

# *Rabobank's Unique Journey To The Cloud*

To the Pega Cloud and Beyond







***Rabobank***  
*is a cooperative bank*  
*with a mission*

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Together with our stakeholders, we have been dedicated to creating a future-proof society and tackling major societal challenges for 125 years.

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In the Netherlands, we serve retail and corporate customers; globally we focus on the Food & Agriculture sector.

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Our starting point is: together we can achieve more than we could alone.

***Rabobank***



**Our mission**  
Growing a better world together

**The Netherlands**  
78 Local Rabobanks



**What We Offer in the Netherlands**

(amounts in EUR billions)

- Dutch Residential Mortgages: 193.8
- Lending to Food & Agri: 42.2
- Lending to Trade, Industry and Services: 75.3
- Point-of-sale terminal transactions: 2.2 (billions)
- Savings: 163.0
- Assets Under Management: 57.6
- Leasing: 1.3
- BPD transactions: 4,239
- Insurance Commission: 0.3

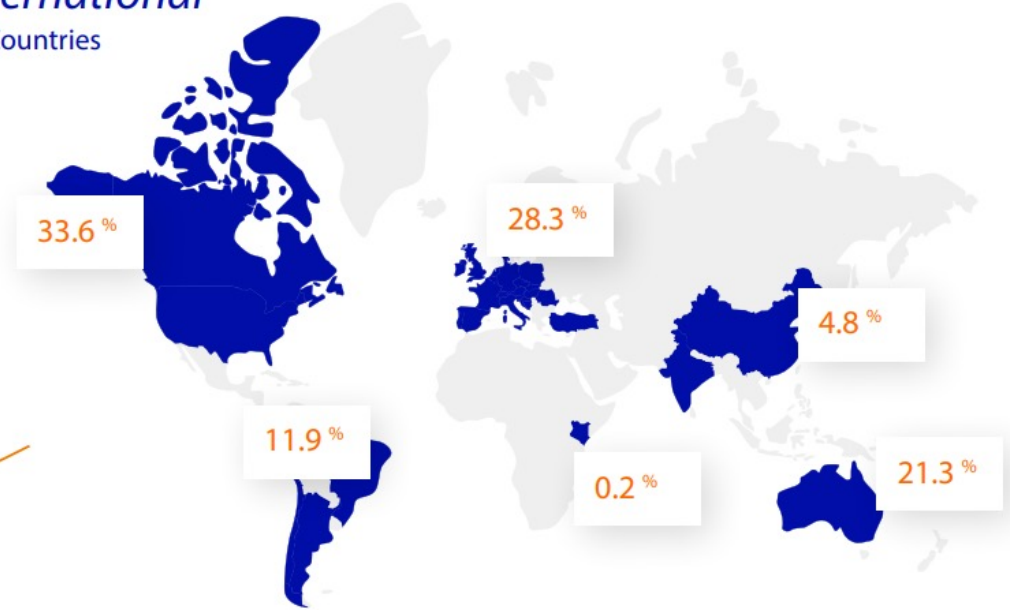
**14**  
Regions

**2.3 million**  
Members

**8.3 million**  
Private Customers

**0.8 million**  
Business Customers

**International**  
36 Countries



**What We Offer internationally**

(amounts in EUR billions)

- Lending to Food & Agri: 72.6
- Lending to Trade, Industry, and Services: 40.2
- Leasing: 40.5





# *Agenda*

# Processes

Payment Investigation application consists of below high level processes



## *Investigations - WorldPay*

- Unable to Apply
- Cancellation request
- Beneficiary Claims Non-Receipt
- Amendment Request
- Return of Funds (CT)
- Bank to Bank
- Blanco
- Miscellaneous



## *Investigations - SEPA*

- Unable to Apply
- Cancellation request
- Beneficiary Claims Non-Receipt
- Amendment Request
- Return of Funds (CT)
- Bank to Bank
- Sanction handling
- Payment Refusal
- Miscellaneous



## *Investigations - Cash*

- Sealbag



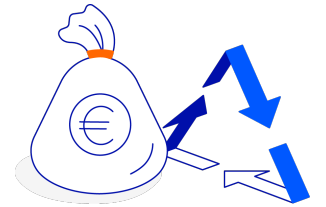
## *Investigations – Direct Debit*

- SEPA Direct debit On hold



## *Value Transfer - Savings*

- Incoming Value Transfer
- Outgoing Value Transfer



## *Reconciliation – Nostro*

- Nostro Account
- Internal Account

# Features



Financial  
Correspondence  
( Swift, SEPA etc)



