BRI's Journey Toward Cloud

PT. Bank Rakyat Indonesia

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ABOUT THE SPEAKER

Educational Background
S1 – ITB
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2005 – present : Bank Rakyat Indonesia (BRI)

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BRI
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1 Background : Industrial & Banking Evolution

The Four Industrial Revolution

INDUSTRY 1.0

Mechanization and the introduction of steam and water power

INDUSTRY 2.0

Mass production assembly lines using electrical power

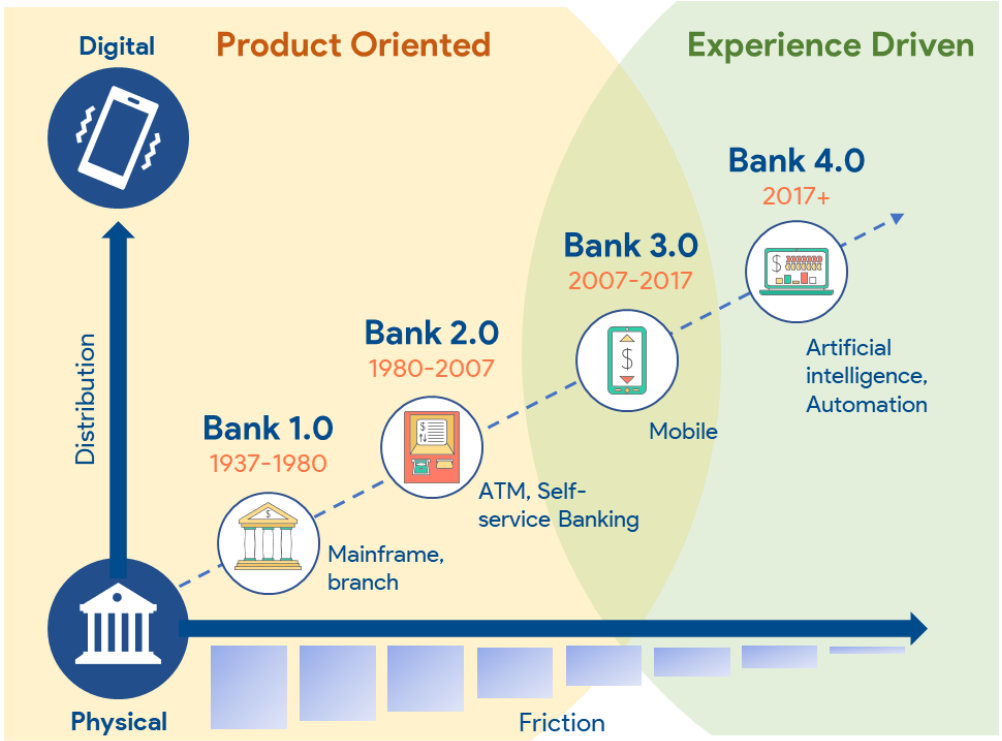
INDUSTRY 3.0

Automated production, computers, IT-sytems, and robotics

INDUSTRY 4.0

The Smart Factory, Autonomous systems, IoT, machine learning

Bank Transformation Drivers



Source: Huawei publications, “How Mobile Will Lead Banks Out of COVID-19“

1 Background : Financial 4.0 – Toward Open Banking

Banking Model of the Past

Closed Banking System Era

Banking Model of the Future

Open Banking Era

Source: Deloitte© march 2018 The Financial Brand

1 Background : Banking Change at a Fast Pace

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Banking Change

1. Unbundling by new players: category killers
2. Superior value proposition
3. Lower cost of operations
4. Lower barriers for customer to switch

New players attacking parts of the value chain

Payment

LinkAja! · ShopeePay · DANA · flip · OVO · gopay

Lending

PINJAM YUK · cicil · danafix · indodana · UATAS · KREDITO

Comparison

cekaja.com · ATURDUIT.com · cermati · duitpintar.com · HaloMoney.co.id We compare, you save

Personal Finance

JOJONOMIC THE FUTURE OF WORK · Finansialku.com Your Personal Finance Assistant · pede ponsel duit · OY!

