

CBoP

The Client

Centurion Bank of Punjab (CBoP), now merged with HDFC Bank, was a mid-sized private sector bank with an employee base of 12,000 people, revenue of approximately 1300 crores, and presence in almost every Indian state. During the 10 year period from 1998 to 2008, the bank had made three acquisitions (Twentieth Century Finance, Bank of Punjab, and Lord Krishna Bank) and had become the fifth-largest bank in the private sector.

The Challenges

In 2005, CBoP was preparing for accelerated organic and inorganic growth, and was convinced that achieving operational excellence had to be the focal point for achieving the desired growth. The challenge was to manage the entire back office operations for the bank from two shared service centers in Bangalore and Gurgaon while achieving accelerated growth and maintaining operational excellence. The services included providing operational support to Assets, Liabilities, Wealth Management, Clearing, Customer Service, Direct Tele-Marketing Hub, vendor management, HR Operations, and local operations at its asset branches spread across India.

Centillion's Approach

Centillion developed a unique approach that included

- Studying the existing processes, identifying the pain points, gaps, or process improvement areas, and suggesting acceptable solution models backed by relevant technologies
- Building end-to-end processing capability, participating in process migration, and ensuring migration success and stability
- Creating a scalable model for boarding prospective customers
- Aligning the initiative to client's business strategy/needs, and implementing an effective governance model to ensure standardization, control, reviews, and regular reporting to the various stakeholders

Centillion's Solution

On recommendations made by Indecomm, Centillion took over and managed the entire operations of the Bank in a phased manner. Centillion redesigned the business process, automated parts of the process, introduced scanning, workflow, and document management systems, and satellite systems/tools/trackers.

Based on the redesigned solution, Centillion undertook the management of each of the identified activities in a phased manner. Relevant technologies were introduced at appropriate stages. Over the course of 18 to 24 months, the entire back office operations of CBoP were transitioned seamlessly. The transition included migration of CBoP's core banking solution from MISYS to Finacle, migration of its retail lending credit and operations system to Loan Origination System (LOS), and merger of Bank of Punjab with Lord Krishna Bank. Centillion monitored the transition by implementing adequate standardizations and effective controls.

The Benefits

The initiative supplemented and complemented CBoP's efforts in growth management, improving its operational efficiency, customer service, and overall banking operations.

Centillion was able to bring about a complete transition of the back office processes at CBoP in such a way that the Centurion Bank of Punjab's business **grew by almost 70%** at the same cost base.