

The image shows the IBM logo in its classic 8-bar font, followed by a vertical line and the SAP logo in its blue and white stylized font. The logos are set against a white background with a blue vertical bar on the left and a yellow vertical bar on the right. The background of the entire top section is a photograph of a modern skyscraper with a glass facade, viewed from a low angle looking up.The SAP logo, consisting of the letters 'SAP' in a bold, sans-serif font, with the 'S' and 'A' in blue and the 'P' in white on a blue background.

Banco Galicia plans its global future, with help from SAP and IBM

Founded in 1905, Banco Galicia is headquartered in Buenos Aires, Argentina, and employs more than 5,000 people. Listed on the Buenos Aires Stock Exchange, Banco Galicia is one of the country's top three private banks.

Argentinian banks are required to offer services and products such as current accounts, savings and fixed-term investment accounts. Because all banks provide the same product range, it is particularly important for a private bank such as Banco Galicia to develop additional, unique services to help it differentiate itself from competitors.

To achieve this, Banco Galicia needed the capacity to develop and provide financial products and services with the shortest possible time-to-market. However, its legacy IT applications and systems were unable to support the rapid changes required. Diego Revello, ITC Manager at Banco Galicia, explains,

“For instance, we needed to manage our customers’ accounts in different currencies – namely pesos, dollars and euros – and offer new services in the most efficient way and at the lowest possible cost.”

Banco Galicia's existing banking software – which had been in place for more than 20 years – was largely developed in-house, designed to meet past banking needs.

Many of the proposed new services required a very different, customer-focused approach, and the older software could not be extended or adapted rapidly enough to provide the necessary capabilities.

Diego Revello says, “Banco Galicia serves a very large client base – from individuals to large corporations, each with specific requirements – and our existing IT systems would not let us differentiate our approach

Overview

Challenge

Banco Galicia wanted to improve the time-to-market for new financial products and services, but its legacy IT applications and systems were unable to support the rapid changes required.

Solution

The bank worked to transform its business processes by introducing SAP for Banking solutions, running on an IBM zEnterprise EC12 (zEC12) mainframe server, with storage provided by IBM System Storage DS8800 devices.

Key benefits

With this infrastructure, Banco Galicia is able to develop and launch new banking and financial products much faster, helping the bank to win new customers from private and corporate banks and improve its competitiveness.

Business Challenge

In the Argentine economy, banks are required to offer services and products, such as current accounts, savings and fixed-term investment accounts, at the lowest possible cost. Because all banks provide the same product range, it is particularly important for a successful private bank such as Banco Galicia to develop not only traditional services but additional, unique solutions to help it differentiate itself from competitors.

To achieve this, Banco Galicia needed the capacity to develop and provide financial products and services with the shortest possible time-to-market. However, its legacy IT applications and systems were unable to support the rapid changes required.

to each client. Trapped by this IT infrastructure, the challenge was to catch up with the requirements of a 20th century bank as well as the world's major banking corporations.”

Moving towards excellence with SAP and IBM

The Banco Galicia team decided to revitalize its IT processes and operations, and started to look for an integrated software solution to replace some of its legacy systems.

After determining that the SAP® for Banking solution were the right strategic choice, the bank looked for an IT provider that could support the implementation – and chose IBM as one of the key partners for the project.

Diego Revello comments, “We have been an IBM customer for a long time now, and it just felt natural to keep working with them. Also, it has to be said that IBM is very well-established in Argentina, especially in the financial sector where it provides high-quality services and products.”

Working with IBM, Banco Galicia chose to run SAP for Banking solutions on the bank's established and highly reliable IBM® System z® platform.

“By engaging IBM Global Business Services, we were able to draw on very deep and broad global resources and experience, reducing risk and accelerating the benefits of our SAP deployment.”

Diego Revello

ITC Manager

Banco Galicia

This enabled Banco Galicia to migrate from its legacy applications on the System z platform to new SAP software in a controlled process within a single environment, and take advantage of existing in-house skills. The company also engaged IBM Global Business Services® to provide support, training and management for the whole SAP landscape.