New Technological Developments

- Blockchain
- Big Data
- Cloud
- A.I.

2 Starting Point BRI's Cloud Journey

BRIvolution 2.0:
BRI Digital & IT Vision & Mission

Vision

*"Become customer centric, **strategic thought partner to business,** with secure, responsive and **data driven** solution and services, enabled by innovation and collaboration"*

Mission

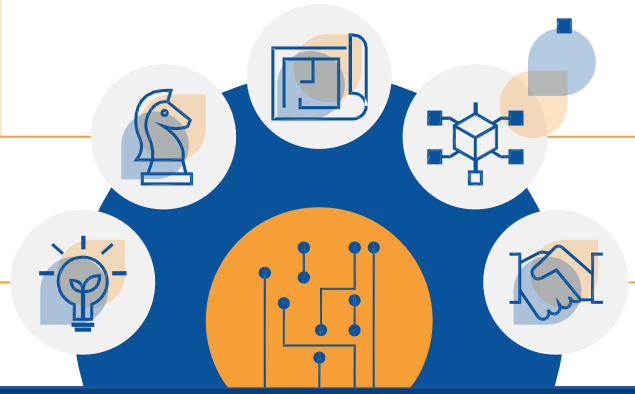
Be a **strategic thought partner to business** by adopting a more **integrated and coherent business and IT operating model**

Build **future-ready ICT platform** that is **reliable, secure and responsive**

Drive **organization-wide digital and analytics adoption** through strong data governance practices

Nurture **great digital talent** and build **culture for innovation**

Deliver **innovative digital bank** to focus on customer needs (**customer-centric solutions and services**)



