Making SOA Mature: BIAN Helps Credit Suisse to Improve Its IT
Series of Webinars offered by Banking Industry Architecture Network (BIAN)

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Karin Fischenbeck (BIAN)

BIAN Webinar, April 19, 2011
# Agenda

1. BIAN Introduction
2. BIAN Helps Credit Suisse to Improve Its IT
   - Credit Suisse at a Glance
   - SOA experiences at Credit Suisse
   - BIAN benefits for Credit Suisse
   - Questions and Answers
3. Benefits from this Vibrant Community for Banks and Partners
Founded in 2008, the Banking Industry Architecture Network (BIAN) is a global, not-for-profit organization that seeks to develop standard Service Landscape and Semantic IT Service (A2A) Definitions for the Banking industry.

BIAN will enable the next generation of banking industry solutions developed either in-house or commercially:
- By leading banks sharing their requirements for core services
- By leading software and services vendors to implement them based on standard semantics.

24 Members
- 9 Banks
- 7 Service Providers
- 8 Software Vendors
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19.4.2011
Claus Hagen
Credit Suisse Group today – key facts

- **Global bank** headquartered in Zurich, serving clients in private banking, investment banking and asset management.
- **Registered shares** of Credit Suisse Group AG (CSGN) are listed in Switzerland (SIX) and as American Depositary Shares (CS) in New York (NYSE).
- Total number of **employees**: 50,100.
- The Group’s **long-term ratings** are: Moody’s Aa2, Standard & Poor’s A, Fitch Ratings AA-. 
Credit Suisse – how we serve our clients

Credit Suisse serves its diverse clients through its three divisions – Private Banking, Investment Banking and Asset Management – which cooperate closely to provide holistic financial solutions based on superior products and specially tailored advice.

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<th>Investment Banking</th>
<th>Asset Management</th>
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A Global Network to Serve Our Different Business Needs Around the World

Major Financial Centers: IT supports business with a focus on development and running of high-touch, mission critical IT Services requiring direct interaction

- **New York**
  - Main Business: Investment Banking
  - Primarily supporting NY activities

- **London**
  - Main Business: Investment Banking
  - Multiple locations supporting CS

- **Zurich**
  - Main Business: Private Banking, Private and Corporate Clients

- **Raleigh**
  - Supporting NY, ZH, London and onshore Asia

- **India**
  - Supporting NY, ZH, London and onshore Asia

- **Singapore**
  - Supporting NY, ZH, London and onshore Asia

Produced by: Claus Hagen
Date: 19.04.2011 Slide 8
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Credit Suisse does SOA since 1998

Credit Suisse Information Bus:
- 1998 until today
- 1000 services
- 20 Mio calls per day
- Seen as benchmark for the industry

Global SOA:
- 2005 until today
- 7 countries
- > 30 services
- 5 back-ends
- Manage diversity!

DiMA: Disentangling the Mainframe Apps:
- 2005 until today
- SOA within the mainframe
- Bringing agility to the mainframe

BIAN: SOA standards for the financial industry:
- 24 banks, major vendors and integrators involved
- Create a market for standardized banking components

“Credit Suisse succeeded in building a highly business-critical integration infrastructure. The company is fully experiencing the benefits of SOA and the componentization of core business applications. However, to reach that desired state, Credit Suisse went through a lengthy and expensive endeavour that only leading-edge, technically sophisticated enterprises will be able to tackle.”

Gartner Group
Strategy: Driving the transformation towards a global banking IT system

- Credit Suisse has adopted a "OneBank" strategy in which previously autonomous business units will be integrated in order to serve customers in an optimal way.

- Cross-divisional sharing of applications and data as well as the execution of cross-divisional business processes require a solid foundation in form of a global Service oriented architecture.
  - Global consolidation programs in various areas, such as back office systems and trading
  - Global alignment of financial / risk management systems
  - Global re-use of front solutions across customer segments and business units

- Typical inhibitors of enterprise-level integration:
  - No common semantics across divisions
  - No cross-divisional interoperability standards
  - Long lead time and excess costs due to special engineering for each global integration
  - Lack of transparency for global message flows hurts the business
  - No global support model for integration solutions
  - No global management system for services and components
SOA: Reducing Complexity through a Component and Service Orientation Orientation

We are structuring the complete application landscapes, called components, rather than single applications.

