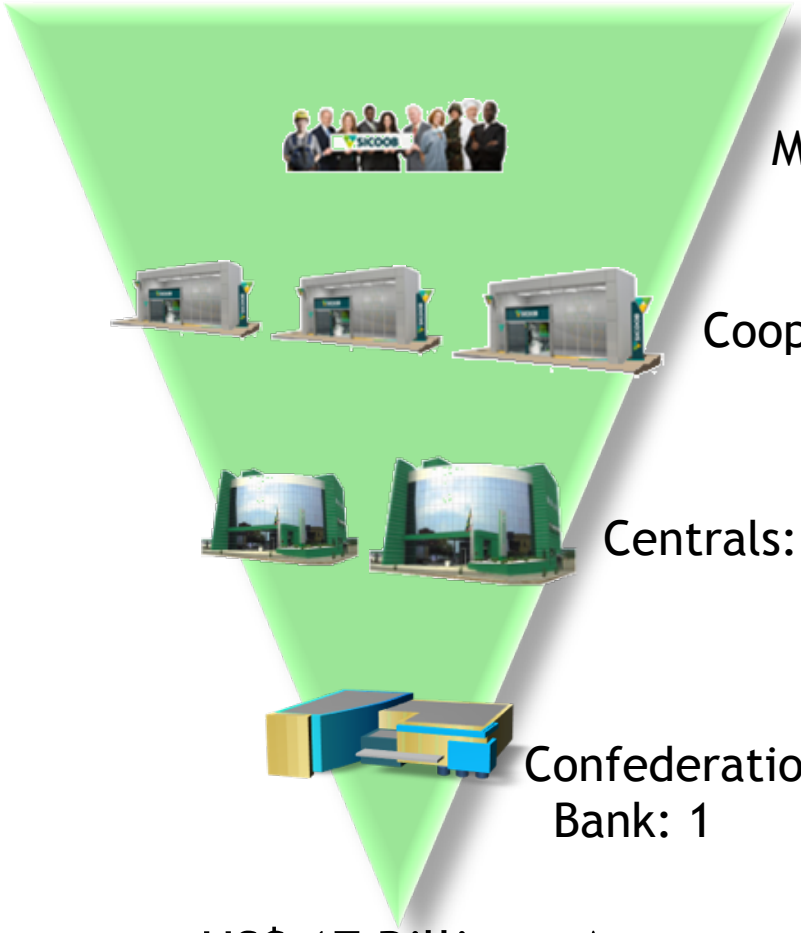
5,8 Milhões
Costumers

Complete your session evaluations online at www.SHARE.org/Anaheim-Eval

Sicoob

Complete your session evaluations online at www.SHARE.org/Anaheim-Eval

Sicoob X-ray



Members: 2.419.031

Cooperatives: 529

Centrals: 15

Confederation: 1
Bank: 1

US$ 17 Billions Assets

Products offered by Sicoob

Payments Wire Transfer

Private Pension

Investments

Capital Account

Official Resources

Insurance

Loans

Consortium

Cash Account

Debit and Credit Cards

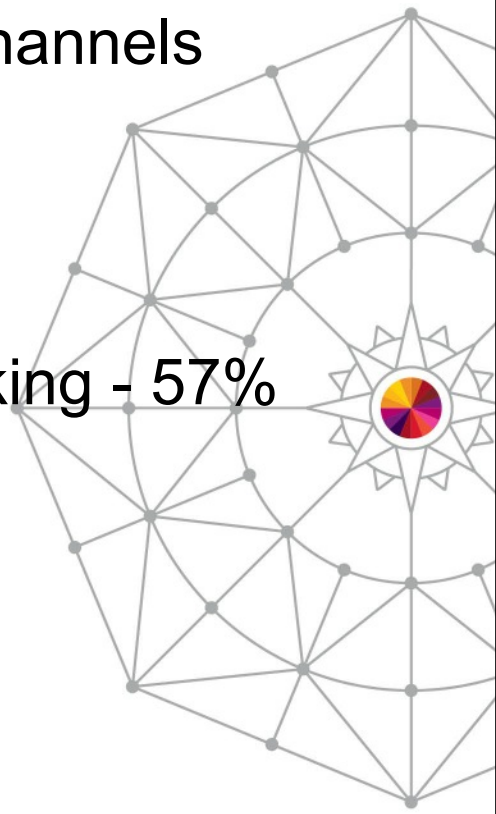
Personalized Service

Major Banks in Brazil - Points of Service

Ranking	Institution	Number
1º	Banco do Brasil	6.910
2º	Bradesco	6.025
3º	Itaú Unibanco	4.721
4º	Santander[1]	3.942
5º	Caixa Econômica Federal	3.054
6º	**Sicoob**	**2.013**
7º	HSBC	1.268

Sicoob's Growth

- Business transactions made in self-service channels
  - Mobile banking - 600%
  - Internet banking - 119%
  - ATM - 22%
- Total transactions processed at the core banking - 57%
- Credit transactions volume - 83%
- Debit transactions volume - 127%



Complete your session evaluations online at www.SHARE.org/Anaheim-Eval

Overview of Sicoob's IT Infrastructure

- Primary Site

2 Mainframes z196 /1 zEC 12*
2 Storages DS8700/8800
1 Tape Library TS3500
6 High-End Intel Servers + 1 New*
17 Middle Range Servers
4 Directors SAN

- Secondary Site

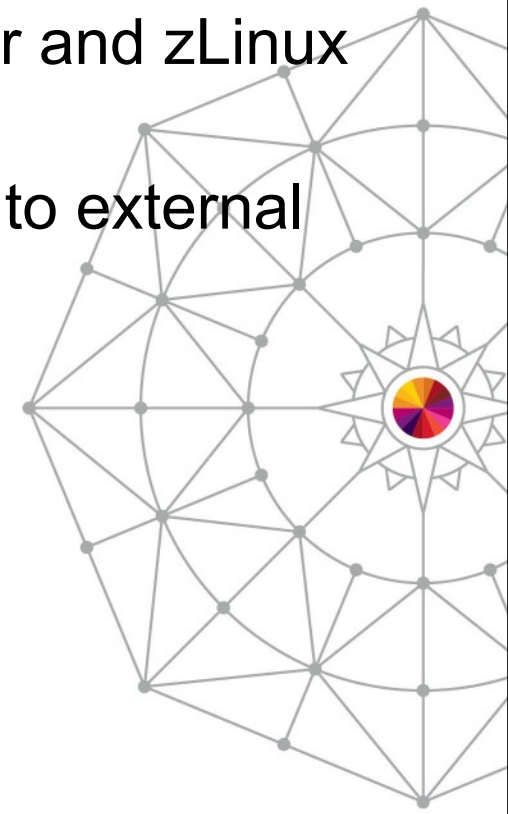
1 Mainframe z10
1 Storage DS8700
1 Tape Library iScalar
1 High-End Intel Servers
3 Middle Range Servers
4 Directors SAN

All systems and platforms that compose the major bank core systems are developed In-house