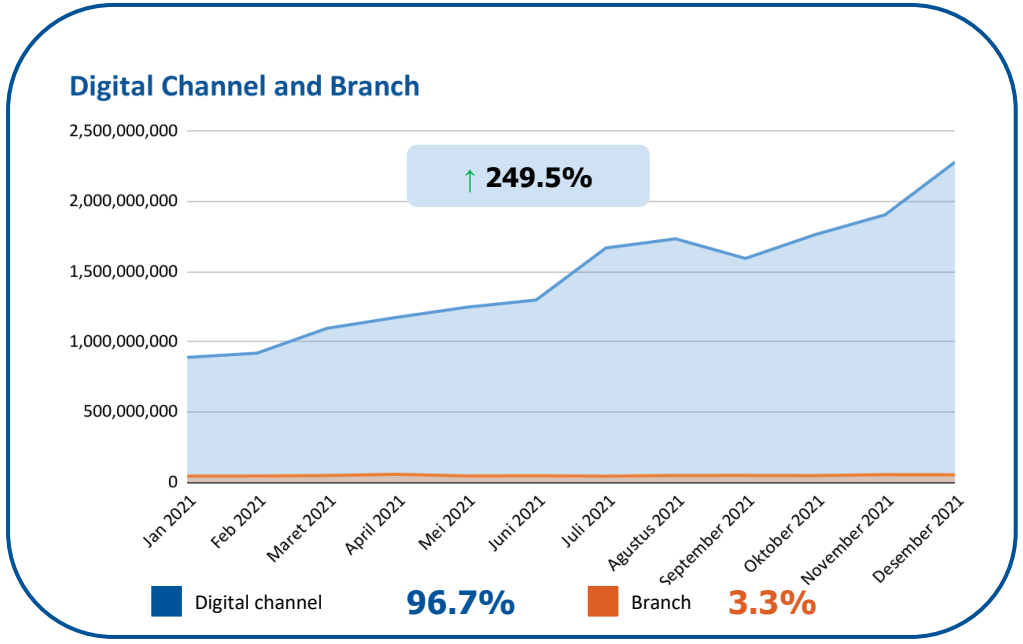
Resilience IT Platforms

★ **initiatives**

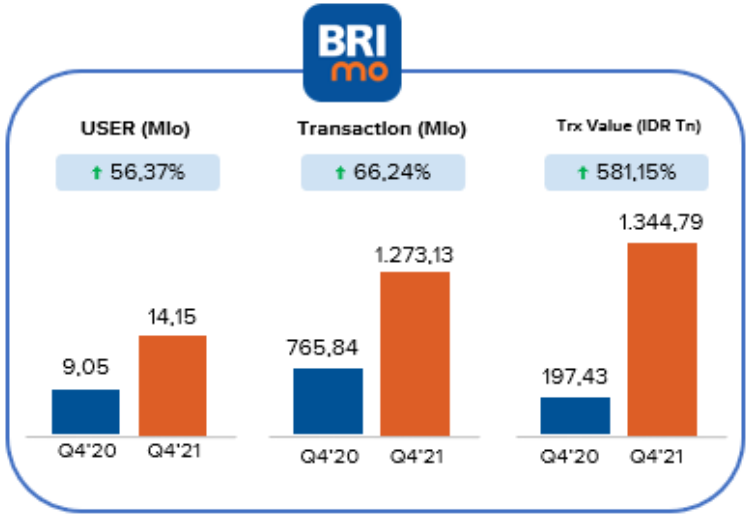
Define public / hybrid cloud strategy and roadmap, and enable cloud foundations

2 Starting Point BRI's Cloud Journey

BRI's transaction highlight:
Due to Covid-19 pandemic

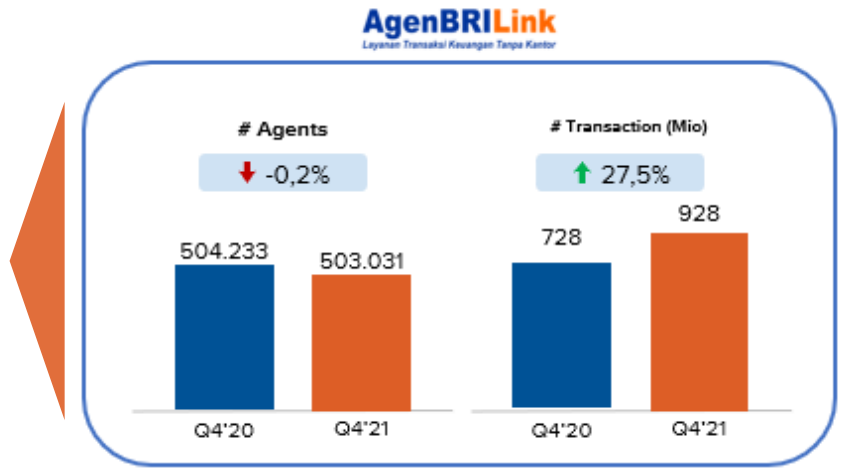


This change in transaction patterns has been accelerated by the Covid-19 pandemic, a new normal condition that requires all people to reduce direct physical contact, including in transactions.



BRImo users and transactions increased significantly, respectively 56,37% and 66,24%.

BRILink, a significant increase occurred in the number of transactions, which increased by 27,5% compared to the previous year.



3 Expected Goals

Faster Time to Market

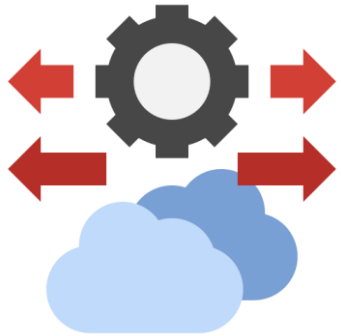
Cloud services allow new projects to reach the market faster, allowing organizations to move faster from prototype to production

Drives Innovation

Reap the benefit from access to the latest technologies, with new features and services that are released and updated frequently

Higher Resilliency

Cloud providers build infrastructure and platforms that are more reliable and available than what organizations can achieve on-premises.



Plaform Flexibility

Gain the flexibility on scalability, and also moving between on-premises and cloud

4 Adopting Cloud Governance

Provide Guardrails and Guidelines to achieve governance principles and enterprise goals.

Guardrails

Technical direction to help direct the use of technology in accordance with the objectives.

Guidelines

High-level **operational principles** for the use of the technology, in this case, cloud computing.

