

Case study

Defining a payments technology strategy and roadmap

Our Client, a Tier 1 bank operating primarily in their domestic market across several segments and franchises, wanted to reboot their payments transformation programme. Their existing legacy payments environment was complex, and previous attempts at transformation had stalled.

To reboot the programme, our Client needed to evolve their payments technology strategy and secure executive support. To do this they needed a partner who could provide a strategic vision, deliver target payments architecture including pragmatic architecture principles and guardrails, and define an effective migration strategy.

In addition, they also needed a partner who worked collaboratively - someone who understood the wider payments ecosystem and liaised well with stakeholders, ranging from 'the Business' to Finance, and Product to Operations.

Why Icon?

Icon Solutions is well recognised within the payments space, having delivered key programmes of work for banks such as BNP Paribas, HSBC and Lloyds, and as a result, we were approached by the Client's Head of Payments Services and Technology. We were very quickly able to demonstrate an understanding of the challenges facing the client and their business needs.

Icon's selection was also supported by our proven experience:

- Delivering high profile payments projects in a very short timeframe
- Generating high quality reference architectures
- Leveraging our own Payments Centre of Excellence accelerator tools to expedite the transformation journey
- Developing, implementing and running scalable mission critical systems at low cost



The client

Tier 1 Bank

Our approach

Icon has a deep history in payments and has successfully implemented similar engagements for other Tier 1 banks in the past. Through this work Icon has built a number of assets which can be used to expedite a client's payments transformation journey:

- **Payment Value Chain:** providing a standardised view to guide strategic discussions around commodity vs value add and support vs strategic importance
- **Functional Reference Architecture:** outlining services required to process any payment, anywhere in real-time
- **Data Reference Architecture:** describing the lifecycle for payments data and the key supporting elements; acquisition, standardisation, storage, analytics and dissemination of information from various processes and consumers
- **Reference Integration and Technology Architecture:** describing the key components of the technology landscape and how different platforms interoperate
- **Payment Maturity Model:** focusing on Total Cost of Ownership (TCO) mapped to the reference architecture

The outcomes

A three-part approach was adopted, leveraging Icon's Payments Centre of Excellence, reference architecture and global payments industry insight.

The approach Icon took encompassed three distinct deliverables:

- Part 1: Payments Technology Strategy Context and Drivers
- Part 2: Payments Target Architecture and Guardrails
- Part 3: Payments Architecture Roadmap

Key achievements included:

- Defining a target architecture that increased service resilience and scalability, while simplifying the application landscape and reducing vendor reliance
- Using a cost benefit analysis to define a five-year roadmap, capturing the short and long term objectives in addition to workstream dependency
- Obtaining buy-in from senior leadership and budget owners to secure the funding required to deliver the payment transformation programme
- Creating a strategy to leverage data to provide value-added services to customers and identify new revenue streams

Icon also presented a summary of the main messages to an executive audience, outlining the key actions that the Bank needed to take to deliver the payments technology vision required to realise its Business Strategy.

The positive results of this project has led to further engagements for Icon within the Bank.