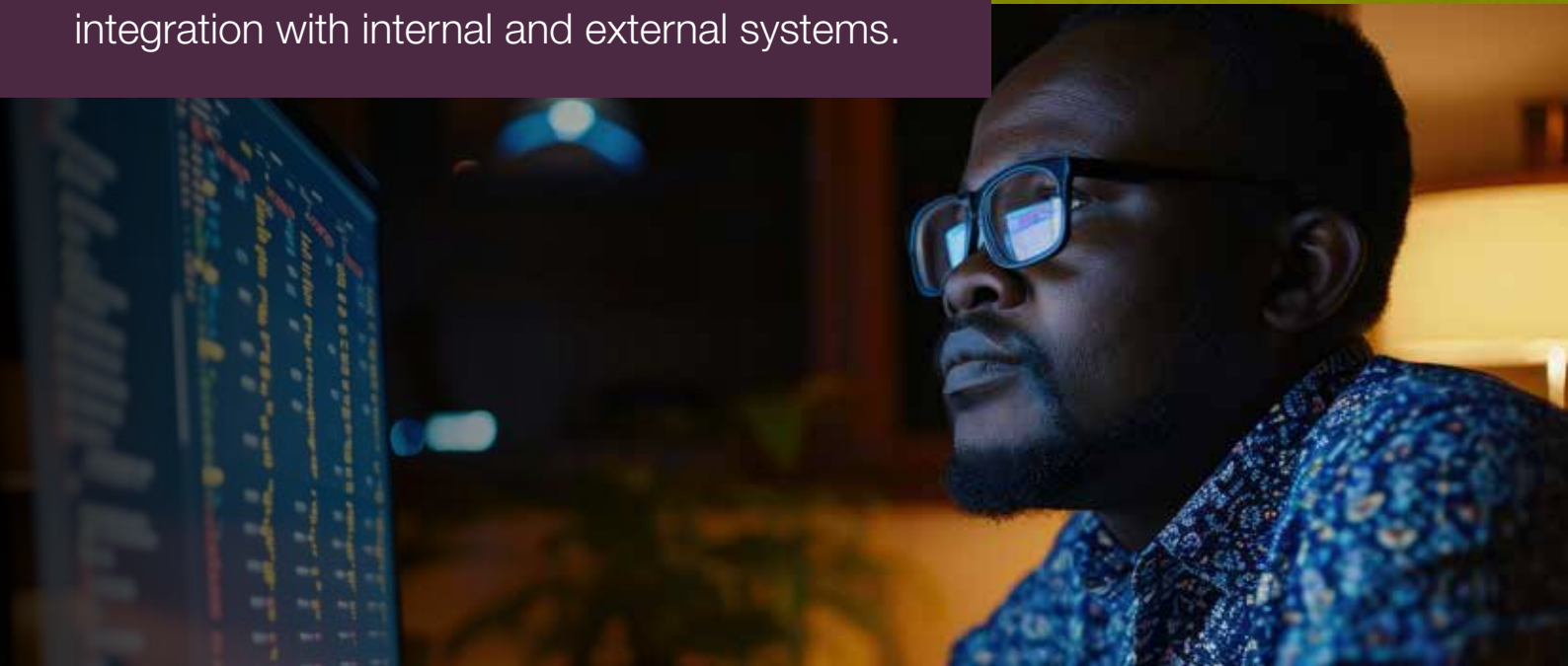


Case Study

A leading West African Bank sought to align its treasury operations with its strategic objectives, driving automation and straight-through processing (STP) while ensuring seamless integration with internal and external systems.



Problem

The client's existing treasury system was outdated and misaligned with the Bank's strategic direction.

The key challenges included:

- Inefficiencies in operational processes.
- Lack of integration with the broader IT infrastructure and FinTech ecosystem.
- Regulatory compliance risks due to gaps in the current system.
- An absence of a clear roadmap for future technology investments.



Solution

Andile, a specialist Capital and Financial Markets consultancy firm, proposed a Business Architecture Review (BAR).

