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Banking on the eServer i5

By Clay Ryder

The IBM eServer i5 in conjunction with two leading ISVs — ITI and Mosaic Software — provides scalable solutions for the banking industry that deliver state-of-the-art value-added banking services on a platform with a proven track record of stability and scalability. In addition, these solutions are equipped to handle the integration demands placed upon institutions by the ongoing consolidation taking place in the banking industry today. Banks and other financial institutions in search of a reliable platform for providing banking services that can grow with their business now have a flexible yet secure solution that fits their individual technology and budgetary needs today and can scale as their business grows.

The banking industry in North America continues to undergo change driven by the dynamics of an increasingly competitive marketplace that has undergone a significant consolidation during the past few years. While consolidation has in many cases made very public changes, such as the number or name of bank branches in a community, consolidation has a high impact on the back-office operations of these institutions, especially when IT professionals attempt to integrate disparate solutions into a cohesive and cost-effective computing platform.

As a result, banks face multiple imperatives such as driving down the cost of operations, complying with new regulations and marketplace standards of service, growing the customer base as well as the revenue per customer, and competing against the ever-increasing number of large national or international banking institutions. In order to respond to these imperatives, banks are finding themselves driven to standardize and consolidate IT infrastructure while merging communication and computing infrastructures. New business processes and commensurate IT processes are coming into place so that banks can comply with regulations such as Sarbanes-Oxley, the Patriot Act, and Check 21 while maintaining the security and high availability of these resources. Not only are changes in customer service being promoted to increase satisfaction and retention; these changes are also seeking to grow revenue by enabling new and enhanced lines of business that are customer-, not lines of business-, centric. Perhaps most important of all, these changes are being driven by a marketplace where smaller institutions face intense competition from large institutions across the globe.

IBM eServer iSeries and i5: A Heritage in Banking

The IBM eServer iSeries and now the i5 have a long history in the banking community. With over 16,000 banks ranging from small credit unions up to the largest international banking conglomerates owning an iSeries solution, it has become one of the most widely deployed banking servers worldwide. Banking solutions are by definition business-critical, and the iSeries has a well earned reputation for having mainframe-class reliability, manageability, and scalability. Today the i5 goes even farther by offering the i5/OS, which is optimized for OLTP applications, the ability to seamlessly scale from one to sixty-four processors without any changes to applications, and the option to consolidate new or existing AIX 5L, Linux, and Windows applications on a single server. The iSeries and i5 support an international portfolio of core banking solutions; what follows are two examples of such solutions.

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Information Technology, Inc. / Next Generation Banking

Information Technology, Inc. is based in Lincoln, NE with nearly 1,000 employees between its headquarters and regional offices in Sioux Falls, SD; Corvallis, OR; Birmingham, AL; and LaCrosse, WI. ITI offers banks an array of IT solutions and services for core accounting, relationship management, teller and platform automation, Internet banking, account aggregation, ecommerce solutions for business and consumers, business intelligence, imaging, and document management.

Although the company has established itself well in the banking industry by developing over 2,600 clients during its twenty-six years in business, it is a new player with respect to the eServer iSeries. The company, in what it described as a smooth transition, ported its Next-Generation Premier banking applications to the eServer i5 platform. Premier features a browser-based architecture and a suite of powerful inquiries that provides seamless integration, to gain quicker and easier access to account, loan, and portfolio information. The Premier Core applications power an extensive line of accounting and management information systems targeting banking institutions that are seeking superior control, operational efficiency, enhanced customer service, and management reporting, all while leveraging the power of network-based computing solutions. ITI's software architecture, when combined with the highly scalable and efficient i5, delivers a banking solution that can meet the needs of a smaller regional bank or can scale to meet the demands of a large national institution, all on the same eServer i5 computing platform.

Mosaic Software / EFT Solutions Ahead of Time

Mosaic Software, a software development and implementation company, provides electronic funds transfer and financial services transaction processing. The company was formed in April 1994 and has 175 employees. Its U.S. office is located in Deerfield Beach, FL and it has offices in Chertsey, UK and Melbourne, Australia as well as Cape Town and Johannesburg, South Africa.

The company's Postilion product family provides the services necessary to meet demands for rapid growth of ecommerce, increased credit card spending, and burgeoning customer demand for new transaction channels that are driving businesses to deploy or upgrade EFT capabilities. Postilion delivers ATM and advanced ATM processing and monitoring, retail POS processing, EFT switching and routing, prepayment, WAP and Internet payments and banking, mobile commerce, and call center transaction processing. The product was originally offered as a modularized Windows Server 2003-based EFT transaction delivery system, but Mosaic Software now offers a Linux version of its software that runs atop of IBM DB2 on the eServer iSeries. The scalability and multi-workload support of the eServer i5 offers financial institutions the opportunity to consolidate existing AIX, Windows, and Linux workloads onto a single server while providing a robust platform that can handle the growth associated with electronic payments for any size organization while simultaneously offering a simplified and more cost-efficient IT platform.

What Does It All Mean?

The eServer i5 offers banking institutions a powerful, scalable, and highly manageable platform for deploying state-of-the-art network-enabled banking applications. The increasing number of banking solutions available for the i5 reflect the opportunity this platform offers enterprises and developers. Banking institutions, whether they are seeking to consolidate existing IT footprints, deploy the latest solutions, or a combination of the two, may find the eServer i5's multi-workload and OS support within a scalable integrated environment an intriguing solution.

ITI and Mosaic software are two examples of third-party developers that have embraced the unique value proposition of the eServer i5. The i5 offers developers a straightforward platform that can provide their customer organizations with substantial cost savings in their IT operations and a state-of-the-art execution environment for value-added industry applications. Banking institutions and software developers seeking a competitive edge with their financial applications are well advised to consider the value proposition of the IBM eServer i5.