Complete your session evaluations online at www.SHARE.org/Anaheim-Eval

Curiosities

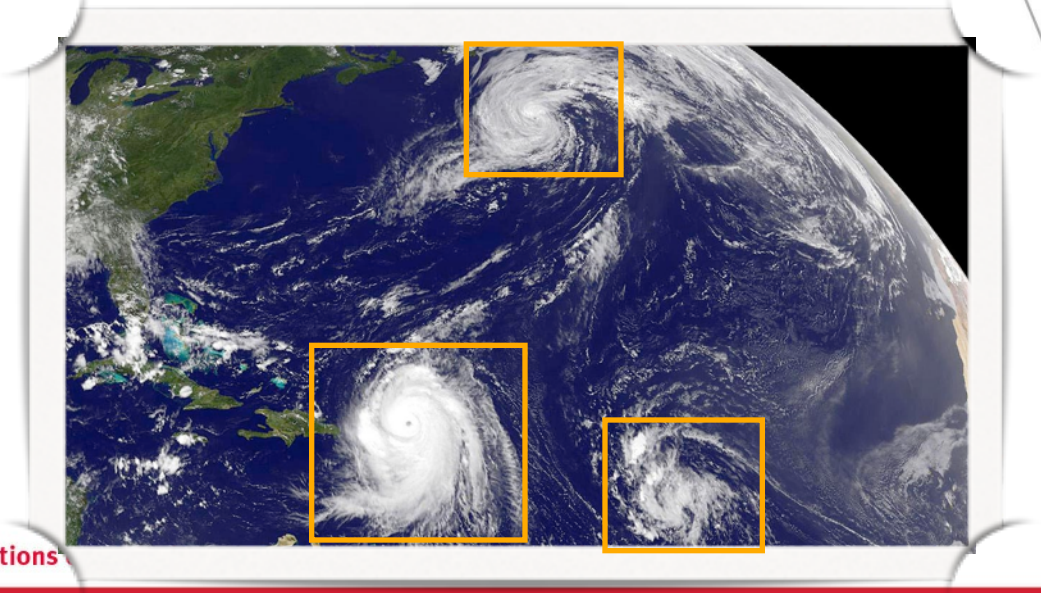
- Sicoob is the 2nd major user of IFL processor and zLinux OS in the world (153 IFLs and 530 VMs)
- Sicoob is the first bank in Brazil to offer IaaS to external clients using his own Data Center



Complete your session evaluations online at www.SHARE.org/Anaheim-Eval

What about the cloud?

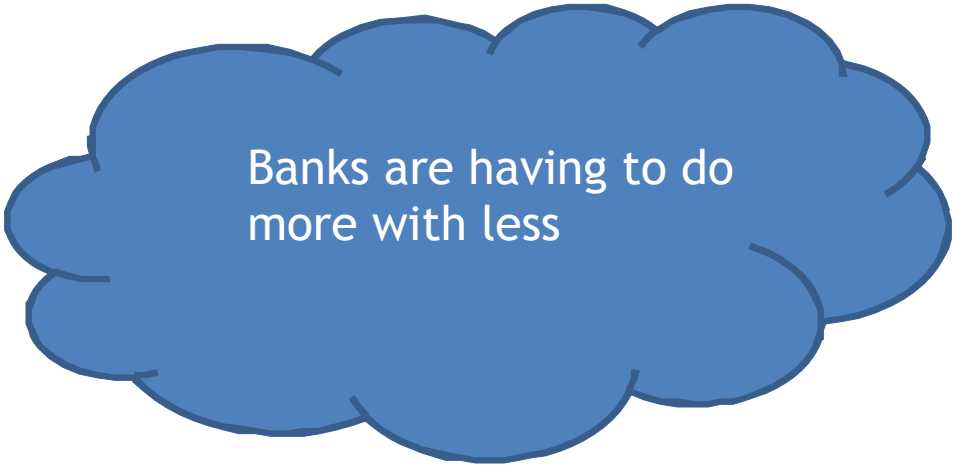
- Before talking about the cloud project at Sicoob we have to explain the environmental forces which affect our strategies. These 03 driving forces:
  - Changing Global Financial System
  - Changing National Credit Cooperativism
  - IT Trends

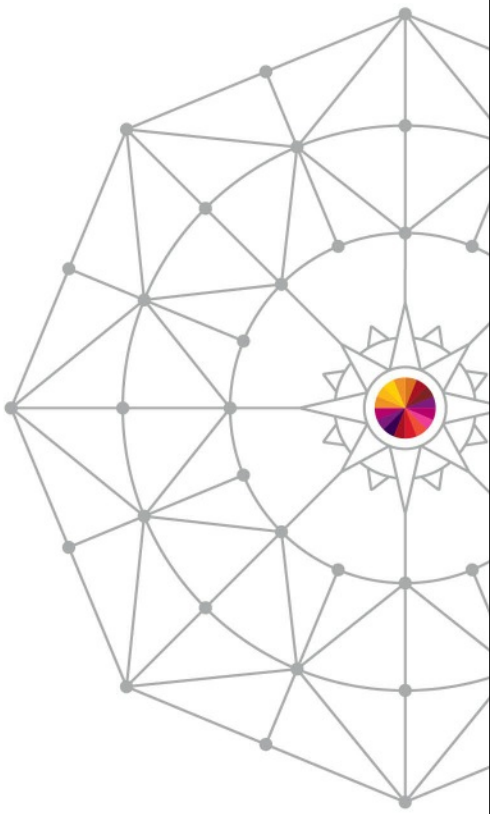


Complete your session evaluations

Brazil economics and financial overview

- Today´s snapshot – Market Retraction
- Inflation growth
- Low projection of the PIB Growth
- Increasing of the Risco Brazil
- Dollar growing





Complete your session evaluations online at www.SHARE.org/Anaheim-Eval

Perspectives of the financial market

- Government pressure on credit offerings.
- Operational profit margin reduction trend.
- Expansion of Products and Services portfolio.
- Bringing in new customers.
- Expansion of service network.
- Reduction in operational and administrative costs.
- Intensification of new technologies used in product creation and delivery.
- BASEL III regulatory framework

Complete your session evaluations online at www.SHARE.org/Anaheim-Eval

National credit cooperative system

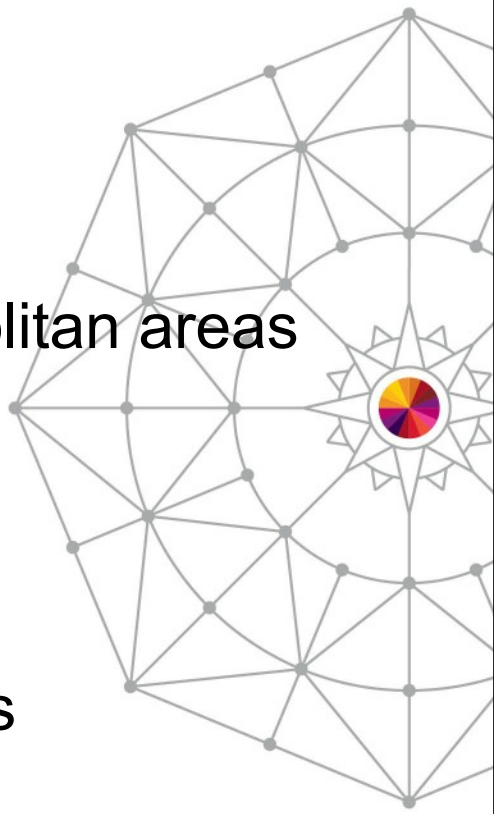
- In the last 10 years the cooperative movement has faced a large growing.

- Nowadays, the system is challenged to foster another big wave of evolution and to become more competitive in the banks´s market place.

