Harnessing the Cloud

Five years ago, the cloud was thought to be a platform where people stored music or documents. Now, it has become acknowledged as a massively powerful platform that enables large organisations, like banks and other financial services providers, to move with the agility of a start-up. But no matter how mature the IT organisation is, you will still need an expert to make sense of which technologies within the cloud are appropriate and to help you implement them in the most practical way, with the biggest benefit as a result. That's where Johannesburg-based Synthesis comes in, a company that specialises in helping enterprise customers translate business strategy into IT solutions with a real, measurable business impact.

Imagine rebranding a large bank. It's a task of daunting proportions, not only because every single document issued by that bank needs to carry the new logo, but also because 100% accuracy in the documentation is a legal requirement. Get it wrong and the bank would almost certainly face a steep fine, or could even lose its licence.

Absa, one of South Africa's Big Four banks, is going through just such a process as it separates Barclays Africa from its Barclays UK parent. No less than 38 000 separate items need to be changed in South Africa alone, with work assisted by Synthesis currently underway to understand the impact of replacing the Barclays logo in Africa at a later date.

> **...it would be wasteful to procure the infrastructure and build the app just for this one event.**

Synthesis MD Michael Shapiro explains this kind of work is almost impossible to perform manually within the timescales, but it's ideal for the cloud.

"In terms of Absa's rebranding exercise, all of these artefacts have to go through a Synthesis-developed and cloud-hosted application check to find and replace the old logos. The cloud is perfectly suited for this type of project because you don't need to order hardware and wait for it to arrive and then purchase an application to deliver it. Cloud allows for agility and the ability to move and scale up very quickly. That's because you're utilising the provider's infrastructure on a pay-as-you-use basis," explains Shapiro.

The provider is Amazon Web Services (AWS) and Synthesis was first to achieve Advanced Consulting Partner status in the Middle East and Africa. Launched in 2002, AWS is a subsidiary of Amazon.com and it's the dominant force in on-demand cloud computing, with a 34% of global market share, as of 2017. Little-known outside the industry is that one of AWS's core service developments took place in Cape Town.

Shapiro says that Synthesis' relationship with Absa began as a cost-saving exercise: "But quite quickly they realised, like many other customers on this journey, that actually the real benefit is the innovation that these cloud technologies and services offer."

AWS has more than 130 different services sitting on the basic cloud infrastructure, and Shapiro points to two which have been vital in the Absa rebranding exercise. The first is an artificial intelligence platform called AWS SageMaker, and the second an image recognition service called AWS Rekognition. The latter can recognise objects, including human faces registering different emotions, using neural networking knowledge technology. Just the thing to pick out the old Barclays logo and replace it with Absa's new one in every one of those 38 000 artefacts, including bank statements, templates, brochures, internal documents, proposals and so on.

"Because of the combination of massive power and innovation, it's also done in a very cost-effective way," notes Shapiro, adding that an event like a rebranding exercise might happen only once in a decade. "So if you think about it, it would be wasteful to procure the infrastructure and build the app just for this one event. The real benefit of these cloud technologies, other than the innovation, is that they can spin it up, utilise it while a project is on the go, pay while they're busy using it – on a per-second basis – and then, once it's concluded, shut it down and not incur any further costs associated with the project. It makes the ROI and cost hurdle extremely low to start enabling these kinds of projects. It has also put into the hands of South African customers technology that's available and accessible to global technology giants – obviously with the right skill set. Which is where Synthesis comes in."

Michael Shapiro

Slow credit

Another Synthesis client success story involves Mauritian-listed Cim. Shapiro explains that Cim is a diversified group, but a large part of its business is financial services, with one part focusing on consumer finance for a lower LSM market. This segment buys relatively low-value white goods, often on credit.

"The problem was that the consumer would enter the store, decide to buy an item, would need credit and apply to Cim for finance. This would involve filling out an application form, which would be sent to CIM for approval and which would only be returned a day or so later. But by that time, the consumer had left the store and might have changed his or her mind about the purchase or have bought the item elsewhere," says Shapiro.

"Our solution for CIM was to develop a tablet-based application whereby the merchant, as part of the sales process, can apply for credit for that consumer. The information goes directly to

Cim head office where it's assessed using Cim's current credit approval system, and the credit decision is given within minutes. The consumer with approved credit can walk away with the item there and then.

"It's an innovative way of using technology to modernise and digitise a process that was fairly cumbersome and problematic to both the business and the end consumer."

Shapiro reveals that Cim has now taken a similar model to Kenya: "It's the company's first foray into Africa, outside of the Mauritian island, and they've had massive success there. Within

Part of what we do is called co-creation.

12 months, Cim has been able to launch a new business with a functional system, with a roadmap to utilise a digital-first approach to consumer finance, with a view to provide reverse innovation back into the Mauritian head office.

To this end, alternative credit-scoring was noted early on in the Cim Kenya roadmap. In particular, leveraging information from Kenya's well known M-Pesa technology and social media have been earmarked as two alternative credit-scoring sources that the business intends to utilise in the near future.

Synthesis was the developer of the mobile applications, the front-end application for the in-store tablet and the orchestration and integration into the respective back office systems, working with the Cim teams.

Business model

Both case studies outlined above speak to Synthesis' business model: "We help large enterprises – mainly financial institutions, the large Tier One financial services enterprises – behave, think and innovate like start-ups. We help them to become more agile, leveraging technology to create new offerings or evolve their existing offerings," says Shapiro.

"Part of what we do is called co-creation. We're not about taking over and running these projects. We work with the teams on site with those customers and we work with third parties like AWS, or other appropriate technology providers, to provide the best solution to enable their fintech objectives."

Asked what makes Synthesis successful, Shapiro's assessment is direct: "It's our ability to critically review, assess, and then implement these technologies at the right time to give the highest impact to the banking customer. To help the banks and other financial services institutions implement critical technology initiatives quicker, cheaper and in a more innovative fashion." **GIBS**

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