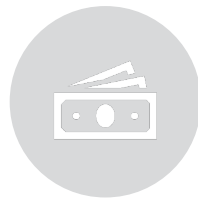
Incoming Message  
Processing



Adjustment  
Accounting



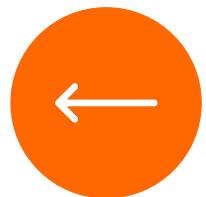
Reconciliation



Compensation  
Amend



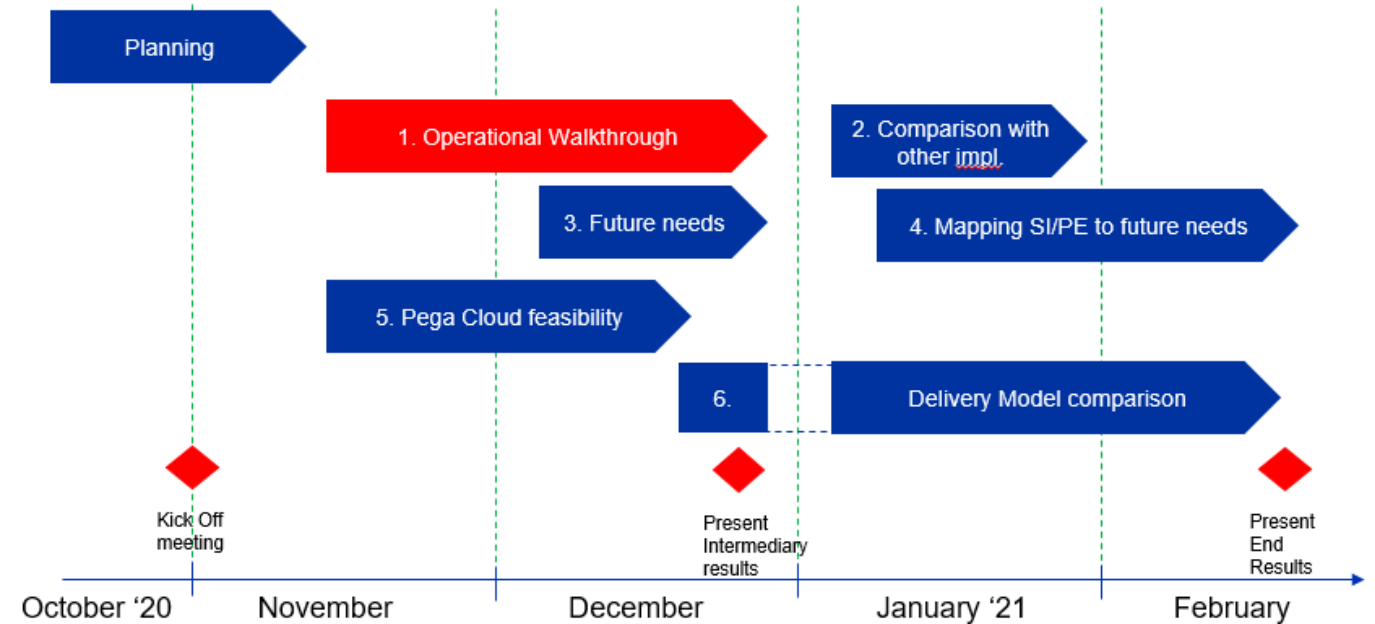
Online Search  
Portal



Straight Through  
Processing

# Assessments

- Cognizant and Pega performed a number of assessments to help decide on the future of SI in Rabobank
- These investigations were planned in separate streams and deliverables
- We will come back on the operational walkthrough
- After the assessments, first step was to move to cloud







# Rabobank Policies

- Buy over build
- Cloud First
- SaaS over PaaS



# Known

- Knowledgebase in Rabobank
- Sharing of components
- Datamigration by Pega



# Live Cycle Management

- Infrastructure
- Security
- Monitoring
- Product upgrades



# Pega Cloud Partnership

# *Risk Factors “Go Live”*

Limited possibility of phased Go live

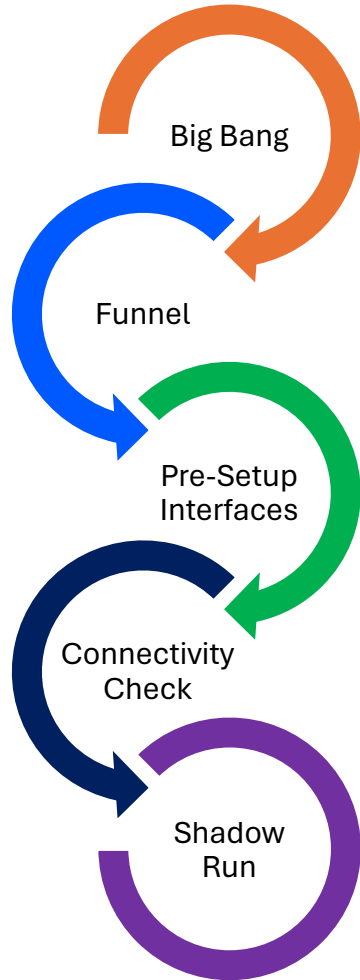
- 90% of Processes need historical data
- 34 interfaces (dependencies on others)