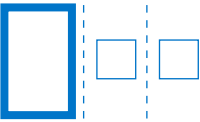
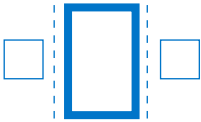

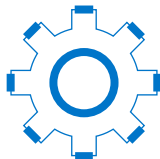
The BAR methodology aims to:

- Identify deviations from best practices in the Bank's current operating model.
- Clearly define the Bank's system needs.
- Map the strategic and business intent against the current IT infrastructure.
- Provide recommendations for a future-fit treasury system that would ensure automation, STP, and agile integration with other systems.

Implementation Approach

Central to the BAR was the Measurement Against Industry Standards and Technology Trends, where all questionnaires, analysis findings, and recommendations were measured against the Industry Standard Treasury operating model and processes (Industry Standard Model) to ensure alignment with best practices. This ensured that the proposed solutions were not only tailored to the client's needs but also in line with global best practices.

This Industry Standard Model comprises of the following divisions, roles and responsibilities:

 FRONT OFFICE	 MIDDLE OFFICE	 RISK	 OPERATIONS	 FINANCE
Head of Treasury	Chief Financial Officer	Chief Risk Officer	Chief Operating Officer	Chief Financial Officer
<ul style="list-style-type: none"> Client Interaction Capturing trades Managing risk Responsibility for generating PnL Daily flash PnL sent to Middle Office 	<ul style="list-style-type: none"> Validation of inputs to yield and forward curves Independent daily PnL generation Valuation of assets and liabilities at month-end 	<ul style="list-style-type: none"> Definition of risk limits (both Market and Credit) Daily monitoring of exposures against limits and escalation in line with policies Stress and Back Testing 	<ul style="list-style-type: none"> Confirmations Netting Settlements Exchange Control ("Excon") Reconciliations 	<ul style="list-style-type: none"> Posting of entries to the ledger Month-end Balance Sheet substantiation Regulatory reporting Reconciliation

- 1. Business Overview:** Andile commenced the process by understanding the client's vision, mission, and strategic imperatives. This phase involved a detailed examination of existing processes, IT architecture, and strategic goals.
- 2. Detailed Questionnaires:** Comprehensive questionnaires were designed to gather insights across various domains, including people, operations, systems, customer experience, and risk management. These questionnaires served as a foundation for the subsequent analysis.
- 3. Deep Dive with Key Stakeholders:** Andile conducted in-depth sessions with key stakeholders from different business units to validate findings and gain nuanced perspectives. These sessions facilitated the identification of critical gaps and opportunities.
- 4. Detailed Analysis:** Leveraging insights from questionnaires and stakeholder interactions, Andile conducted a detailed analysis, rating and weighting findings, and mapping gaps and opportunities. This phase involved thorough data analysis and process mapping exercises.
- 5. Feedback and Roadmap:** Andile presented the findings to the client's senior executives, accompanied by functional architecture maps, supporting documents, and an executable roadmap. The feedback session provided actionable insights for aligning business processes and technology investments with strategic objectives.



Measuring Success

Success in BAR engagements was measured by the client's ability to make informed decisions based on actionable insights.

Delivering comprehensive heat maps and actionable recommendations enabled clients to optimise business processes strategically and drive sustainable growth.

Results

Several successful BAR engagements demonstrated the effectiveness of the approach, empowering clients to optimise their business architecture and technology investments strategically. The coordinated efforts of multidisciplinary teams ensured that BAR engagements delivered tangible value and laid the foundation for future growth and innovation.

- **Operational Efficiency:** By identifying and addressing inefficiencies in existing processes and systems, the client achieved significant improvements in operational efficiency and resource utilisation.
- **Strategic Alignment:** The BAR facilitated alignment between the client's business objectives and its technology infrastructure, ensuring that investments in digital transformation were strategically directed.
- **Regulatory Compliance:** Through a thorough review of regulatory requirements and risk management practices, the client enhanced its compliance posture, mitigating regulatory risks and strengthening governance frameworks.
- **Future Readiness:** Armed with a roadmap for future state architecture, the client was well-equipped to embrace emerging technologies, such as cloud computing and artificial intelligence, ensuring long-term competitiveness and innovation.

The BAR process enabled the West African Bank to adapt to evolving market dynamics.

Effective coordination and tailored solutions, coupled with actionable insights, empowered the Bank to optimise business processes and drive sustainable growth.