Complete your session evaluations online at www.SHARE.org/Anaheim-Eval

Cooperativism challenges

1. Customer loyalty
2. Expanding the range of action in Metropolitan areas
3. Systemic attitude
4. Offer a competitive wide range of products and services



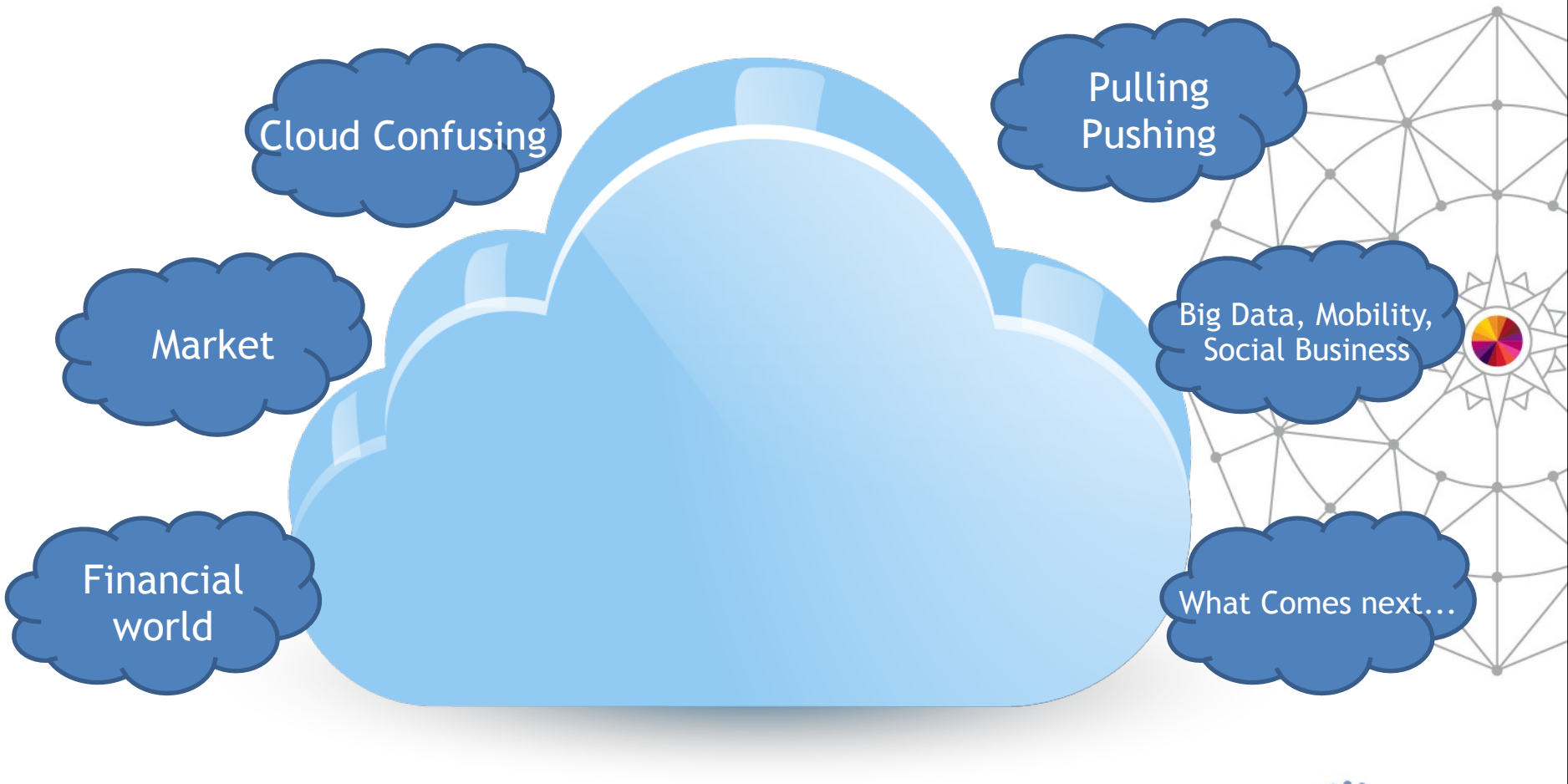
National credit cooperative system

"To advance and make a difference as a system in the cooperative world as well as in the National Financial System it is important to practice the preamble of Complimentary Brazilian Law concerning the creation of a National Credit Cooperatives System."

National Credit Cooperatives System

Complete your session evaluations online at www.SHARE.org/Anaheim-Eval

IT & Cloud Computing



Executive Point of View - Sicoob

"IT isn´t anymore a cost center but an investment line. Invest in IT and collect benefits and direct revenue."

=

Ricardo Antônio
CIO
Sicoob

Sicoob Cloud Computing Project

Insert a new concept of IT management, and a new organizational culture based on maturity of processes, focusing in quality improvement, in order to prepare Sicoob for the future, achieving high levels of businesses and services delivered in the financial world market.

Industrialization

"Standardization of IT services through a higly automatized pre-defined and pre-set solutions, repeateable, scalable, reliable to meet the needs of the organization."

Gartner

"Industrial models require The abolition of pure artistry of technology and move into a business engineering mentality."

FORRESTER®

Complete your session evaluations online at www.SHARE.org/Anaheim-Eval

Servicizing

"**Servicizing** is a transaction through which value is provided by a combination of products and services in which satisfaction of customer needs is achieved by selling the **function** of the product rather than product itself, or by increasing the service component of the offer."

Servicizing philosophy envolves the concern about the quality, the client service, the customization of operational attitudes seeking new clients fidelity and customer satisfaction.

Complete your session evaluations online at www.SHARE.org/Anaheim-Eval

Cloud based

RESULTS

Alignment with business
Competitive advantage
Time to market
Efficiency
Inovation
Mobility
Flexibility

Investments rationalization
Performance
Availability
Scalability
Agility

Pillars of cloud

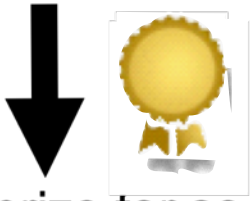
Security
Privacy
Automation
Governance
Virtualization
Standardization
Metering and Control

Self service
Automation
IT as utility
Fast elasticity
Pay as you Go
Sharing resources
Measurable services

Complete your session evaluations online at www.SHARE.org/Anaheim-Eval

Sicoob's efforts

90% of Virtualized servers (1200 VMs)
95% of Consolidation
(310 physical servers to 36)
95% of standardized environment



This project won a prize for social environmental contribution - CO2 reduction 270 tons/year and economy of 6.134.400 Kw/year of energy consumption.

