

# Aktia

## SWIFT delivers Alliance Managed Operations solution for Aktia Group



Niklas Lemberg is Head of Payments at Aktia Bank. All quotes are his.

### About Aktia

Aktia Bank and its partners operate a network of about 430 branch offices and 1,700 ATMs serving 1,250,000 customers across Finland. The group plays a critical infrastructure role as a ‘payments factory’ for more than 70 other Finnish banks, handling an average of nearly 300,000 low value payments (LVPs) per day. In addition to banking, Aktia offers solutions in asset management, insurance and real estate.

### Business growth exposes need for more resources

A SWIFT customer for more than 20 years, Aktia operates an on-premises SWIFT infrastructure that includes Alliance Access, Alliance Gateway and SWIFTNet Link. Its SWIFT applications were managed by the Payments Department, with one person having detailed operational knowledge. With the establishment of the Single Euro Payments Area (SEPA), Aktia’s SWIFT volumes increased significantly, as did the business-critical nature of these activities. However Aktia’s SWIFT knowledge and resources did not keep pace. When its SWIFT expert left the company, Aktia needed to replace those skills and secure the needed SWIFT operational resources moving forward.

As Aktia’s Payments and IT teams examined the situation, they recognised several challenges:

- Insecurity about the operational health of their SWIFT infrastructure
- Lack of detailed SWIFT knowledge and resources in-house
- Low management awareness of the criticality of SWIFT systems
- No on-going adoption of best practices related to SWIFT systems
- Unclear roles and responsibilities between Payments and IT departments

With this in mind, Aktia turned to SWIFT Services. Niklas Lemberg, Head of Payments at Aktia, explains: “We engaged SWIFT to help us address a short-term lack of SWIFT expertise and resources, as well as to define a longer-term strategy for managing operations of our business-critical SWIFT systems. SWIFT did an excellent job of understanding our requirements and proposing several valid alternatives – enabling us to make the right choice for our business.”

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## Detailed assessment

Aktia asked SWIFT to perform a detailed review of its SWIFT architecture model, as well as related processes, costs, skills and effort required. SWIFT was charged with providing a comparison of in-house and outsourcing options based on criteria including staffing, cost, impact on business operations integration and Service Level Agreements (SLAs).

The study also included a high-level assessment of the infrastructure and identified areas for improvement. The timeframe was short – delivery within eight weeks – with the work to be conducted by senior SWIFT experts.

“We chose SWIFT Services because we knew we’d be dealing with SWIFT experts, not generalists who lacked detailed SWIFT knowledge,” says Niklas Lemberg. “We appreciated the fact that SWIFT experts took the time to understand our needs and provided a detailed analysis with concrete and objective recommendations.”

## Concrete recommendations

Based on the results of the analysis, all parties agreed to further evaluate three possible solutions:

- Keeping Aktia’s SWIFT infrastructure in-house with a managed services solution from SWIFT
- Moving from an on-premises interface to a cloud-based solution (Alliance Lite2)
- Outsourcing the infrastructure to a Service Bureau

SWIFT presented the pros and cons of each approach and compared the implications in terms of cost, flexibility, organisation and risk. Key considerations included mitigating operational risk related to day-to-day management of SWIFT systems. The lack of in-house expertise made this a key pain point. Aktia also wanted to keep its current on-premises architecture and the additional flexibility and control over configuration, integration, data storage and archiving. This meant a cloud or third-party connectivity solution was not appropriate.

Ultimately, Aktia chose the SWIFT managed services solution, known as Alliance Managed Operations.

Implementation would be a group project involving SWIFT experts and members of Aktia’s Payments and IT teams.

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## Alliance Managed Operations – a complete solution

Alliance Managed Operations is a new managed service from SWIFT and includes remote monitoring and management of the customer’s SWIFT systems. Customers are assigned an ‘Operational Service Manager’, meaning they get dedicated service from a SWIFT expert. The solution for Aktia included:

- Optimal architecture design and infrastructure setup: during the implementation phase, the existing SWIFT systems at Aktia were essentially aligned to best practices
- SWIFT operational excellence at Aktia’s premises: continuous remote monitoring and maintenance of SWIFT systems by SWIFT experts employing the latest tools and training
- Worry-free operations: proactive troubleshooting, best practices implementation, system upgrades and change management
- Day-to-day housekeeping with seamless coverage of Alliance Access, Alliance Gateway, SWIFTNet Link, and HSM and VPN boxes
- In-house control over infrastructure and data: the SWIFT systems remain at Aktia’s premises, giving Aktia full control over their infrastructure, messages, and data storage

As part of the solution, SWIFT provided detailed documentation, procedures and a Service Level Agreement (SLA) to align all parties on expectations and allow measurement and evaluation of service levels. Aktia enjoys flexibility and has sufficient capacity for growth as its business evolves.

## Implementation – driving positive change

SWIFT Services’ analysis and recommendations for Aktia came with no strings attached. By choosing SWIFT for implementation, Aktia reduced time to market, since the SWIFT team was already familiar with Aktia’s specific objectives and requirements through the requirements analysis.

Once Aktia had made its decision, SWIFT Services led the project team through four main steps:

- Alignment of systems with recommendations
- Preparation for remote monitoring and management
- Testing of the solution
- Go Live

SWIFT’s end-to-end project management kept the project on track against an aggressive timeline. Having independent, external project management enabled Aktia to cut across organisational barriers. Implementation took 10 weeks, including one month during which SWIFT shadowed Aktia’s operations team to ensure everything was working smoothly.

“The SWIFT approach was very professional, well structured and transparent,” says Niklas Lemberg. “As a neutral third party, the SWIFT team have been agents for positive change and have facilitated better communication and cooperation between our Payments and IT teams. They pushed us to meet our deadline for completing the project – which we did.”

The end-to-end approach also meant Aktia’s Operational Service Manager at SWIFT was already well involved during the implementation process. This gave Aktia additional confidence and peace of mind as the solution went from concept to reality.

## Benefits delivered – a win, win, win approach

By choosing Alliance Managed Operations, Aktia solved their short-term need to mitigate risk and operate their SWIFT systems while putting in place a long-term strategy to manage their SWIFT infrastructure.

“Alliance Managed Operations is definitely the right solution for our needs,” says Niklas Lemberg. “It has enabled us to maintain control over our infrastructure and focus on core business activities while handing over day-to-day management of our Alliance interfaces to the experts at SWIFT.”

The winning formula has also helped to clarify roles and responsibilities to put the right people in place to ensure business and operational excellence. Business experts in Aktia’s Payments team continue to control and manage the relevant business flows, but are spared from daily systems operations and housekeeping activities. The operating systems experts in Aktia’s IT department maintain control of the technical environment and systems. And, SWIFT experts manage the day-to-day operations of Alliance interfaces and related security devices with the most up-to-date knowledge and tools at their disposal.

More importantly, by outsourcing the operational management to SWIFT, Aktia gets guaranteed SWIFT expertise at all times, without the need for additional staff training.

Niklas Lemberg concludes: “Before we talked to SWIFT, it sometimes felt like we were running after a bicycle. We were a little bit in control, but weren’t really riding it. Now, with Alliance Managed Operations, it feels like we’re riding a tandem, and we’re back in control of where we want to go.”

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