



TECH FOCUS

# Business intelligence for banks

MUHAMMAD H KAFI

BA NGLADESH has experienced a plethora of internationally accredited banking software being implemented to a few leading banks. Two objectives stood out for such a mission critical endeavour, which involved cohesive strategy, aligning business units, stakeholders and technology group. The perceived success was driven by the vision of stakeholders and zeal of management, in reaping benefits from technology.

Firstly, stakeholders wanted to introduce a new dimension to banking through cutting-edge technology. This brought in new policies and procedures, through effective identification and implementation of change management. Secondly, management wanted to benefit from technology-driven products and services. The objective was to offer better customer services. Hence, the Customer Relationship Management (CRM) portfolio embarked on new Key Performance Indicator (KPI) metrics.

The key to embarking on a Corporate Data Warehousing (CDW) and Business Intelligence (BI) project is to ensure that operational data reside on a single platform, are characterised, have a time series cascading of presentation, allow aggregation, and overall, ensure consistency, accuracy and 360° insightful information for improved decision making.

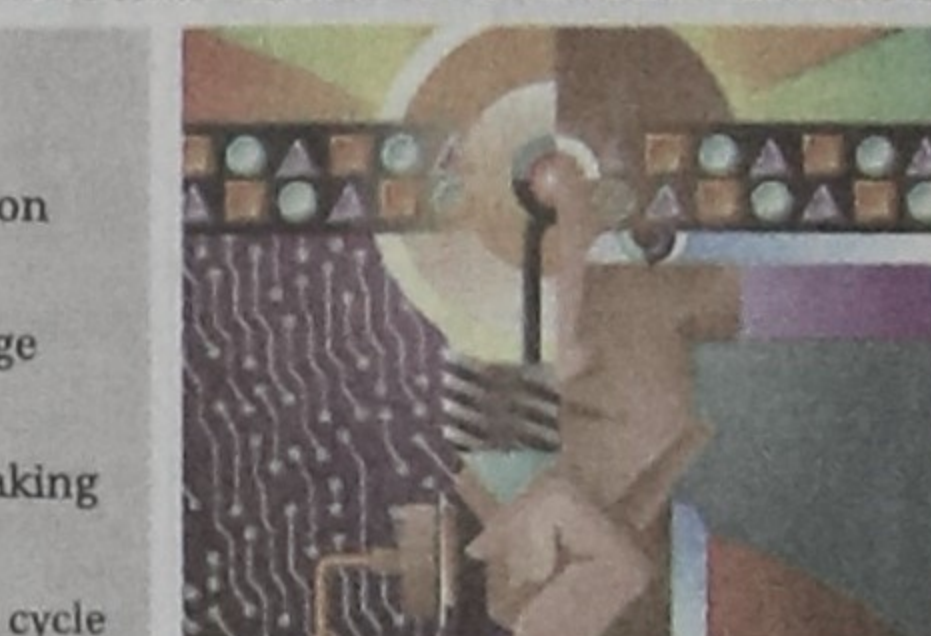
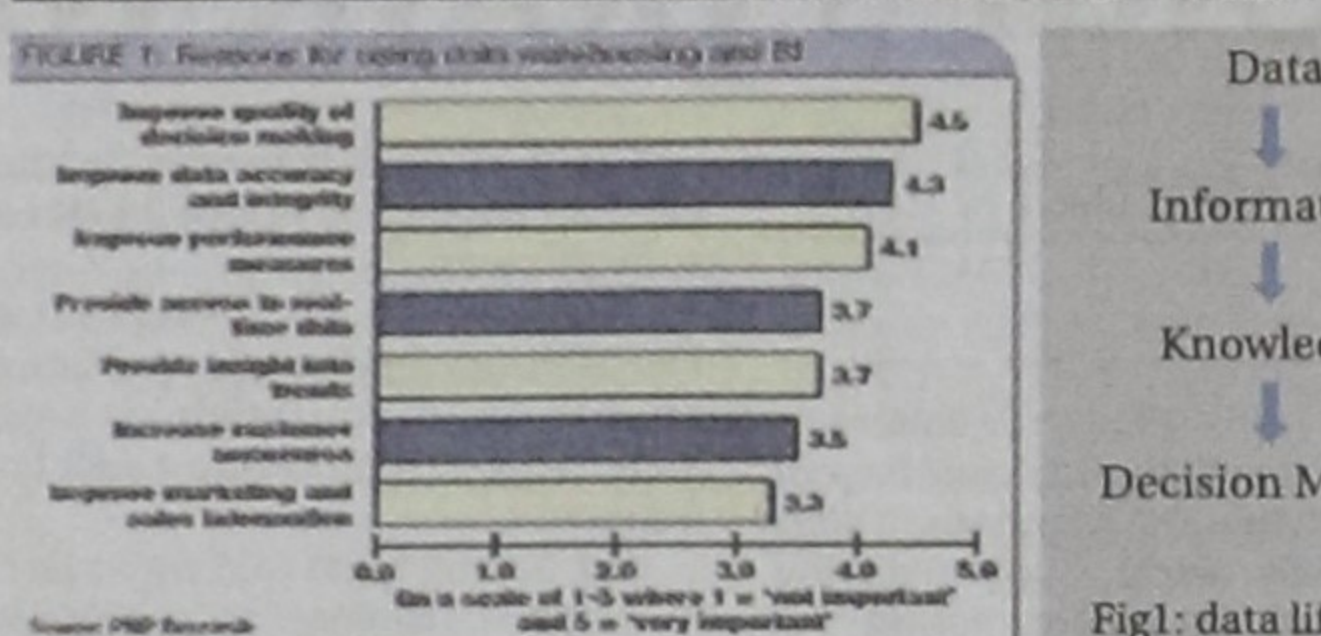
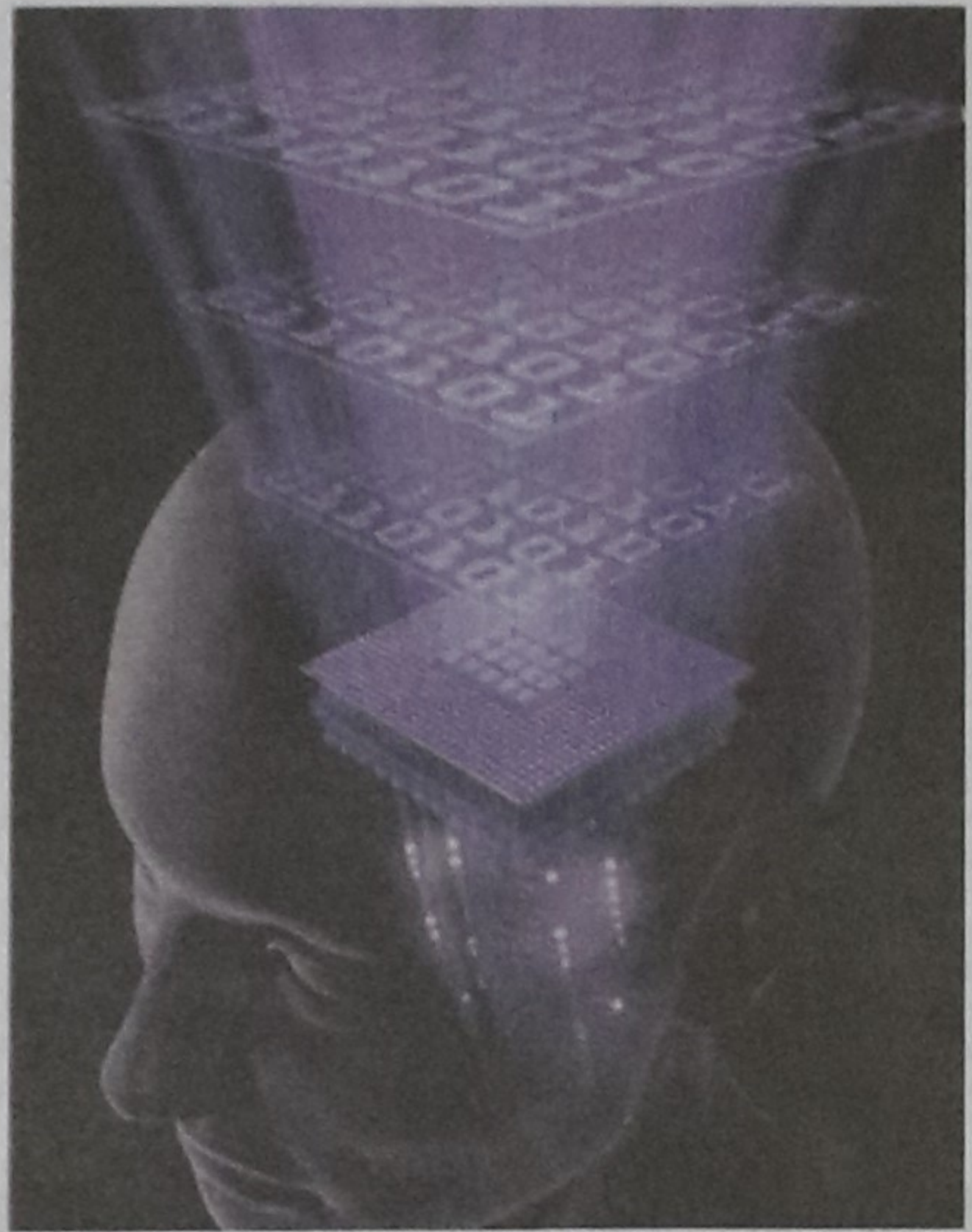
**Information is Knowledge**  
Traditional analysis demanded raw data to ascertain business trends and profitability analysis. While BI emphasised on the nature and life cycle of data.