US$ 1.500.000,00

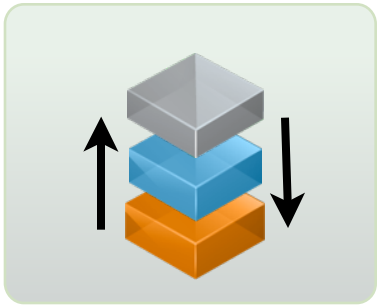
economy by year

Complete your session evaluations online at www.SHARE.org/Anaheim-Eval

Sicoob's efforts

Geographic contingency

Tiering & ILM



Mobile

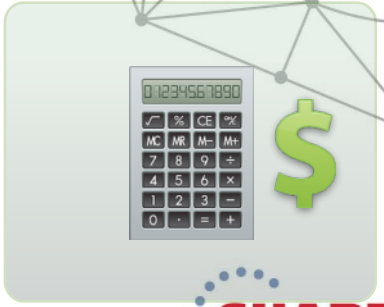
Collaboration

3th Data Center

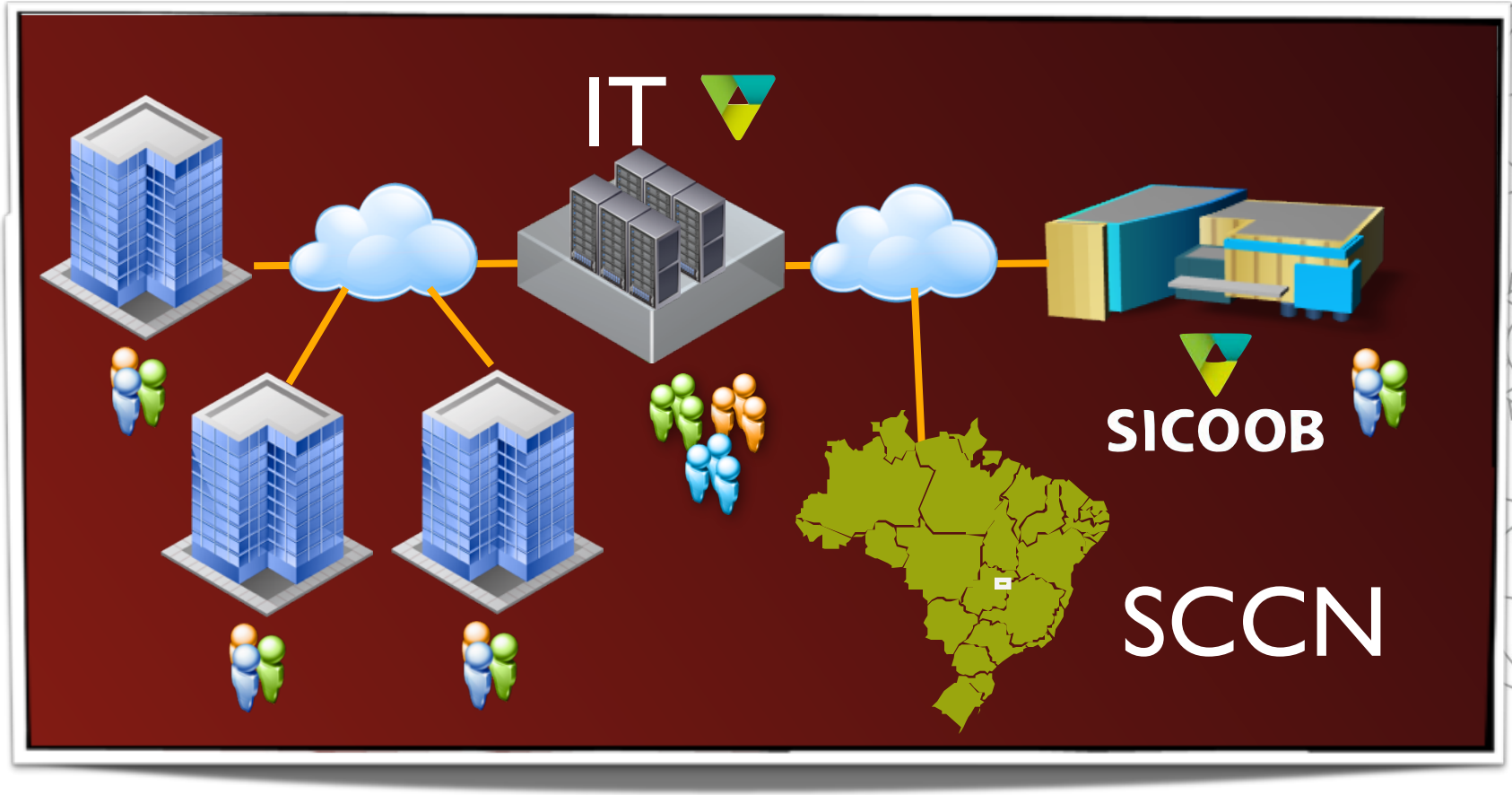
BI

Hosting / Collocation

Pricing /Billing methodology



Objective: Be a provider



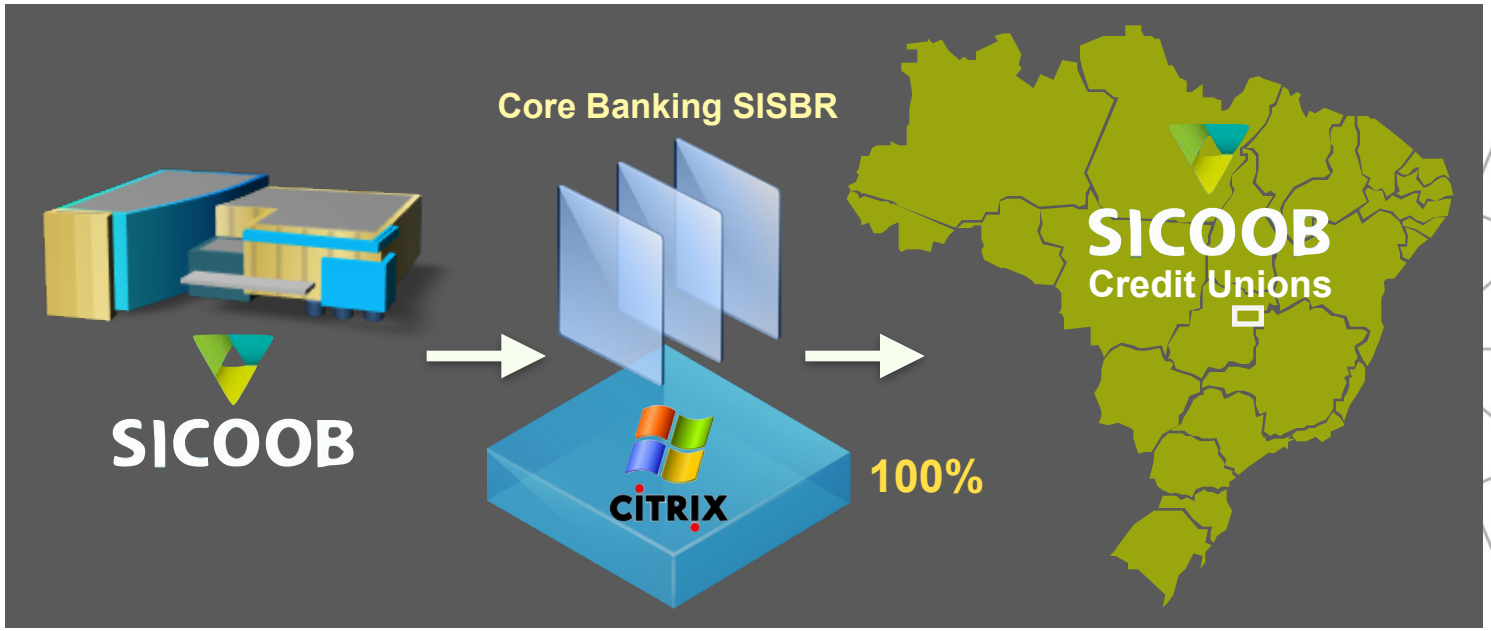
Complete your session evaluations online at www.SHARE.org/Anaheim-Eval

Opportunities

- To serve banks and other financial institutions with banking core systems as a service.
- To offer new services using new concepts and trends of technology and create new customer experiences leveraging new business based on innovation.
- To generate revenue through new products and services making use of new technologies and market trends.
- To offer mapped services as social business, VDI, files storage, electronic document management, SaaS, PaaS, IaaS etc.
- To centralize of a IT National Credit Cooperative System straightening the cooperatives systems migration and offering that system as a service.
- To bring the Basel III framework as an opportunity to offer services, transforming CAPEX in OPEX for those institutions or cooperatives that are trying to equalize their accounting and liquidity.

