

Information Technology Report

The 2010 financial year brought the bank's core technology landscape to maturity with the bedding-down and fine-tuning of a number of new technologies and infrastructural implementations, including the state-of-the-art data centre, high speed multi-protocol labelling switching network, voice-over-ip telephony, virtualised server environments, ATMs, debit cards and internet banking systems.

Whilst operations under the new and sophisticated environment warranted organisational adjustments in terms of becoming accustomed to systems and processes, the general accomplishment and stabilisation of the environment following the implementation of these technologies invoked a sense of both pride and growth; a sense shared with all stakeholders with regard to the mutual realisation of improved service benefits within an efficient operating environment in the quest for sustainable growth. As an extension of targeted strategic objectives to increase profitability, reduce costs, improve efficiencies, enhance technologies and effectively improve customer service, efforts during the 2010 financial year included the rationalisation of branch servers, the introduction of additional forex branches and an upgrade of online statement systems, amongst other initiatives. The most significant contributor to these objectives was, however, realised in the form of the successful completion of the core banking system replacement. This intensive and complex project, which dominated the period, was initiated in mid-2008 and came to a head during 2010, when national systems were switched over at the beginning of August and after several months of operating in parallel.

The new core banking system environment was introduced with a view to enhancing business technologies, improving customer service and optimising efficiencies, whilst also addressing a number of key objectives, including branch automation, extended reporting

capabilities, consolidated customer enquiries, rule-based processing facilities, product parameterisation, anti-money laundering monitoring and more. The project dubbed 'M2E' represents the bank's 'Mission to Excellence' and its successfully implemented systems now represents a cornerstone in the bank's path to excellence.

Following the intense activities of the 2010 financial year, it is envisaged that the ensuing period will be largely geared towards optimisation of the various efficiencies by way of maximising the capabilities of the system, whilst not losing sight of supplementary modules which are targeted for implementation so as to meet other business requirements. The introduction of corporate banking services as an extension of electronic banking products is a further strategic objective which sets out to enhance both product range and services to corporate customers, while the feasibility of mobile banking solutions is to be explored as a means of broadening the accessibility and mobility of Al Baraka Bank's products and services. In pursuing underpinning strategies, due consideration will be given to the adoption of matured technologies, widely recognised as effective contributors, as well as an extension to existing technologies, as appropriate. These considerations include the rationalisation of general office equipment, voice-over-ip telephony between branches and supplementary video conferencing systems, together with the re-engineering of business processes, including systems automation at various levels.

Although the period ahead promises to be as challenging as the past financial year, some comfort may be drawn from the fact that a number of base technologies have already been established and, while the local and global business landscapes shift in the winds of technology and time, the bank will work to adapt and exploit technologies to support its sustainability and growth.