Diego Revello comments, “We saw IBM Global Business Services as a leader in the SAP space, both in terms of technical competence and in terms of business acumen. This

“The IBM zEnterprise EC12 server is designed to fulfill the requirements of large companies. It can easily scale and grow as we need, and delivers exceptional disaster recovery capabilities.”

Diego Revello
ITC Manager
Banco Galicia

was a major transformational project for our organization, and we wanted access to the best advice available. By engaging IBM Global Business Services, we were able to draw on very deep and broad global resources and experience, reducing risk and accelerating the benefits of our SAP deployment.”

He adds, “A significant contributor to our understanding was the white paper entitled SAP for Banking on System z Reference Architecture, which showcases the features and benefits of this solution. In particular,

SAP Banking Services will enable us to access tools and make use of features that are constantly updated and standardized all over the world. We will be able to attend to different clients, and create more targeted products and services at an accelerated time-to-market.”

Ensuring faultless operational performance

Underlying the new services is the requirement for a resilient, highly available and reliable infrastructure, with near-continuous availability for mission-critical SAP banking applications – making System z the ideal choice.

Additionally, the System z platform would enable easier integration with legacy applications, preserving the existing investments in software and business processes.

Diego Revello remarks: “If we want to compete in the current banking industry we simply cannot afford operational breakdowns, which ultimately lead to financial loss and reduced customer satisfaction and trust. From online transactions to cash withdrawals, from mobile services to customers’ purchases via credit cards, the transaction service must be flawless and secure.”



Solution

Banco Galicia selected the SAP for Banking solution and later chose to upgrade to an IBM zEnterprise EC12 server. With leadership capabilities for security, availability, scalability, virtualization and management, the zEC12 provides performance and capacity for growth and large-scale consolidation, improved security, resiliency and availability while reducing both risk and cost.

To store customer data, the Banco Galicia team implemented two IBM System Storage DS8800 storage devices. Each DS8800 offers scalability to more than 2 PB, and the fully-redundant design provides near-continuous data access and better than five-nines availability.

Key Solution Components

Industry

Banking

Applications

SAP® Banking Services for deposits and loans, SAP Process Integration, SAP Supply Chain Management, SAP Portal, SAP Solution Manager, SAP Banking Services 7.0, SAP ERP 6.0 SAP NetWeaver® Process Integration 7.1, SAP ERP 6.0, SAP SCM 7.0, SAP Live Cache 7.7, SAP Risk Management 3.0, migrating to GRC v10 (May 2013), SAP Portal Add-On, SAP Solution Manager 7.1

Hardware

IBM® zEnterprise® EC12, IBM System Storage® DS8800

Software

IBM z/OS®, IBM DB2® for z/OS, IBM System Storage Easy Tier®

Services

IBM Global Business Services®

In 2012, Banco Galicia chose to upgrade to an IBM zEnterprise® EC12 (zEC12) server. With leadership capabilities for security, availability, scalability, virtualization and management, the zEC12 provides performance and capacity for growth and large-scale consolidation, improved security, resiliency and business continuity while reducing both risk and cost.

Diego Revello states, “The IBM zEnterprise EC12 server is designed to fulfill the requirements of large companies. It can easily scale and grow as we need, and delivers exceptional disaster recovery capabilities.

“As one of Argentina’s major banks, it is critical that we can rely on an IT infrastructure that is reliable and resilient, and that we and our clients can operate 24/7. We are certain that the zEnterprise EC12 will provide the necessary support for our SAP for Banking solution.”

The IT department at Banco Galicia joined forces with IBM and SAP to create a combined team to migrate the SAP database from its older System z hardware to the IBM zEnterprise infrastructure, including implementation of IBM System Storage® DS8800 storage devices.