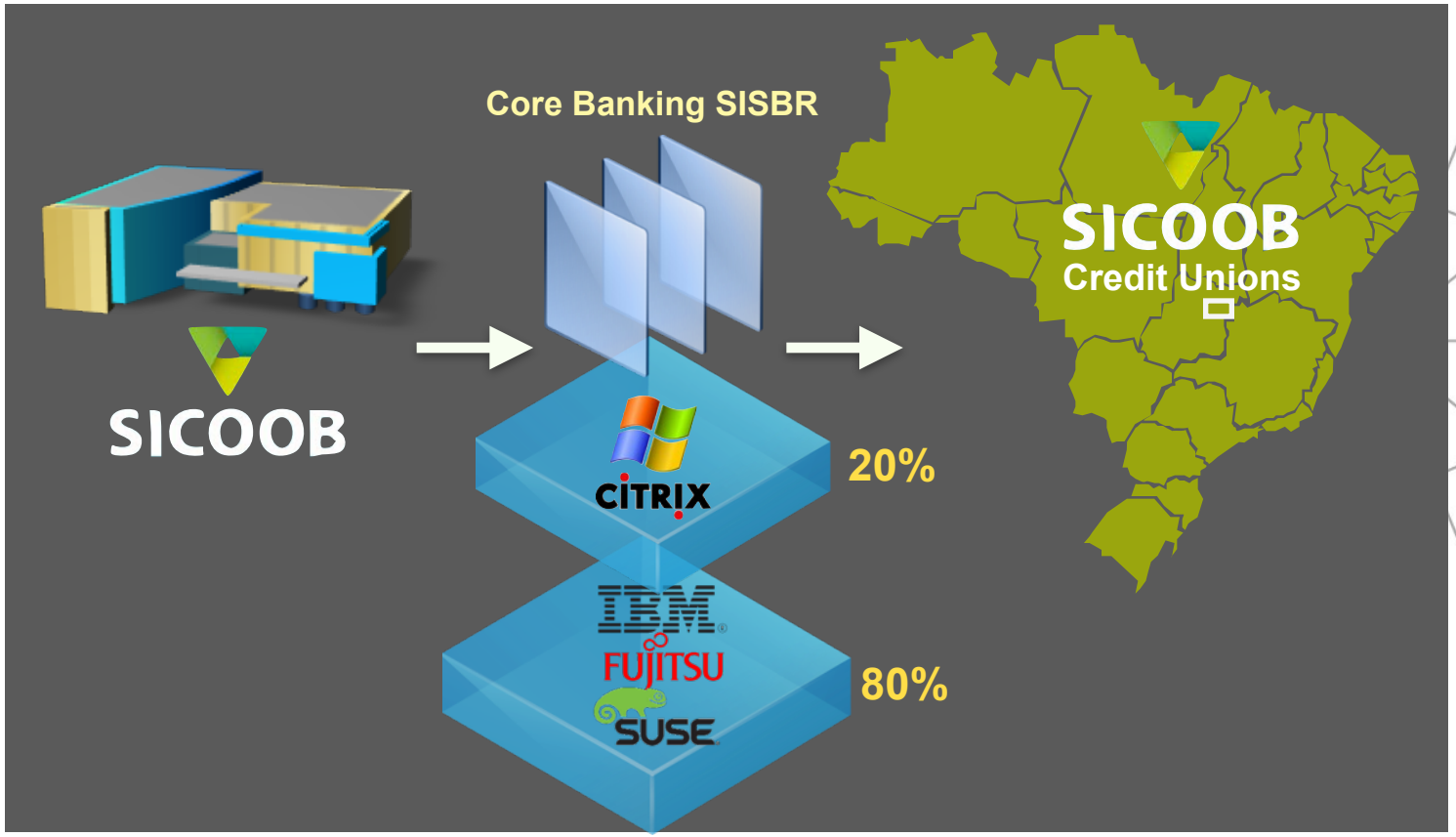
Complete your session evaluations online at www.SHARE.org/Anaheim-Eval

Sicoob as IT Provider 2001-2007



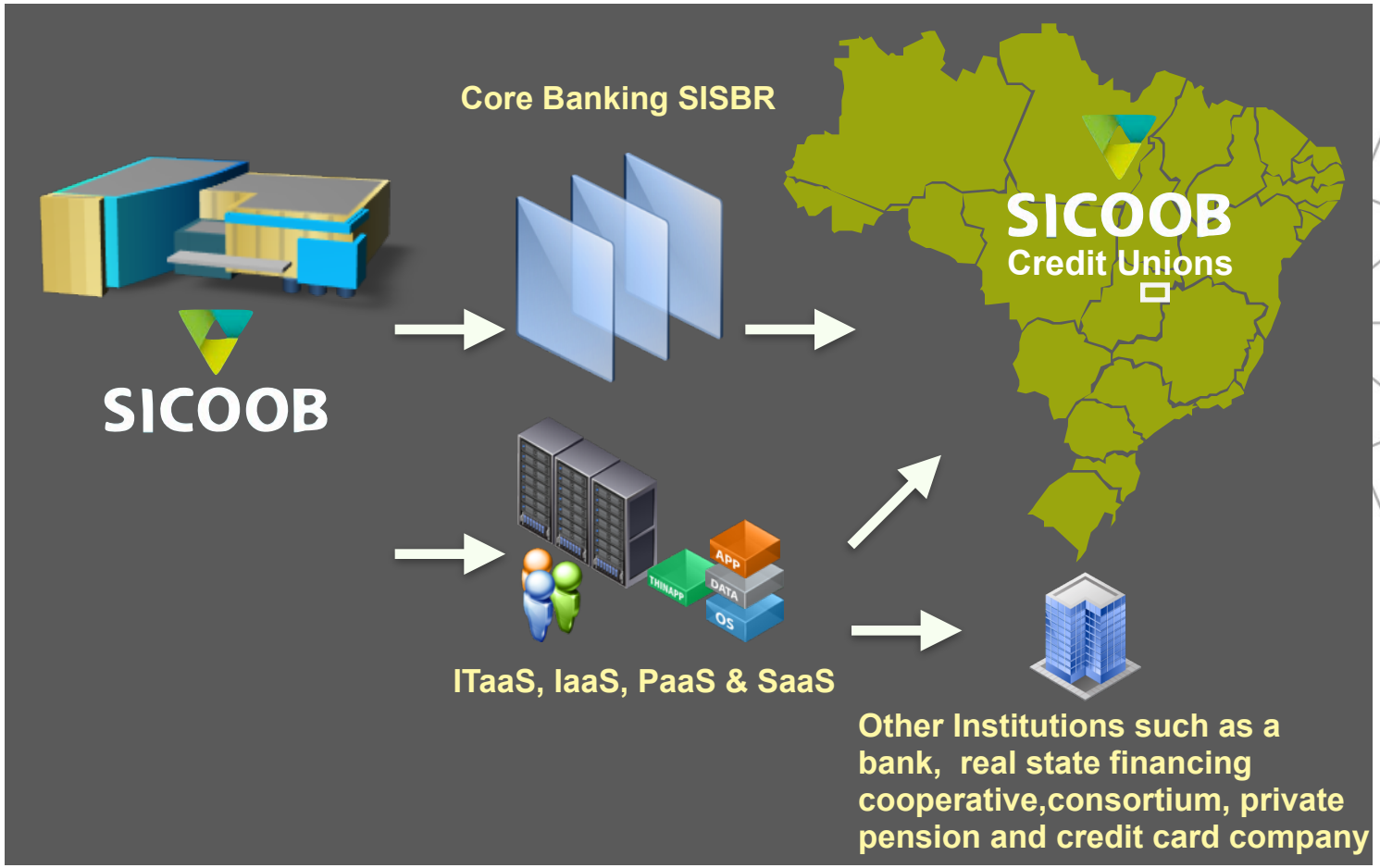
Complete your session evaluations online at www.SHARE.org/Anaheim-Eval