Obvious question in a data-driven institution is not 'how much will I accumulate from my newly launched DPS product for low cost of fund?' but 'what do I have to do to ensure that my new liability product accumulates an astounding figure of 22 Crore by 7 months?' The iterative process starts by looking at the knowledge stage of data and going back to the raw form to provide an assumption. The ability of this predictive analysis yields better results for business.

A recent survey by the PMP Research in the UK revealed the top two reasons for using CDW, based on a scale of 1 to 5, where 1 indicates 'not important' and 5 'very important', are to (i) improve the quality of decision making (4.5) and (ii) to increase the accuracy and integrity of their data (4.3).

**Why build a data warehouse?**

Banks can augment competitive advantage and profit by harness-



ing corporate data as a strategic tool. One objective should now be to introduce users to a new BI system, which can be used to meet business goals in particular how it can make their work lives easier and more productive. In doing so banks should now focus on identifying information stewards across the business.

Finance may want to build hypothetical models leading to 'what-if' analyses. These, then, provide the ability to predict an unknown opportunity. This exercise is particularly handy while reacting to changes occurring in a fiercely competitive marketplace. Jack Welch, the flamboyant CEO of GE once said "If the rate of change outside of your organisation is ever greater than the rate of change inside your organisation - it's over".

**1. Customer Relationship Management (CRM)**

Key targets for CRM initiatives, are to provide business intelligence to achieve bank's strategic objectives, which are attracting, servicing and retaining customers. But first, what is a CRM strategy? Key areas to focus while building a CRM Decision Support System are:

- i. How many customers

do you have and who are they?

ii. Who are the most profitable customers?

iii. Which customer segment delivers the largest revenue? (Pareto rule: 80/20 analysis).

iv. How many different product ranges does the customer buy from you?

v. How loyal is your customer base?

vi. What is your customer churn rate?

vii. What proportion of the customer's wallet do they spend with you?

viii. How many customers repeat availing funded or non-funded services?

ix. What is the external perception of your bank?

x. Which business area generates highest customer complaints?

xi. Do you know how to generate cross-selling, or up-selling or down-selling with your selected customers?

The above questionnaires then provide a basis for CRM KPIs for effective analysis of information, leading to operational efficiency and profitability.

**2. Central Bank Reporting**

A data warehouse feeds the build

of CL, SBS, CTR, STR or Forex related returns. Attention should be given to data extraction, transformation, cleansing, and population from operational data. Banks may want to build reports based on pattern of fraudulent activities. For example, what transactions usually take place on money laundering attempt? Once such a pattern is established, it is then easier for banks to replicate the concept on other key areas like customer churn analysis.

**3. Asset Liability Management**

Treasury can take great advantage from data modelling, and the hypothetical analysis derived from such modelling. A relational or multi-dimensional model should allow 'real-time alert' on the cross-functional impact of 'interest and expense'. Driven by a rule-based analytic, this model can quite nicely prompt business on interest rate distribution matrix, for funded or non-funded products, for a variety of interest rates, on liability products. Such ability allows Treasury and Finance to predict a 'balanced scorecard' in view of maximising profit by deriving better yield on interest spread.

**4. Credit Approval System**

An online credit approval system reduces a lot of operational redundancies and improves efficiency manifold. It allows building an online repository of customer balance sheets and allows stamping credit information received from the Central Bank. The credit approval system allows developing KPI Metrics on how you want to measure your operational efficiency. The challenging part lies in centralising pertinent business processes by a specialist group called BPR.

**5. Operational Reporting**

Operational reports from a data warehouse may include loan listing, balance sheet analysis, expense & income GL analysis, daily position etc. Banks should segregate hosting of online data from a data warehouse. A dedicated server is recommended for hosting such analytical data, which should be updated during the evening, after completing end-of-day processing, through a well-designed Extraction, Transformation and Loading (ETL) tool.