AIC 232 Application

- High value transactions
- No downtime during office hours
- Highly secured access control
- Secure connections
- Signed messaging (anti-tampering)



# De-Risk Strategy



## Big Bang vs Phased Go-Live

- Dependencies on Payment stack
- Complex Data migration strategy

## Cloud Message Distribution **Funnel**

- File/Message transfer from On-Prem
- Safe channel as a backup

## Pre-Setup Interfaces

- Setup complex integration patterns in On-prem
- Live integration testing without migrating the environment

## Connectivity Check

- Planned connection tests through the Oracle Connection Manager

## Shadow Run

- Multiple data migration run in production cloud
- Analyze and determine the bottleneck
- Possible Improvement and define final migration strategy



# Pega Cloud Work – At A Glance

## *Assessment & Readiness*

Platform, Application and Database assessment

Cloud compatibility

Assess the size & scope

Modernization



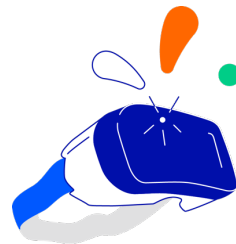
## *Upgrade Interface*

Unsupported integrations

Design new integration patterns

De-risk implementation through on prem

Ex: Event Bus, Funnel

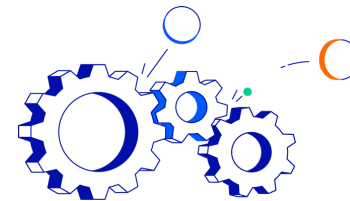


## *Rule Migration*

Business as usual on prem

Rule upgrade and migration plan

Tracking and retrofit



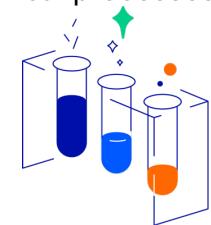
## *Data Migration & Shadowrun*

Involving Lead architects in setup design

VPN tunnel, OCM, IP whitelist

Connection testing

Shadowrun datamigration and critical processes





User Journey Optimisation



Pega Infinity



Process optimisation



Swift CBPR+



Pega Cloud Live !!

# Future state

# *Operational Walkthrough*

Feb 2021



# Walkthrough Approach



- Pega methodology for operational walkthrough was followed
- Main deliverables:
  - Process understanding
  - Challenges based on feedback from SME's
  - Identified areas for improvement