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Diego Revello

ITC Manager

Banco Galicia

Achieving continuous customer service

Banco Galicia had been using IBM DB2® for z/OS® for its core applications for many years, on the strength of its enterprise-class availability and reliability.

The IBM team ran workshops that demonstrated how the combination of SAP and IBM DB2 on IBM z/OS would offer the ideal database for mission-critical applications such as SAP for Banking, and that using this solution could leverage the skills and experience

“We expect the combined SAP and IBM solution to significantly improve the time-to-market, development and design of our financial products and services, with optimized operations that enhance rapidity and flexibility for our various customers, giving Banco Galicia new opportunities to compete in the modern banking industry.”

Diego Revello

ITC Manager

Banco Galicia

SAP applications, helping Banco Galicia to focus less on technology and more strongly on its business goals.

Banco Galicia plans to use the IBM DB2 Data Sharing feature to provide greater resilience. With DB2 Data Sharing, Banco Galicia will be able to enjoy near-continuous availability by eliminating planned outages for maintenance and upgrades of the database and the operating system.

IBM DB2 for z/OS is designed to reduce cost and complexity, simplify compliance, and leverage existing data to help enterprises transform and adapt while limiting risk and cost. Business resiliency is a key component of the value proposition of DB2 for z/OS and the System z platform, an important factor for Banco Galicia.

Developing a store of high-value data

To store customer data, the Banco Galicia team implemented two IBM System Storage DS8800 storage devices, which support database volumes totaling 500 GB.

IBM System Storage DS8000 series storage devices are designed to manage a broad scope of workloads effectively and efficiently. Integrated

Business Benefits

- **Will enable Banco Galicia to plan, design and launch new services and improve existing ones in a way that was not previously possible.**
 - **The IBM zEnterprise EC12 server is expected to help to ensure availability, reliability and performance for the SAP applications.**
 - **The combined SAP and IBM solution is expected to improve time-to-market for new financial products and services.**
 - **Will strengthen the bank’s competitive position.**
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the bank already possessed on the platform.

IBM DB2 for z/OS provides Banco Galicia with unmatched availability, reliability and security for its business-critical information. The IBM software integrates seamlessly with the bank’s



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quality of service (QoS) management aligns storage resources with application priorities, with self-optimizing performance across multiple drive tiers. Each storage server offers scalability to more than 2 PB, and the fully-redundant design provides near-continuous data access and better than five-nines availability.

Banco Galicia chose the DS8800 platform based on the positive past experience with IBM storage technology. The DS8800 will allow the bank to implement performance accelerators such as zHPF-DB2 collaborative cache, IBM System Storage Easy Tier® for solid-state disk optimization, and to implement QoS for I/O subsystems managed by IBM Workload Manager.

IBM Global Business Services has been assisting Banco Galicia in its SAP for Banking project right from the beginning, and currently supports the implementation roadmap with a team of consultants covering SAP ABAP, SAP Basis, SAP Process Integration, and the SAP Loans and Deposit applications. IBM Global Business Services also handles the maintenance of SAP for Banking functionalities that are already in production, as well as the SAP Governance, Risk and Compliance and SAP CMO modules.

Challenging rival banks

Banco Galicia is fully confident that the SAP for Banking solution hosted on the IBM System z platform will help it to achieve its business goals. Diego Revello says, "The SAP for Banking solution will allow us to plan, design and launch new services for our customers, and improve the existing ones in a way that was not previously possible. The IBM zEnterprise EC12 server will help to ensure availability and performance for the SAP applications, enabling Banco Galicia to offer its banking services with complete confidence.

"Banco Galicia is exceptionally well-positioned to challenge its competitors, and play a leading role in the Argentinian financial sector. IBM Global Business Services helped us to create a solution tailored to our individual needs, which will enable us to create and capture value in new ways. We expect the combined SAP and IBM solution to significantly improve the time-to-market, development and design of our financial products and services, with optimized operations that enhance rapidity and flexibility for our various customers, giving Banco Galicia new opportunities to compete in the modern banking industry."



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