Power users within each business unit should be trained on structured query language (SQL), reporting tools like Business Objects and data modelling. They should be able to design and develop their own queries, leaving core IT members to get along with more optimisation work and support. They are the 'knowledge-base' within the banks.

A CDW helps to build a dashboard or Enterprise Information Portal (EIP) for senior management, moving away from bottom-up-reporting to top-down approach, drilling down to details, when needed, with slicing and dicing capabilities. The benefit allows pivoting corporate data from a new perspective, which is not possible with traditional column-based reporting. While a CDW ensures 'one version of the truth', an EIP ensures that senior managers make the best usage of their IT assets, both information and hardware, in reaping true benefits of technology.

**Conclusion**

The recent trend of adopting top-notch banking software in local banks has put them in a linear competition of banking facilities. The ones who would be able to transform the pattern of building quantitative data, measurements and figures into qualitative extractions and knowledge assets will ultimately lead. However, without an Information strategy you may end up having lots of data and no information to base your decision.

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Apple Lisa

The Apple Lisa was a personal computer designed at Apple Computer, Inc. during the early 1980s. The Lisa project was started at Apple in 1978 and evolved into a project to design a powerful personal computer with a graphical user interface (GUI) that would be targeted toward business customers. Around 1982, Steve Jobs was forced out of the Lisa project and joined the Macintosh project instead. Contrary to popular belief, the Macintosh is not a direct descendant of Lisa, although there are obvious similarities between the systems and the final revision, the Lisa 2/10, was modified and sold as the Macintosh XL.



TECH VIEWS

# Google Chrome is out



MAHDIN MAHBOOB

GOOGLE has released the beta version of its much awaited web browser, Chrome on September 13 and this week in StarTech we will have a look at the pros and cons of this all new browser, which according to industry experts, is likely to become a serious contender for the market leaders Internet Explorer and Mozilla Firefox.

So, here are the first impressions that I gathered.

Other than the basic and simplistic look of the software which is common to all Google applications, here are some categorical descriptions of the various aspects of the web browser:

**Speed:** The first thing you will notice about Google Chrome is its speed. It is fast- REAL fast! Google Chrome also loads from scratch in less than a second on the different machines I've tried it on!

**Page display:** The pages look pretty much the same as on Mozilla Firefox 3. This is in stark contrast to the current beta version of Internet Explorer 8.

**Ease of use:** It looks pretty basic, which makes it all the more likable. There is no dedicated search bar but when you use the address bar, it will automatically do a search using your favourite search engine.

The settings section is easy to understand and there aren't that many options compared with IE and Firefox.

The Nifty tricks: You are going to be hearing a LOT

about the Google Chrome's 'Incognito mode'. It allows you to surf websites without that website appearing in your browser's history folder. Also, any new cookies triggered from your incognito mode tab will be deleted when you close it. When you have a tab open in incognito mode, you get a little picture of a detective in the top left corner - so you can tell at a glance which mode you are in.

Add to that, your bookmarks are automatically

Chrome running!  
- Fixed Width fonts on some sites are tiny on Google Chrome!

- WordPress bloggers like me will find some of the posting tools not working properly!

Overall: To be honest, I am really impressed. Google Chrome is fast, easy to use and very polished for a beta version. My initial impressions are very positive and I can't wait to get the real version! But knowing what Google is like, Chrome will probably stay in



imported as soon as you install

Google Chrome and your shortcuts will appear in the same order that they appeared in your previous browser - so everything's where you expect it to be.

The drawbacks: As can be expected from a brand new beta, it's not perfect! Here are a few known problems from the Google Chrome help center and other personal findings.

Google Calendar - If you create an all day event at the weekend it adds an extra day!

- Laptops sometimes won't go to sleep with Google

beta for ages!

Thanks to the arrival of Chrome, the so-called browser wars have taken an interesting turn and it is yet to be decided if this baby browser is going to be the winner. After years of the 'experts' telling us that it's either Internet Explorer or Firefox who will win - there's someone new who might as well win the war!

And if you haven't already downloaded this amazing software, I'd highly recommend that you do so NOW! Go to <http://www.google.com/chrome> and hit download. Enjoy!

# CSL introduces HP Pavilion dv3109tx notebook

STARTECH DESK

COMPUTER Source Limited (CSL) has recently introduced the HP Pavilion dv3109tx notebook, which is all about usability, durability, and attractiveness.

Packed with an impressive combination of features, the HP Pavilion dv3109tx notebook offers a full-function PC with the extreme mobility.

It's based on Intel Pentium core 2 duo processor T9500 with 2.60 GHz processing speed, 6M cache memory and 250 GB HDD and 4GB Ram,



says a press release.