Source: Gartner

Cloud Adoption ← **BRI** → **Cloud Strategy**

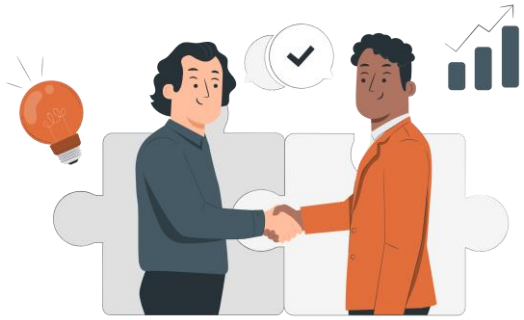
5 Cloud Strategy: *Why Cloud?*

Cloud Change
How you Changes

Financial institutions can use the cloud to change how they operate and how they respond to change depending on the organization's business strategy

Partnership Agility

Cloud ensures the readiness of financial institutions for **open banking**.



- Time to onboard new partnership relationship
- Marketplace reach (internal or external)

Customer Agility

Cloud better enables organizations to move **fast to respond** to changes in customer demands.

- Time to market
- Degree of personalization

Source: Deloitte

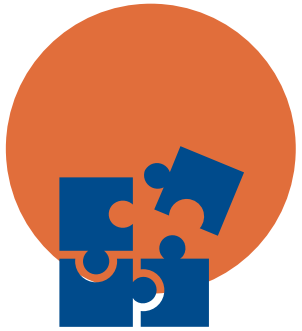
WHY Hybrid Cloud ?

Highly Regulated

Financial industry is a highly regulated industry that make cloud adoption needs to be well prepared (prudence principles)

Legacy Application

Many applications are still not cloud ready, so they still have to run on premises



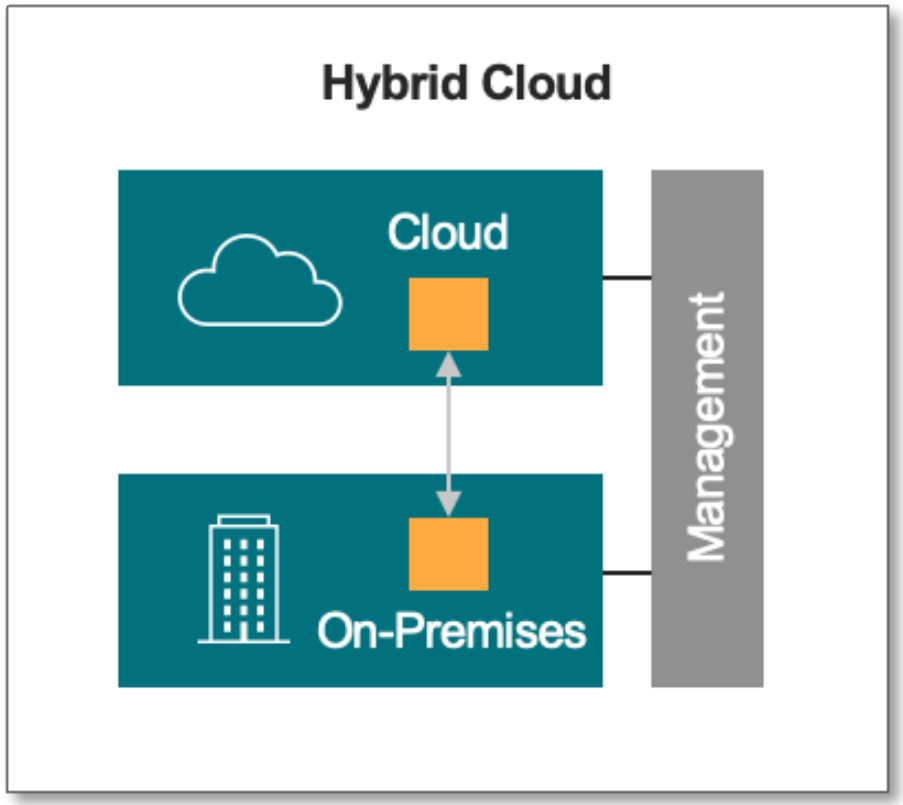
Private-Hybrid

Modern applications still able to run in the private cloud, but also can be combined with the public cloud for scalability

