

## Julian Hodge Bank chooses Sword Apak for core modernisation

Julian Hodge Bank, a privately-owned bank based in Cardiff, has gone on the record about its project to replace the legacy Misys Bankmaster system, which has been running at the bank since 1999. As first reported by IBS in early April, the bank selected the Aurius core banking offering from local vendor, Sword Apak. The project stakeholders have been established and the team is about to embark on the requirements gathering stage, according to David Austin, managing director at the bank.

The bank has been looking informally at various systems since 2006, says Austin, but a review in 2013 confirmed that its existing system could not adequately meet the bank's requirements for growth in the coming three to five years. Bankmaster is maintained but no longer developed by Misys, so a number of applications had to be built around the core over the years, he adds.

The search for a new system started in early 2013. There was no formal RFI/RFP 'hundreds of pages long', says Dave Gilleland, deposits manager at Julian Hodge Bank, and instead the bank held 'generic system demonstrations and discussions' with twelve identified candidates. After completing the generic demonstrations, the list was then whittled down to four key prospects (comprising Sword Apak, two

other UK-based vendors and one international vendor), to be evaluated in greater depth.

The team then put together high-level requirements which it collected across its three major business lines: deposits, commercial lending and retirement products. It was important that the vendor understood the bank's business specifics and could support the existing product range, says Gilleland. 'We asked the four shortlisted vendors to present customised system demonstrations based on our high-level requirements, together with reference sites that were similar in volume, size and product range,' he adds. Julian Hodge Bank has high numbers of term deposits and ISAs. Its commercial lending business is smaller, but the products are more bespoke. Modern system architecture was another key requirement for the bank. 'We wanted a system developed using current tools and techniques. Ease of use was important too.' There also had to be an organisational and cultural fit between Julian Hodge Bank and the supplier.

The four shortlisted systems were evaluated by a team comprised of business managers, business users and technical staff. The Aurius system came out on top in the system demonstrations, with good support for the bank's products and processes. Sword Apak was also ranked first in terms

of reference sites. 'We liked the Sword Apak people and their attitude,' explains Gilleland. 'We are both quite small organisations and felt that we shared a similar culture.' He acknowledges that reliance on a small supplier can be a risk, but sees this as being mitigated because whilst Sword Apak has 'the values and approach of a small business', it benefits from being part of the larger, international Sword Group (France-based Sword bought UK developer, Apak, back in 2007 – IBS, August 2007, Sword Group buys Apak).

Sword Apak's Aurius will cover front-to-back office operations at Julian Hodge Bank. The implementation is expected to last twelve months. Some limited internet banking functionality, such as the online application process, will be built as part of this project. 'Due to the nature of the bank's business and products, full internet or mobile banking are not "day one" requirements,' says Gilleland. He adds that Aurius' integrated functionality in this area 'will be valuable' when the bank considers offering full internet access.

As for Sword Apak, it has recently boosted its e-banking offering by acquiring a small UK-based specialist developer, Mobile Productivity. Mobile Productivity's system, now branded as Sword Mobile, supports web and mobile e-commerce solutions for businesses.

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