You can enhance your viewing pleasure and efficiency with this notebook PC's 13.3-inch widescreen display, both at home and in the office. It has integrated NVIDIA 256MB

dedicated Graphics, super multi dual layer DVD writer and a remote controller. For security, it automatically protects data by parking the hard drive prior to a shock event.

It has Bluetooth technology for data connectivity. Further enhancing this beauty is the advanced seamless design of the built-in Altec Lansing speaker, 5-in-1 media card and HP webcam giving you total converged communication.

HP Pavilion dv3109tx notebook has a price-tag of 1,55,600 taka with one-year limited warranty.

TECH VIEWS

# Kodak GCG and Zeeshan join hands

NAHID AKHTAR

AT a lavish rendezvous at the Westin Hotel, Dhaka, Kodak's Graphic Communications Group (GCG) announced their partnership with Zeeshan International Agencies Pvt Ltd on August 30, 2008.

Graphic Communications Group offers solutions for commercial printing as well as for publishing and packaging industries. They offer products and systems designed to help customers grow their businesses. Zeeshan International has had sixteen years of experience in the business of supplying newsprint, paperboards and petrochem products in Bangladesh. Backed by efficient sales and service support and customer relations, the firm has already carved a niche in Bangladesh.

The programme also served as a platform for the introduction of Kodak's Computer to Plate (CTP) machines in Bangladesh. CTP is an imaging technology used in printing processes, where an image created in a desktop publishing application on your computer is output directly to a printing plate.

This compares with the older



The Kodak Trendsetter 800 III Quantum platesetter.

technology, Computer to film (CTF), where the computer file is output onto a photographic film. This film is then used to make a printing plate, in a similar manner to a contact proof in darkroom photography.

In this way, CTP machines do away with the intermediate step of making films, thereby reducing the turn-around time in plate production from one week to a few days, or in extreme cases, even an hour. Moreover, plates are more consistent and costs are reduced. Sharpness and detail are also enhanced and defects due to dust, scratches or

other artifacts are minimised. Arnab Maiti, regional manager of Kodak's GCG in North India and Nepal, gave a technical presentation, underlining the features and the technology behind Kodak's latest products to be available in Bangladesh. Some of the products highlighted were the Kodak Trendsetter 400 III Quantum platesetter and the Kodak Trendsetter 800 III Quantum platesetter.

The Trendsetter 400 III Quantum platesetter is a semi-automatic 4-page platform, whereas the Kodak Trendsetter 800 III Quantum platesetter is a faster,

8-page platesetter. Both incorporate the Kodak SQUAREspot imaging technology and a 20-micron or optional 10-micron Kodak Staccato screening to produce photo-realistic prints. The SQUAREspot technology allows stable dots on the plates, thereby assuring accurate and consistent presswork. Staccato screening allows high-fidelity, artifact-free screening to produce continuous tone images that exhibit fine detail and an extended color gamut.

When asked how he feels the Bangladeshi market will react to their machines, Maiti

optimistically remarked, "We have our focus set in the market and we will try our best to make this transformation in Bangladesh."

Zeeshan International promised to provide well-trained staff with sound technical know-how, who will provide fast and efficient after-sales support and service. Bhalechandra Nikumb, Cluster India Head of Kodak Graphic Communications Group said, "Kodak is focusing on all the emerging markets in the world and Kodak considers Bangladesh as an integral part of its growth strategy in the Asia-Pacific region. We are very excited with this partnership and we are confident that this will help Bangladesh printing industry to migrate from conventional to digital technology smoothly."

To supplement his comment, Shahabuddin Khan, managing director of Zeeshan International Agencies Ltd, added, "We are having sixteen years' experience in print, publishing and packaging industry in Bangladesh through the representation of world renowned brands in this country. Partnership with Kodak will strengthen our relationship with this industry in Bangladesh."

PHOTO



ROSETTA'S SECOND SWING

This handout picture from the European Space Agency (ESA) retrieved on September 3, shows an artist's rendition of ESA's probe Rosetta's closest approach to Earth during its second swing-by of our planet on November 13. The image shows the fly-by configuration as seen from above. Rosetta is due to rendezvous in 2014 with Comet 67P/Churyumov-Gerasimenko, sending down a refrigerator-sized lab to examine its crusty surface however, its 6.5-billion-kilometre (4.06-billion-mile) odyssey will be interrupted on Friday, when the craft will get down to some serious science as it zooms through the asteroid belt between Mars and Jupiter.

PHOTO: AFP