Sicoob as IT Provider - 2013

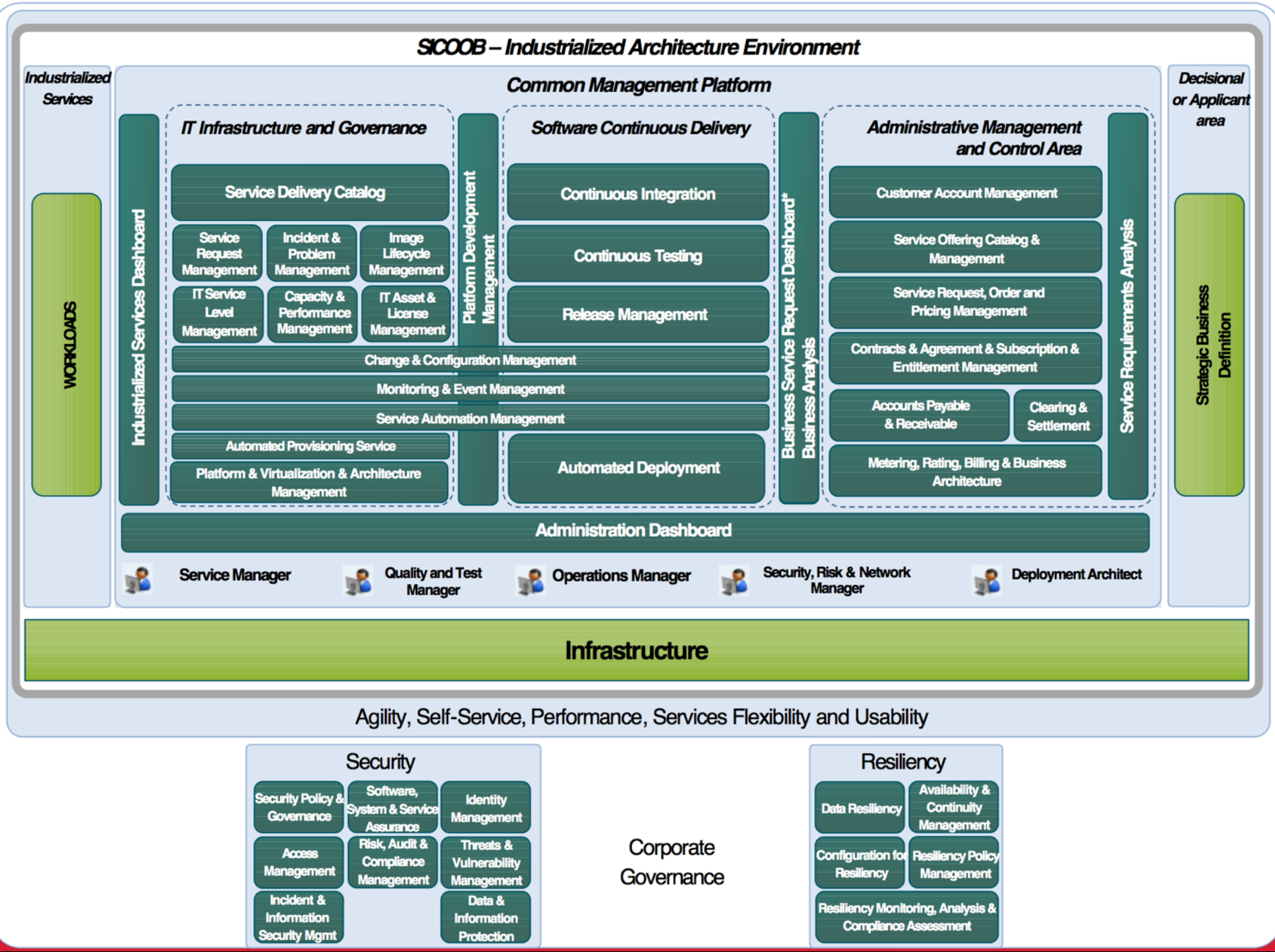


Complete your session evaluations online at www.SHARE.org/Anaheim-Eval

Sicoob as IT Provider - 2013



Complete your session evaluations online at www.SHARE.org/Anaheim-Eval


SICOOB – Industrialized Architecture Environment
Industrialized Services
WORKLOADS
Common Management Platform
Industrialized Services Dashboard
IT Infrastructure and Governance
Service Delivery Catalog
Service Request Management
Incident & Problem Management
Image Lifecycle Management
IT Service Level Management
Capacity & Performance Management
IT Asset & License Management
Change & Configuration Management
Monitoring & Event Management
Service Automation Management
Automated Provisioning Service
Platform & Virtualization & Architecture Management
Platform Development Management
Software Continuous Delivery
Continuous Integration
Continuous Testing
Release Management
Automated Deployment
Business Service Request Dashboard*
Business Analysis
Administrative Management and Control Area
Customer Account Management
Service Offering Catalog & Management
Service Request, Order and Pricing Management
Contracts & Agreement & Subscription & Entitlement Management
Accounts Payable & Receivable
Clearing & Settlement
Metering, Rating, Billing & Business Architecture
Service Requirements Analysis
Decisional or Applicant area
Strategic Business Definition
Administration Dashboard
Service Manager
Quality and Test Manager
Operations Manager
Security, Risk & Network Manager
Deployment Architect
Infrastructure
Agility, Self-Service, Performance, Services Flexibility and Usability
Security
Security Policy & Governance
Software, System & Service Assurance
Identity Management
Access Management
Risk, Audit & Compliance Management
Threats & Vulnerability Management
Incident & Information Security Mgmt
Data & Information Protection
Corporate Governance
Resiliency
Data Resiliency
Availability & Continuity Management
Configuration for Resiliency
Resiliency Policy Management
Resiliency Monitoring, Analysis & Compliance Assessment