Greater Innovation

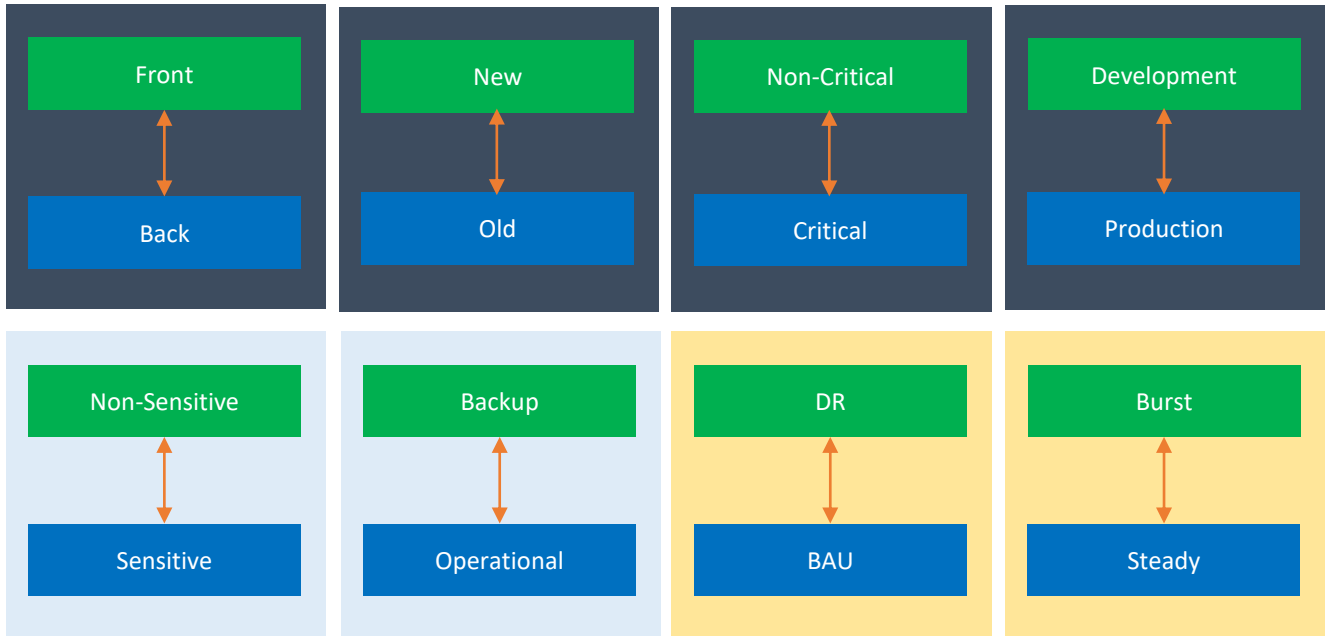
Provide an opportunity for banks to be able quickly adopt new technology/service (find the right use case)

5 BRI Cloud Strategy: Hybrid Cloud Model



- Hybrid-cloud architectures are given in any enterprise cloud journey.
- Hybrid-cloud architectures distribute workloads across the cloud and on-premises environment, which are managed in a unified way.
- Leverage new capability for innovative solutions (Analytic, AI/ML)

