

Information Technology

Albaraka Bank's Information Technology (IT) division has played a vital role in strategic areas of the bank's rapidly developing business and operational architecture by lending itself to the achievement of the broader objectives of the bank and, inherently, the group.

In undertaking various developments and the implementation thereof, the concepts of one-time data capture, business flow, document production, tracking and monitoring have been adhered to.

With respect to regulatory reporting requirements, necessary updates to the Basel II reporting system have been satisfactorily addressed, while from an overall technology perspective, the year under review saw a number of focus areas being addressed, inclusive of service automation, initiation of core banking system replacements, new business applications, new product development, infrastructural upgrades and relocation planning, whilst continuously being mindful of underlying cost and efficiency considerations.

Significant developments and systems implementation

In July 2008, a key project designed to replace the core banking system was initiated, with a view to enhancing business technologies and addressing a number of objectives aimed primarily at excelling in the delivery of services to customers, while also focusing on branch automation, streamlining internal processes, improving risk management reporting, flexibility of development and product expansion capabilities, anti-money laundering monitoring and the like.

The project, dubbed "M2E," represents the bank's "Mission to Excellence" and is to charter the course for the bank's migration to its new core banking system environment.

Given the strategic importance of this project, both to the bank and the group in terms of future growth, every member of staff has been encouraged to be mindful of its significance and to ensure organisational-wide participation in the transformation of technology at the bank. The project will continue into 2009 with anticipated completion by mid-year.

Electronic banking, debit cards and ATM systems implementation was initiated in conjunction with recognised industry solution providers to introduce internet-based corporate banking services, coupled with debit cards and ATMs. The project aims to introduce competitive services focusing on the corporate market and, subsequently, the retail consumer market. With much of the groundwork being completed, remaining aspects leading to the deployment of electronic banking, debit cards and ATMs are expected by mid-2009.

Other key projects

The relocation of the bank's head office and the Durban branch to Kingsmead Office Park has drawn intensive preparatory efforts, in tandem with service providers, vendors and project consultants, to provide the bank with a highly secure computer data centre, state-of-the-art network, security access control systems and integrated audio-visual technology throughout the building. The project continues through to migration and occupation within the second quarter of 2009.

In addition to the relocation project, other key project requirements, such as head office and branch server upgrades, infrastructural upgrades, together with data line capacity increases, were initiated during the review period. High-capacity Multi-Protocol Label Switching (MPLS), communication device upgrades and Voice-Over-IP (VOIP) telephony have been assessed with a view to implementation during the forthcoming year.

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Risk management and business continuity

A project designed to ensure that the bank's head office and its branches are appropriately equipped with back-up generator power was completed during the year, so ensuring the availability of continuous sustainable power. The now-mitigated risk was highlighted during the period of load-shedding experienced nationally. Business continuity facilities are hosted at off-site centres situated at key geographical locations around the country. Cold recovery testing is conducted at all locations to ensure that business continuity capabilities are in a constant state of readiness and that routine processes are regularly assessed and improved, where necessary.

The year ahead

The future remains challenging, but not without a high degree of optimism and excitement with regard to the opportunities presented.

Completion of initiated key projects from the 2008 financial year, such as the replacement of the core banking system, the introduction of electronic banking, debit cards and ATMs, relocation to Kingsmead Office Park and infrastructural upgrades, will be the primary focus for the first half of the year. During the latter part of the year our focus will turn to high-availability systems in order to enhance the bank's business continuity contingencies and to build on the aforementioned key projects.

A further notable sub-project planned includes the standardisation of equipment with a view to curbing production and operating costs while ensuring that the environment is not negatively impacted upon. The solution is expected to promote electronic communication whilst providing manageability and accountability in terms of production costs. The web-facing presence of the bank is scheduled for enhancement, introducing a dynamic and flexible management interface, including consumer survey capabilities. The website upgrade is expected to address functionality and system maintenance requirements, as well as to facilitate the transition to the new corporate image of the bank.

