



## Case Study: Multi-company Re-Engineering at Nedbank

### About the Company

Nedbank Group Limited is a bank holding company, which operates as one of the four largest banking groups in South Africa through its principal banking subsidiaries, Nedbank Limited and Imperial Bank Limited, in which it has a 50,1% interest. The company's ordinary shares have been listed on JSE Limited since 1969.

The group offers a wide range of wholesale and retail banking services through three main business clusters: Nedbank Corporate; Nedbank Capital; and Nedbank Retail. Nedbank Group focuses on southern Africa, with the group positioned to be a bank for all – both from retail and a wholesale banking perspective. The principal services offered by the group are corporate and retail banking, property finance, investment banking, private banking, foreign exchange and securities trading. Nedbank Group also generates income from private equity, credit card acquiring and processing services, custodial services, collective investments, trust administration, asset management services and bancassurance.

The re-engineering project initiated by Nedbank aimed to reduce the maintenance cost of the legacy application systems by extracting hard coded business parameters used in the application programs.

### Business Challenges

After acquiring these companies, it was very difficult for Nedbank to maintain different applications to which are running for the same business products such as Savings account, Current account.

So Nedbank decided to merge these systems into the Nedbank's core systems. But it was also important to maintain the separate accounting of these companies.

The objective of the project is to provide the Business with a flexible infrastructure to support the Nedbank business strategy of strategic partnerships and greater responsiveness and flexibility. This infrastructure provides a flexibility to maintain existing products and introduce new product of any of the above companies using its parameter tables without changing any of the programs.

### Nihilent's Role

Nihilent developed a set of application interface programs (API) to access new Multi company database and modified the existing set of application programs to call relative API program in this project. Nihilent executed following activities at offshore and onsite while developing the system:

- Impact Analysis
- Development
- Testing and Deployment

Technology used: Mainframes (COBOL, CICS, DB2, VSAM and JCL)

Tools used: CompareX, ARTT, Compare IBM

Resources: 16 resources are involved from offshore in the application re-engineering, testing and 4 resources at onsite

### Business Benefits Delivered

- A faster time to market to launch future joint venture requirements as no/limited technical infrastructure changes will be required.
- Costs to launch future joint ventures significantly reduced to provide only product set up, technical rollouts, staff training etc.
- Peoples Bank a full service banking solution



- The delivery of the Old Mutual Bank re-branding strategic objectives
- “Nedcor Bank Limited” name change to “Nedbank Limited”
- A consolidated Multi Company capability and the application thereof to Homeloans, Asset Based Finance (Nedcor Asset Finance), Current Accounts, Savings Accounts and Investments
- Pricing and product parameterisation as per the existing Nedbank parameters for other brands for Current Accounts
- Expanding the range of available branch numbers by removing the current dependency of 3-digit branch numbers
- The removal of embedded branch number from the account number as it was major constraint in transferring account from one branch to other branch without changing account number
- To enable current account number for life to the Current Account and Savings Account customers
- The decoupling of segment and division from the DCAR number and replaced by the Multi-Company structure (division) and related DCAR information (segment).
- Removal of environment-specific logic to enable the existing systems to run on any environment with parameterised setups.
- Removing logic in the existing systems that reference the old Customer information system (CIF and PI)
- Address performance and capacity issues to allow for the scaling of transactions to a minimum of 3 times the current volume.
- The provision of interface specifications for use of Multi-company interfaces
- Removal of redundant code