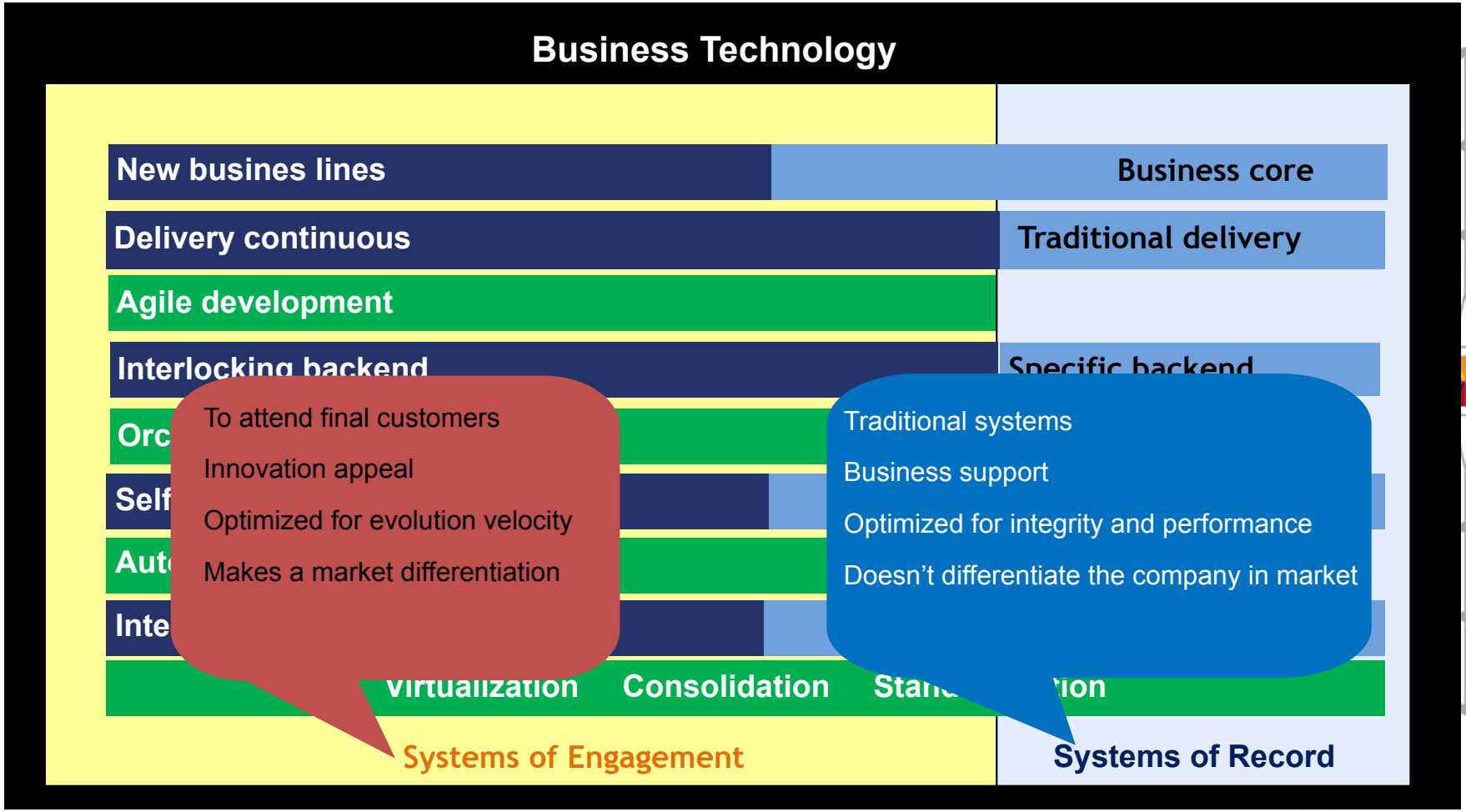
IT Indutrialization

Typical evolutive journey - IT industrialization

	Release 1	Release 2	Release 3	Release 4
Operational Cost Reduction	-5%	-15%	-25%	-35%
Industrial maturity level				
Quality Improvement SLA	+10%	+20%	+30%	+40%
Business areas satisfaction level	+5%	+7%	+10%	+15%

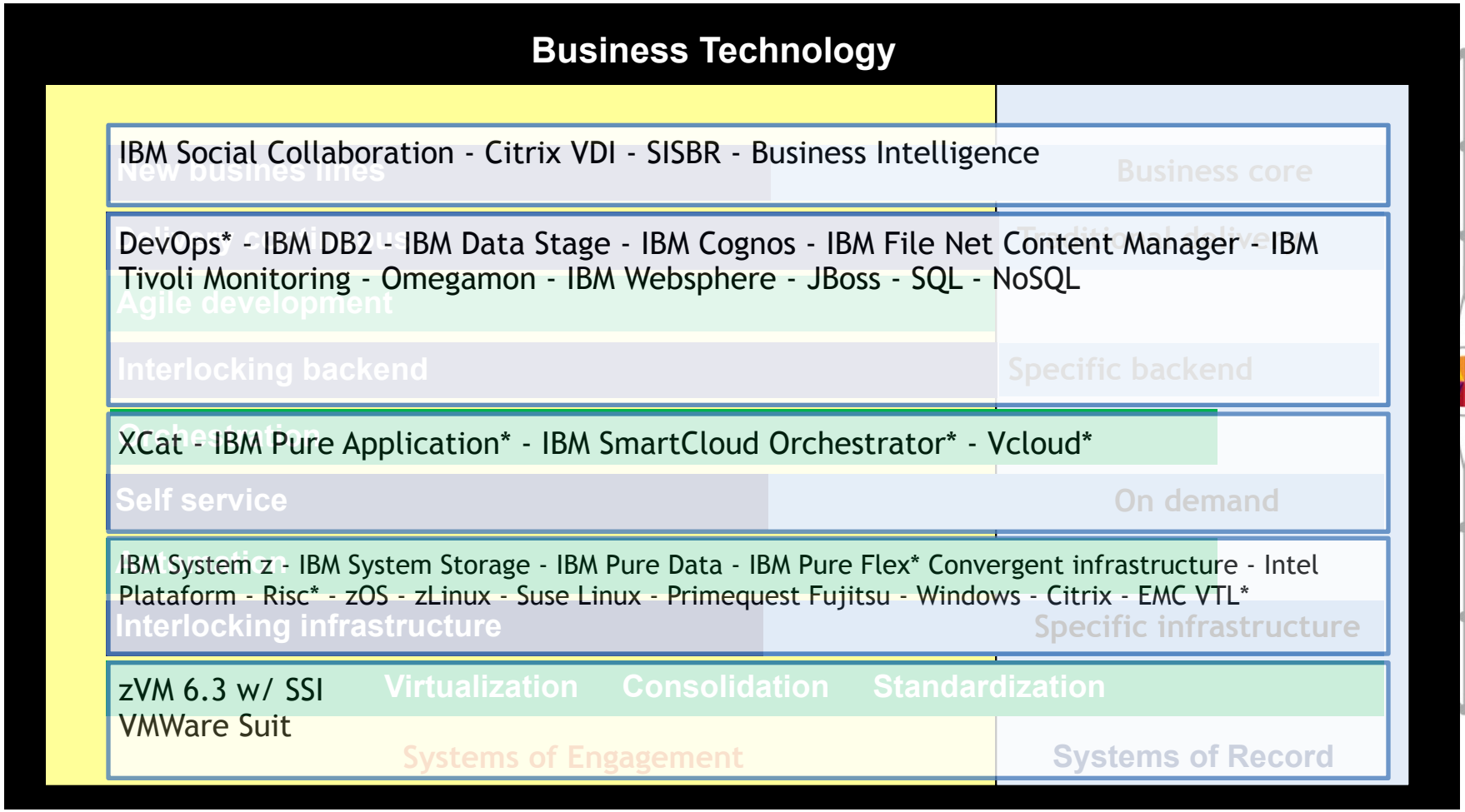
Complete your session evaluations online at www.SHARE.org/Anaheim-Eval

Business Technology



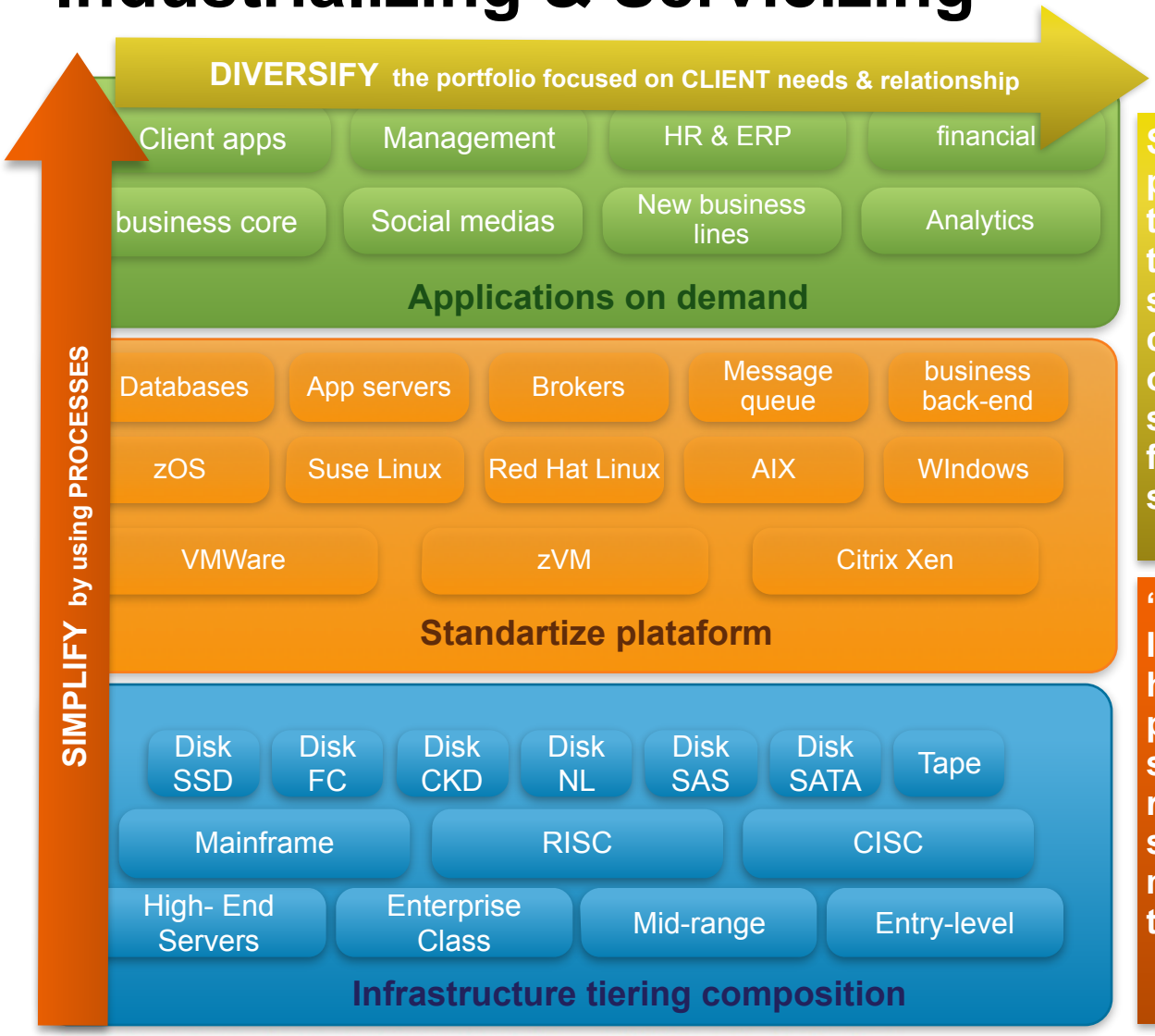
Complete your session evaluations online at www.SHARE.org/Anaheim-Eval