- **Components** group applications and data around business objects and encapsulate them through **Services**
  - Structure based on business semantics (information architecture)
  - Decouple lifecycles of applications

- **Portals** integrate reusable presentations of components according to the needs of user groups (e.g., CFO staff, Relationship Managers, PB Clients, ...)
  - Structure based on user's flow of work
  - Flexible configuration of workplaces

- **Business Process Management (BPM)** orchestrates service execution and user interactions according to the bank's business processes
  - Structure based on business processes
Initially it takes time and investment. However, once a critical mass of services are available, growth climbs rapidly.

- Wide use of services follows a critical mass of available services
- Today ~20 Mio. service calls a day
Interface Management System (IFMS): Make SOA scale

- Service Catalog
  - Structured
  - Various search tools
  - Report engine

- Design tool
  - Data type repository
  - Composition tool

- Governance enforcer
  - Manage quality gates, reviews, obligations

- Lifecycle management
  - End Of Life notifications and reporting

- Code generator
  - Extensible generator
  - Linked to dev toolchains
Credit Suisse and BIAN (Banking Industry Architecture Network)

- Credit Suisse was a founding member of BIAN because of an important strategic vision:
  - SOA benefits today materialize primarily in **"build" projects**, where we can design the services according to our standards
  - In "buy" projects, we still face the problem of **proprietary semantics** in the service layers of standard applications. The high cost of integration projects is often due to the semantic integration of the packages.
  - If the BIAN vision becomes true, we will have **semantic standards for banking packages** which will allow to reduce the integration costs dramatically.
  - The vision in this respect would be a **"BIAN approved" status** for software packages ensuring that a package conforms to the BIAN standards and promising easier integration than is the case today.
BIAN benefits: Learn from peers

- Credit Suisse architects collaborate in BIAN workstreams that are of strategic importance to our bank
  - Currently: predominantly Partner Data
  - In the future: potentially other areas (securities operations, risk, financials)
  - The active exchange with experts from other banks and vendors helps us to come up with a state-of-the-art architectural design for our systems

- We aim at enhancing our internal SOA methodology and processes with the best practices brought forward by BIAN
  - Although we have a long experience in the SOA space, there are many areas in which we need to improve.
  - The active and open dialogue with the representatives of the other banks allows us to improve our own work based on the experience of the other peers.
  - BIAN constitutes a valuable network of skilled individuals and companies which allows each company to benefit from a wide range of positive experiences and lessons learned.
  - Example areas: Service design approach, service landscape, governance process
Example: Business Partner Management – Strategic Project

- Business Partner Data management is a core capability of a private bank

- Current environment built on a 30 year old IT infrastructure
  - Missing global holistic view on a client
  - Data redundancy and inconsistencies
  - Redundant systems
  - Data governance

- Multi-year program started that will
  - Support the global business strategy with a consolidated partner data system
  - Purchasing a package is an option
  - Reduce risks
  - Reduce systems complexity
  - Implement data governance

- Roadmap
  - Program started in 2009, will run until 2013 and possibly beyond

- BIAN engagement: Our lead architect for partner data has been working with BIAN for the past 3 years and can leverage the expertise in our strategic project
Example: Semantic Model (Partner)
Further BIAN benefits
Benchmark against SOA best practices

- Our SOA concepts were largely developed in-house. In such an approach, there is always the risk of "mental isolation" in the sense that you avoid to look outside of your own company and such miss out important innovations.

- BIAN will set the benchmark for SOA best practices in the financial industry. Due to the collaboration of banks, vendors, and integrators we will hopefully be able to compile a "best of breed" SOA standard.

- Each BIAN participant contributes their own experiences and solutions. In the BIAN working groups these will be assessed and combined, leading to common standards incorporating the best concepts of all participating partners.

