

Alliance Bank shifts to tablet-based branch banking with Red Hat OpenShift



Software and services

Red Hat® OpenShift®

Red Hat Enterprise Linux®

Red Hat AMQ

Red Hat Consulting

Alliance Bank, a Malaysian financial services group, wanted to simplify its branch customer experience for opening an account or adding a service. To build its innovative Branch-in-a-Tablet solution, Alliance Bank adopted agile development practices, supported by Red Hat OpenShift and Red Hat AMQ. This new approach frees employees to focus on higher-value innovation and customer interactions. As a result, the bank decreased time to market from months to weeks and achieved 136% year-over-year retail growth.



Financial services

3,542 employees**82** branches

Benefits

- Cut new customer sign-up time from 45 to 15 minutes
- Reduced time to market for new services from months to weeks
- Improved operational costs by optimizing provisioning and hardware use

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Lee Choo Yee

Head of Digital Innovation & Design, Alliance Bank

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Modernizing the branch banking experience with digital services

Growth for the financial services industry is shifting from in-person to digital experiences. Many banks around the world are adjusting their branch footprint in response to falling demand and rising costs. However, closing local branches without an effective alternative creates risk to banks’ reputations.

Alliance Bank Malaysia Berhad is a dynamic, integrated financial services group that offers financial solutions to individuals and businesses, including Islamic and investment banking, as well as stockbroking services. Customers throughout Malaysia can access its services through its physical branches, call center, or digital banking applications.

Alliance Bank practices a customer-centric engagement approach, the Alliance Way, focused on empathy and addressing its customers’ needs. The bank established its Group Transformation Office to find innovative ways to deliver a faster, simpler, and more responsive customer experience.

“For example, opening a bank account was a tedious process. Usually a customer had to take half a day off work to complete a lot of paperwork. We wanted to streamline that experience,” said Choong Lee Chen, Head of Lifestyle Banking, Alliance Bank.

Adopting a flexible, integrated platform with enterprise open source solutions from Red Hat

The bank began its branch service transformation efforts with design thinking workshops, partnering with customer-facing branch staff to better understand the customer experience. Next, project teams proposed and iterated on solutions that could address gaps in meeting customer needs. As a result, Alliance Bank decided to create Branch-in-a-Tablet, a solution that puts all branch products and services onto a tablet device for staff to use with in-person customers. To support this new approach, the bank sought to adopt a responsive container platform with a microservices- and open-source-based architecture and agile development practices.

“Using open source technology means we can get a lot of help and resources online and tap into the community’s broader knowledge base to build a better product,” said Lee Choo Yee, Head of Digital Innovation & Design, Alliance Bank. “But as a financial services provider, we also needed a supported enterprise platform for these critical systems, data, and features.”

The bank decided to use Red Hat OpenShift, running on premise, to create, host, and manage its new tablet-based service solution. Based on Red Hat Enterprise Linux and Kubernetes, this enterprise container platform helps organizations quickly and more reliably develop, deploy, and manage applications, across teams, projects, and IT environments.

Red Hat AMQ, a lightweight messaging platform for real-time integration, ensures the tablets and applications can access up-to-date, accurate service and customer information.

“Our container-based digital service platform integrates our data, business logic, and web interfaces in a scalable, flexible environment—securely available on a tablet,” said Lee.

With help from Red Hat Consulting, Alliance Bank deployed the Branch-in-a-Tablet platform solution in just four months. Its success in creating an innovative, modern service using Red Hat technology earned the bank recognition as a [2020 Red Hat Innovation Awards honorable mention](#).

Creating an efficient customer experience with tablet-based services

Cut customer sign-up time by 70%

The shift to a hybrid digital and physical customer experience at Alliance Bank's branches combines automated services with in-person staff assistance to help customers find and sign up for the right services for their financial needs. Individuals can now open a savings account, activate a debit card, and begin mobile banking in as little as 15 minutes using one of the bank's tablets. Enterprise clients can open a business account digitally with what the bank calls its 1-day, 1 visit experience.

"The tablet approach follows our established standard operating process but without the paper, so we—and our customers—don't have to worry about fulfillment or completing multiple forms," said Choong. "Customers can come in, provide their relevant information, have their photo taken, and leave with a brand new account with a debit card, plus web-based and mobile banking access, 70% faster than before."

The efficiency improvements gained from automating and streamlining processes with Red Hat OpenShift and Red Hat AMQ also help the bank's staff. Alliance Bank has seen close to a 14% increase in year-over-year growth for its retail business. Standardized tablet software has helped Alliance Bank eliminate redundant processes, letting branch employees focus on customer engagement—not data management.

Reduced time to market from months to weeks

Alliance Bank has enhanced its adoption of Red Hat container and integration by replacing its traditional, waterfall development processes with an iterative, agile approach.

Part of this improvement is due to more effective collaboration across the bank's teams and the adoption of a microservices-based architecture that can quickly be adapted to new use cases and project needs. "We need around 30% fewer staff hours dedicated to coding," said Lee.

Now, the bank can deliver innovative new services and features to market much faster, with project delivery times reduced from 18 months to 2-6 months.

"With Red Hat open source software, we can innovate and scale up quickly to provide a fast and responsive customer experience," said Ken Yong, Head of Group Transformation Office, Alliance Bank Malaysia Berhad. "Red Hat OpenShift helps us embrace agile principles to meet business goals by delivering value quickly to both customers and internal stakeholders."

Minimized operational costs

Using a traditional, physical platform, the cost of deploying and maintaining its Branch-in-a-Tablet solution—from hardware and networking to staffing needs—would be prohibitive. Creating a software-based environment using on-premise Red Hat OpenShift helps Alliance Bank support this innovative customer experience with less hardware and fewer related processes.

"With Red Hat, we can now share hardware resources easily without buying additional servers, antivirus software, networking components, or other software licenses," said Lee. "We simply move applications to our OpenShift clusters or existing Red Hat Enterprise Linux environment as needed."

Extending service value with innovative third-party partnerships

Following the success of the Branch-in-a-Tablet project, Alliance Bank now plans to strategically shift its core systems and additional products—such as personal loans—to Red Hat’s enterprise open source platform technology.

The bank is also exploring adoption of additional Red Hat technology to enhance its IT environment, such as Red Hat 3scale API Management to securely share application programming interfaces (APIs) with third-party partners to embed new services from retailers and insurers into its offerings.

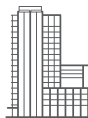
“As we expand our partnerships and collaborate with partners on new, valuable features for our services, we become more central to our customers’ financial journeys,” said Lee.

About Alliance Bank

Alliance Bank Malaysia Berhad and its subsidiaries, Alliance Investment Bank Berhad and Alliance Islamic Bank Berhad, is a dynamic, integrated financial services group offering banking and financial solutions through its consumer banking, SME banking, corporate and commercial banking, Islamic banking, investment banking, and stockbroking businesses. The Bank provides easy access to its broad base of customers throughout the country via multipronged delivery channels which include retail branches, Privilege Banking Centres, Business Centres, and Investment Bank branches, as well as mobile and Internet banking.

About Red Hat

Red Hat is the world’s leading provider of enterprise open source software solutions, using a community-powered approach to deliver reliable and high-performing Linux, hybrid cloud, container, and Kubernetes technologies. Red Hat helps customers integrate new and existing IT applications, develop cloud-native applications, standardize on our industry-leading operating system, and automate, secure, and manage complex environments. Award-winning support, training, and consulting services make Red Hat a trusted adviser to the Fortune 500. As a strategic partner to cloud providers, system integrators, application vendors, customers, and open source communities, Red Hat can help organizations prepare for the digital future.



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