Business Technology



Complete your session evaluations online at www.SHARE.org/Anaheim-Eval

Industrializing & Servicizing

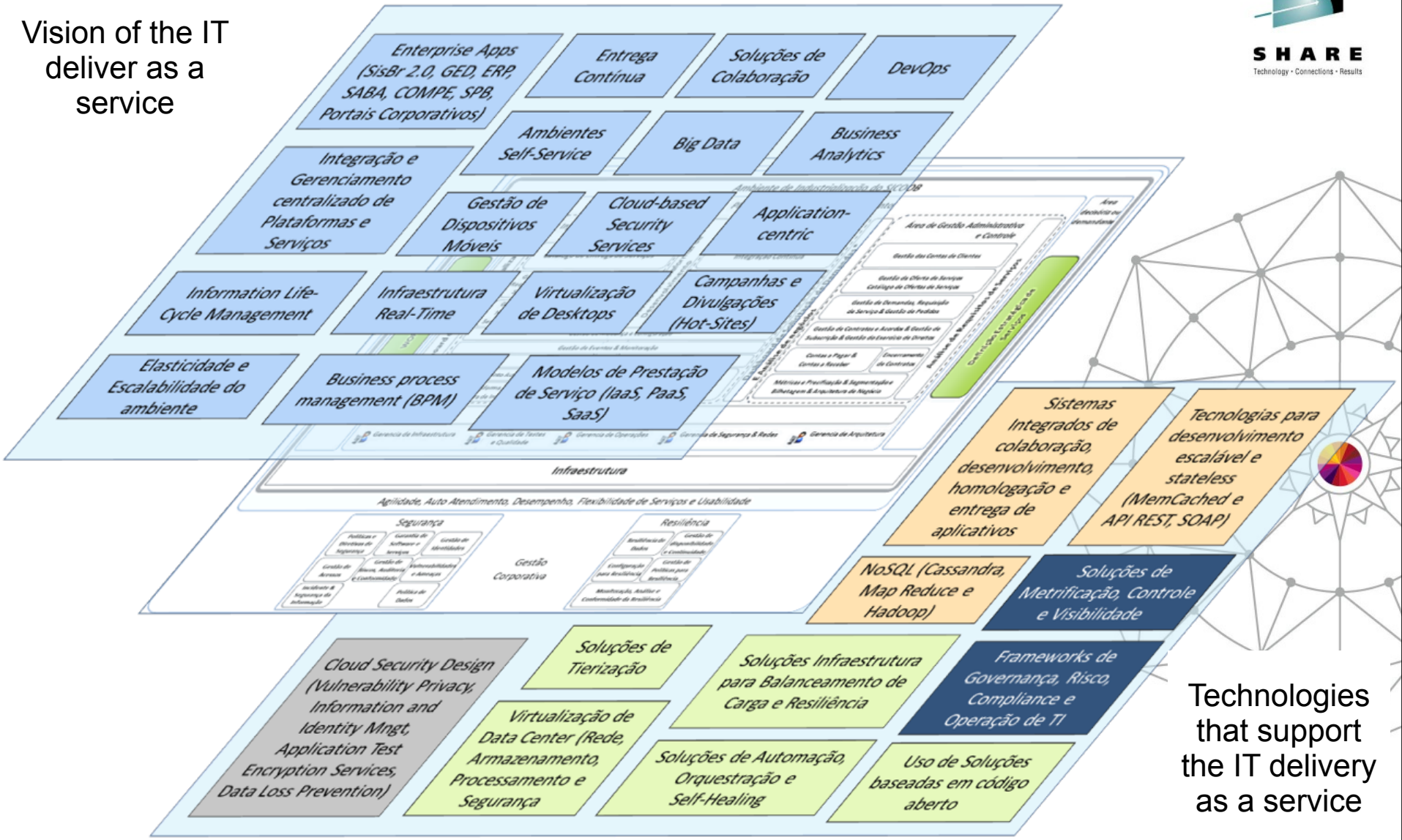


Servicizing philosophy envolves the concern about the quality, the client service, the customization of operational attitudes seeking new clients fidelity and customer satisfaction.

"Standardization of IT services through a higly automatized pre-defined and pre-set solutions, repeateable, scalable, reliable to meet the needs of the organization.

Complete your session evaluations online at www.SHARE.org/Anaheim-Eval

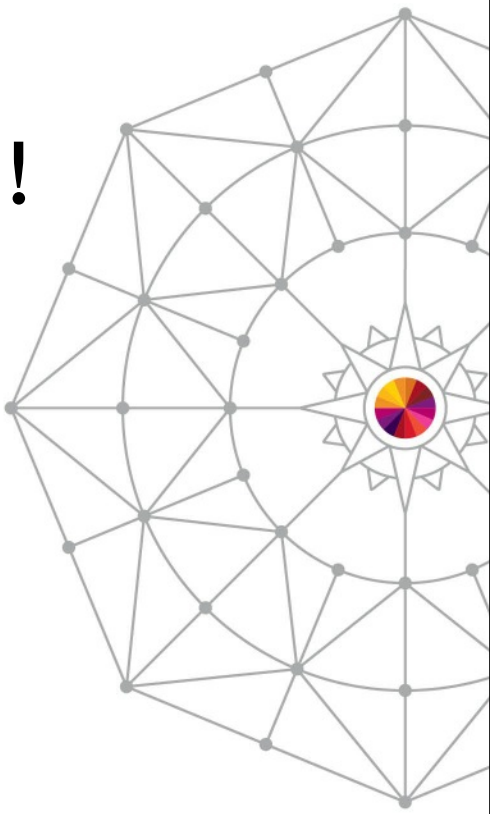
Vision of the IT deliver as a service



Technologies that support the IT delivery as a service

Complete your session evaluations online at www.SHARE.org/Anaheim-Eval

Thanks for your attention!

Paulo Nassar

paulo.nassar@sicoob.com.br