- We see the BIAN standards as a benchmark for our own internal work. Where can we improve internally since BIAN is more advanced, where did we forget something in our solutions, where can we directly reuse a BIAN solution in areas we are addressing?
Example: BIAN meta model (partial)

- Metamodel describes the service notion precisely
- Services linked to business objects, business scenarios, etc
- Synchronized with other standards such as ISO 20022
- Integrated with service discovery methodology
Credit Suisse and BIAN - Summary

- Credit Suisse is a founding member of BIAN

- The long-term benefits of our engagement are reduced integration costs for standard software based on standardized semantics

- In the mid-term, we benefit from the SOA experience of other banks, from the direct transfer of knowledge into our strategic initiatives, and from the benchmark defined by the SOA best practices in BIAN.
BIAN Introduction

BIAN Helps Credit Suisse to Improve Its IT

Credit Suisse at a Glance

SOA experiences at Credit Suisse

BIAN benefits for Credit Suisse

Questions and Answers

Benefits from this Vibrant Community for Banks and Partners
Thank you!

DISCUSSION
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Experience BIAN Benefits

Join a vibrant community of banking and architecture experts

Achieve interoperable banking architectures

Share experiences with your peers

Reduce integration costs and therefore minimize IT risks

Facilitate complex transformation projects

Learn more about IT and business architecture topics

Shape an emerging industry standard
Explore BIAN in more Detail

- **Visit the BIAN Homepage**  [www.bian.org](http://www.bian.org)
- **Have an individual follow up session arranged for your team**
- **Learn more about BIAN at selected Banking events**, including
  - SEMANTIC TECHNOLOGY, San Francisco (U.S.), June 2011
  - SIBOS, Toronto (Canada), September 2011
  - Member-hosted events
- **Join the upcoming webinars (details see next page)**
  - May 24, 2011  Usage of BIAN Business Partner Results by SAP
  - June 29, 2011  Adoption of BIAN Lending Deliverables by FERNBACH

**Link:**  [http://www.bian.org/content/bian_webinars/index_en.html](http://www.bian.org/content/bian_webinars/index_en.html)
Join the Upcoming BIAN Webinars

BIAN Working Group Business Partner

May 24, 2011
Adoption of BIAN Thinking and Deliverables as part of the SAP for Banking Solution Portfolio in the Business Partner Domain

→ More

Webinar Registration

→ More
Contact BIAN for Additional Questions
Questions?
Model for Gradually Increased Engagement in BIAN

**Engagement Level 1 – Membership and Limited Engagement**
- Member contributing membership fee to support funding of third party resources
- Access to BIAN internal wiki, including work in progress (e.g. documents currently under review)
- Engagement limited to participation in physical BIAN Core Team Meetings
  - February 22 - 25, 2011 near Zurich (Switzerland)
  - June 8 -10, 2011, venue tbd. (Central Europe)

**Engagement Level 2 – Participation in (virtual) Reviews**
- See above – in addition:
  - Participation in Document reviews – Contribution to Quality Assurance
    - Virtual or physical review sessions with other subject matter experts
    - Recently finalized documents prior to final approval and publication

**Engagement Level 3 – Active Contribution**
- See above – in addition:
- Active engagement in 1 Service Definition Working Group / 1 Architecture Working Group, for example:
  - Service Definition: WG Business Partner or Lending
  - Architecture: Service Landscape (alternatively: Architecture Framework and Foundation)

- Financial and Marketing Support
  - Network
    - 6-9 PDs*) per member representative per year
  - Guidance through Participation in Reviews
    - In addition approx. 2 PDs*) per expert review: Prep., guidelines, review
  - Active engagement in area relevant to Member
    - In addition approx. 15 PDs*) per working group per year (mainly virtual collaboration)

*) PDs = Person Days

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Intellectual Property and Membership Fees

**Intellectual Property**
- BIAN Intellectual property policy
- WG membership triggers IPR Policy
- Members surrender IP on contributions to WG’s
- Members warrant that all WG contributions are their IPR
- BIAN deliverables are royalty free

**Fees**
- **Annual membership Fees**
  - **Software / Tech vendors / Integrators**
    - 250 employees or more
      - EUR 30.000
  - **Banks / FI’s that are not vendors**
    - EUR 20.000
  - **Software / Tech vendors / Integrators**
    - less than 250 employees
      - EUR 10.000