Deployment Strategy

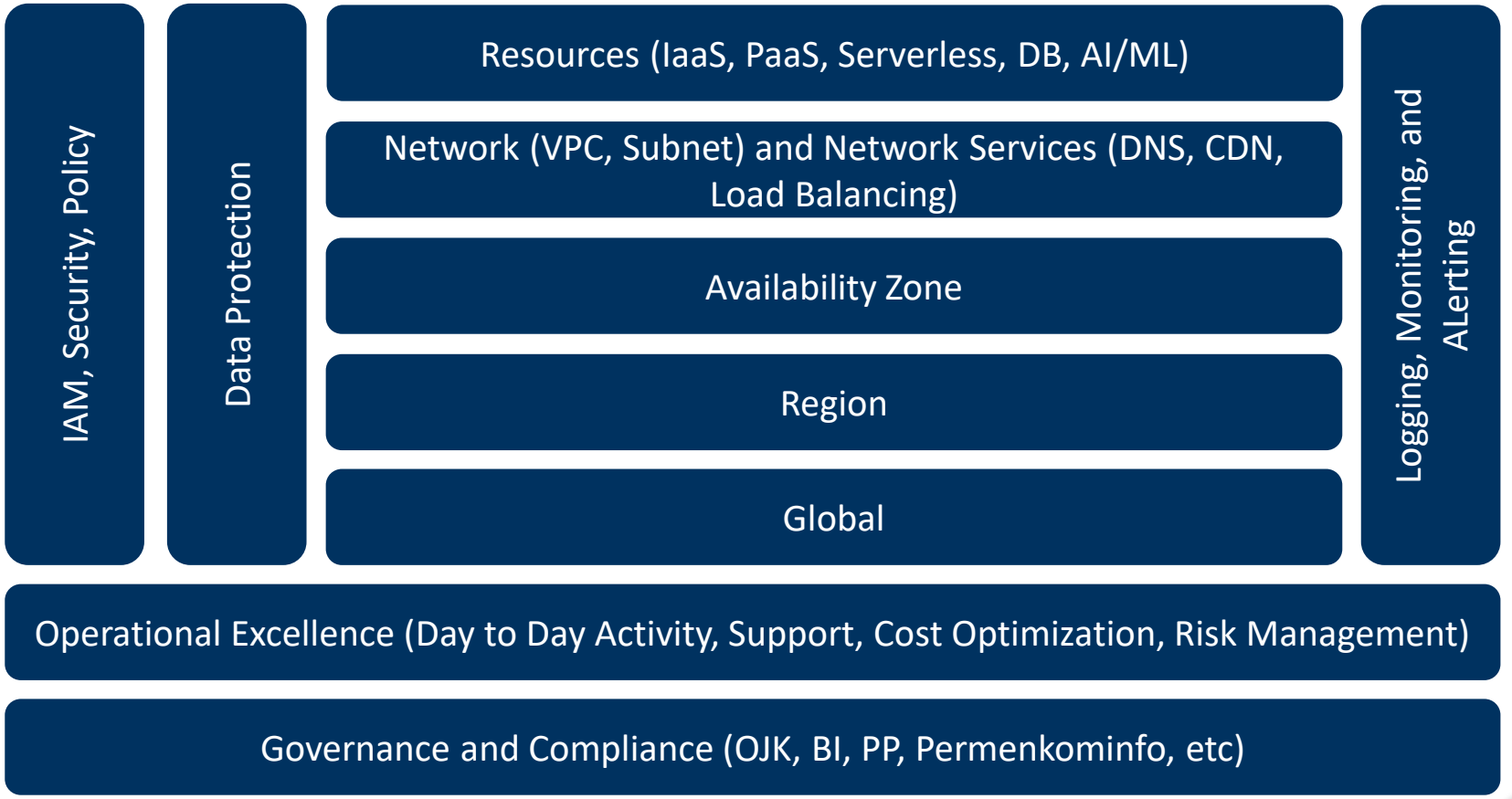


Public Cloud | On-Premise | By Application | By Data | By Operations

Landing Zone:
Enterprise Workload Touchdown

Landing Zone is an environment for hosting enterprise workloads in cloud.

Can be pre-configured or provisioned through code.



7 Cloud Center of Excellence

A Cloud Center of Excellence (CCOE) is a centralized cloud computing governance function for BRI as a whole. It serves as an internal cloud service broker. It acts in a consultative role to both central IT, business unit IT and consumers of cloud services within the business. CCOE is led by cloud architect.

The Three Pillars of a Cloud Center of Excellence

Governance: The CCOE creates cloud-computing-related policies and selects governance tools. Policy is created in collaboration with a cross-functional team and enforced by a mixture of tools and appropriate organizational process. This approach provides appropriate financial and risk management.

Brokerage: The CCOE assists users in selecting cloud providers, architect cloud solutions and collaborates with the sourcing team for contract negotiation and vendor management.

Community: The CCOE raises the level of cloud knowledge in BRI and captures and disseminates best practice.

Source: Gartner

TERIMA KASIH!

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