

Kotak Mahindra Bank Limited

Synopsis: *A bank upgrades its creates a comprehensive self-service portal and a unified view of the customer IBM WebSphere Process Server software and IBM Tivoli Composite Application Manager for WebSphere*

Location: Mumbai, INDIA

Industry: Banking

URL: <http://www.kotak.com/>

Customer Background:

Since its genesis in 1985, the Kotak Mahindra group has earned a reputation as one of India's most reputed financial organizations offering a diverse range of non-banking financial services to individuals and corporate ranging from commercial vehicle loans, to stock broking to investment banking. In February 2003, Kotak Mahindra Finance Ltd, the group's flagship company was given the license to carry on banking business by the Reserve Bank of India (RBI) and converted itself to Kotak Mahindra Bank Ltd.

Business Need:

For a bank, enabling customer convenience has traditionally been in the form of setting up a vast branch network. And the Indian public sector banks which had been around for decades had an advantage.

When they started operations, the management at Kotak Mahindra Bank appreciated the fact that effective use of IT would be one of the key drivers of growth and made it an integral part of the corporate strategy. Kotak Mahindra Bank decided to counter the initial lack of physical reach by using alternate technology-enabled channels while building a branch network in parallel.

After a comprehensive analysis of the options available, Kotak Mahindra bank settled on an Oracle enabled infrastructure because Oracle's packaged solutions enabled them to get off the starting blocks relatively quickly.

"Even at that point, we were aware that the infrastructure would not last us beyond 2 or 3 years at the most. But fighting an entrenched competition and having more competition snapping at our heels, we had to get the operations off the ground and quickly. So we settled for the quickest way forward," says **Sanjay Gupta, Sr. Vice President - IT, Kotak Mahindra Bank.**

Given its reputation, range of solutions and customer service, Kotak Mahindra Bank grew rapidly and today services a customer base of over 2 million customers through over 130 branches across more than 90 locations across India.

The explosive growth brought with it a manifold increase in the traffic to the customer website and with it the server performance suffered significantly, resulting in poor response times and downtimes leading to customer dissatisfaction. In addition, Kotak Mahindra Bank found that it could not add new functionality quickly and this became a source of concern in a dynamic and highly competitive market that Kotak Mahindra Bank faced.

Moreover, as the product and service portfolio expanded, Kotak Mahindra Bank had added functionality in a piecemeal fashion. As a result, the neither the bank not the customer had a unified view of the customer's portfolio with the bank.

Faced with aggressive expansion plans, both in terms of geography and range of services, the pressing need of the hour was a scalable, robust and flexible IT infrastructure that would grow with the Bank's operations and with ease.

Solution:

The IT strategists at Kotak Mahindra Bank were very clear that the new infrastructure must be the cornerstone of the Bank's objective of best amongst the strongest in the industry.

The IBM team worked closely with the Kotak Mahindra Bank team to create wove together the business and IT strategies to give shape to a viable, robust, scalable solution that was geared towards meeting the demands of vast and fast growing customer base. The IBM team architected a solution centered on the IBM WebSphere Application Server (IBM WAS) which delivers a high performance transaction engine that helps build, run, integrate and manage dynamic, On Demand Business™ applications while being easy to deploy, administer and manage.

As a Bank, security was a key concern at Kotak Mahindra. The IBM WAS's open standards-based security infrastructure and out-of-the-box security configurations met the stringent security requirements of the Bank. This coupled with helps you improve the flexibility of your business and increase return on investment by making your application services more reusable and accessible to new users, in new ways.

The solution offered Kotak Mahindra Bank all it was looking for and beyond at an affordable cost. Moreover, having IBM as a partner assured the Bank of a smooth roadmap for future enhancements, ensuring that the investment can be leveraged in times to come and result in greater RoI.

Benefits of the Solution:

The result was a comprehensive and rich customer self-service portal that is responsive robust, reliable, scalable and secure.

The customers now have a single sign-on and get a unified view of their portfolio across the bank's offerings. The response time has improved many times over (from > 30 secs to < 10 secs) and the Bank is able to add new functionality with ease and speed that helps it sustain the competitive advantage.

Says Sanjay, "Today, Kotak Mahindra Bank happens to be best in the industry in terms of performance loads. At the sometime, we have a framework that enables us to launch new banking services at a much easier and faster pace. We do have plans for credit card for the same platform – key things are being done over the past few months. We plan to add portal functionality so that content management can really be automated."
