First service of its kind in Israel is powered by a private cloud based on Intel® technology

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—Ilan Bunganim
CTO Bank Leumi

One of Israel’s largest financial institutions, Bank Leumi prides itself on delivering a high-quality, professional service across multiple distribution channels and a variety of products. It set itself the challenge to be the first in the country to launch a mobile-only bank service, which dispenses with the need for physical branches and enables its customers to benefit from access to a full range of banking services anywhere and anytime. It launched the service using a private cloud, powered by an Intel® technology-based software-defined data center (SDDC).

Challenge
Bank Leumi must remain agile to respond to new market pressures and customer demands. In order to deliver Israel’s first mobile-only bank, it needed a more responsive IT environment that would enable it to bring new services to market quickly and cost effectively. As part of this initiative, it also needed to bring together existing siloes of data and development teams in order to help its existing bricks-and-mortar brand, as well as its new mobile-only brand, to develop and operate efficiently and deliver a great experience to its customers.

Solution
The bank realized that a private cloud environment would provide it with the agility it needed to drive ongoing transformation. It implemented a private cloud based on EMC Hybrid Cloud* with VMware NSX-v* and Dell EMC vBlock*, based on a software-defined data center model powered by Intel® technology and bringing together networking, storage and servers into one environment, optimized for the needs of its applications.

Results
With the new private cloud infrastructure in place, agility has increased significantly. New services can be set up in three hours instead of three weeks previously, and projects executed in an hour, which also used to take three weeks. Firewalls can also be set up much more quickly, with firewall policies being defined in just 15 minutes now instead of eight hours before. The integrated systems allow developers and stakeholders to work more efficiently together, while also providing the scalability and flexibility to support future growth and the development of new products and services.
Innovative Banking Demands Agility and Integration

Bank Leumi is committed to continuously innovating the services and products it offers in order to keep up with evolving customer expectations and market opportunities. The arrival of neobank organizations that are disrupting the traditional financial services landscape with new business models, combined with a cost-cutting trend in the Israeli banking industry that has seen numerous companies close large numbers of branches, meant that this focus on innovation is increasingly important for established players like Bank Leumi to retain and grow their position.

The bank wanted to demonstrate its credentials as a forward-looking financial services provider by becoming the first organization in Israel to launch a mobile-only bank, offering a full range of services through a newly developed mobile app and without the use of physical branches. This initiative, designed to appeal to digitally native, highly mobile customers that value always-on, app-based banking services over the traditional branch-based model.

In addition to changing its core approach to banking with the new mobile-based model, Bank Leumi also wanted to re-architect the software, systems and infrastructure it used to run its operations and customer interactions. “We have a lot of different systems in our traditional banking environment, which in many cases were siloed and unable to interact with each other easily,” says Ilan Buganim, CTO Bank Leumi. “We wanted to create a more integrated platform for our new initiative.” Since the bank had purchased the Temenos* core banking application for its in-branch employees to use, it wanted to ensure its mobile bank application could connect to this system as well.

The other key challenge facing Bank Leumi in developing its mobile bank solution was the speed with which it wanted to launch it. “In a competitive market like ours, time is of the essence,” Ilan says. “We wanted to have our infrastructure ready to develop and deliver the mobile-only offering quickly, which meant creating a new cloud infrastructure as fast as we could.” The bank also needed to ensure it would be able to make updates to the solution in an agile manner, so it was looking for a next-generation data center platform that would enable it to provide faster and more streamlined end-to-end lifecycle management, self-servicing, just-in-time provisioning and automated delivery of services. It also needed to ensure any resources implemented to support the new offering were cost effective for the business.

“We knew we'd be able to work more quickly if we had our own private cloud and built the mobile bank environment from scratch, rather than re-using elements of our existing infrastructure,” explains Shlomo Bistry, COO Bank Leumi. “It would enable us to provide our developers with basic components like firewalls, server capacity and load balancing at the click of a button, so they could get on with developing the applications and help decrease our time to market. It would also help our DevOps team to help automate processes like quickly moving application updates from development to production so we could keep efficiency up and costs down.”

Solution Summary

This new environment was built upon the concept of SDDC, which supports agile cloud architectures and enables policy-based, automated orchestration of on-demand IT services.

“The shift to this new model required our team to make a cultural shift,” says Shlomo. “Previously we had siloed groups looking after servers, storage and networking but now we were asking them to work together much more collaboratively. Being able to show them they were doing something really innovative and being provided with the latest technology resources to do it helped drive enthusiasm for the change. Bringing all this expertise together in this way was much easier, and it made a big difference to the quality and speed of the results we were able to achieve.”
The bank's choice of technologies was a key factor in its success. It chose to use Dell EMC vBlock* server infrastructure, powered by Intel® Xeon® processors E5 family, and the EMC Hybrid Cloud including VMware NSX-v* for scalable and secure network virtualization.

"Intel® technology sits at the core of all these solutions. It's designed to power SDDC environments, and so it provides a strong basis for us to build on over time as our mobile bank grows," Ilan says. "Using this combination of elements also gave us confidence as the hardware and software elements have been proven to work well together for use cases like ours."

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