# Operational Walkthrough



## Main Findings

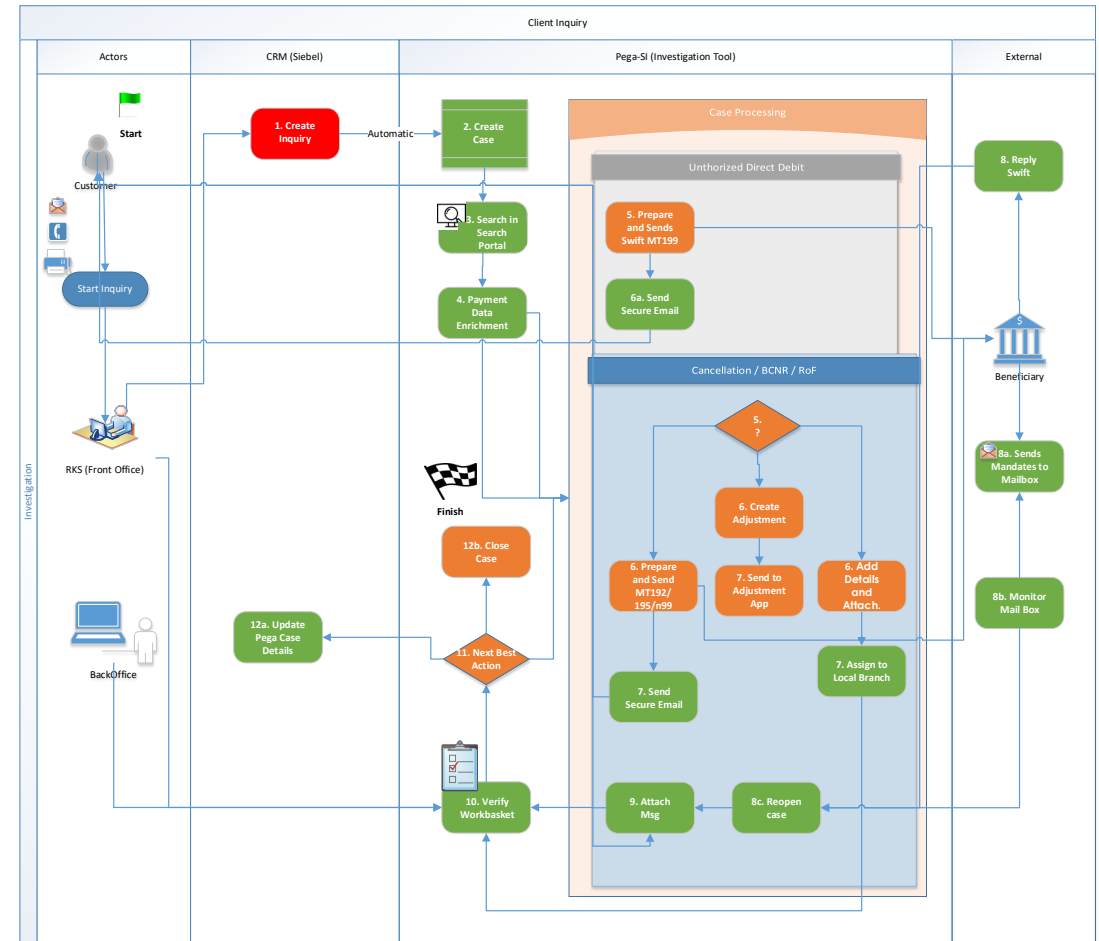
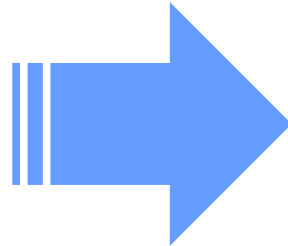
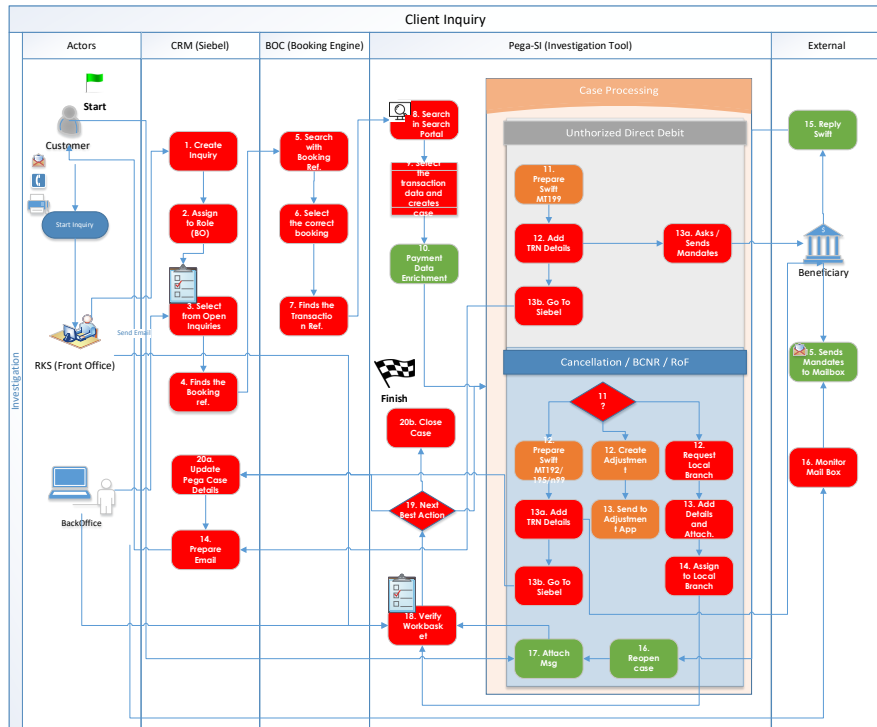
- ✓ Missing digitalization from Front office to Back office applications
- ✓ Missing usage of Out of the box distribution mechanism
- ✓ Usage of local storage for templates during communication with customer and financial institutions
- ✓ Missing usage of automated free format financial message text analysis
- ✓ Missing possibilities of Bulk creation and resolution of cases in Pega
- ✓ Expensive messaging schema used for payment message exchange with banks in the Netherlands



## Recommendations

- ✓ Establish integration between CRM, Portal and Investigation tool
- ✓ Build central component using OOTB “Get Next Work”
- ✓ Automate free format financial message text analysis
- ✓ Usage of OOTB template based implementations for different Correspondences
- ✓ Build Bulk Investigation Creation and Resolution tool
- ✓ Build SEPA payment correspondence handling or generate payment order ( pain message) to PEX

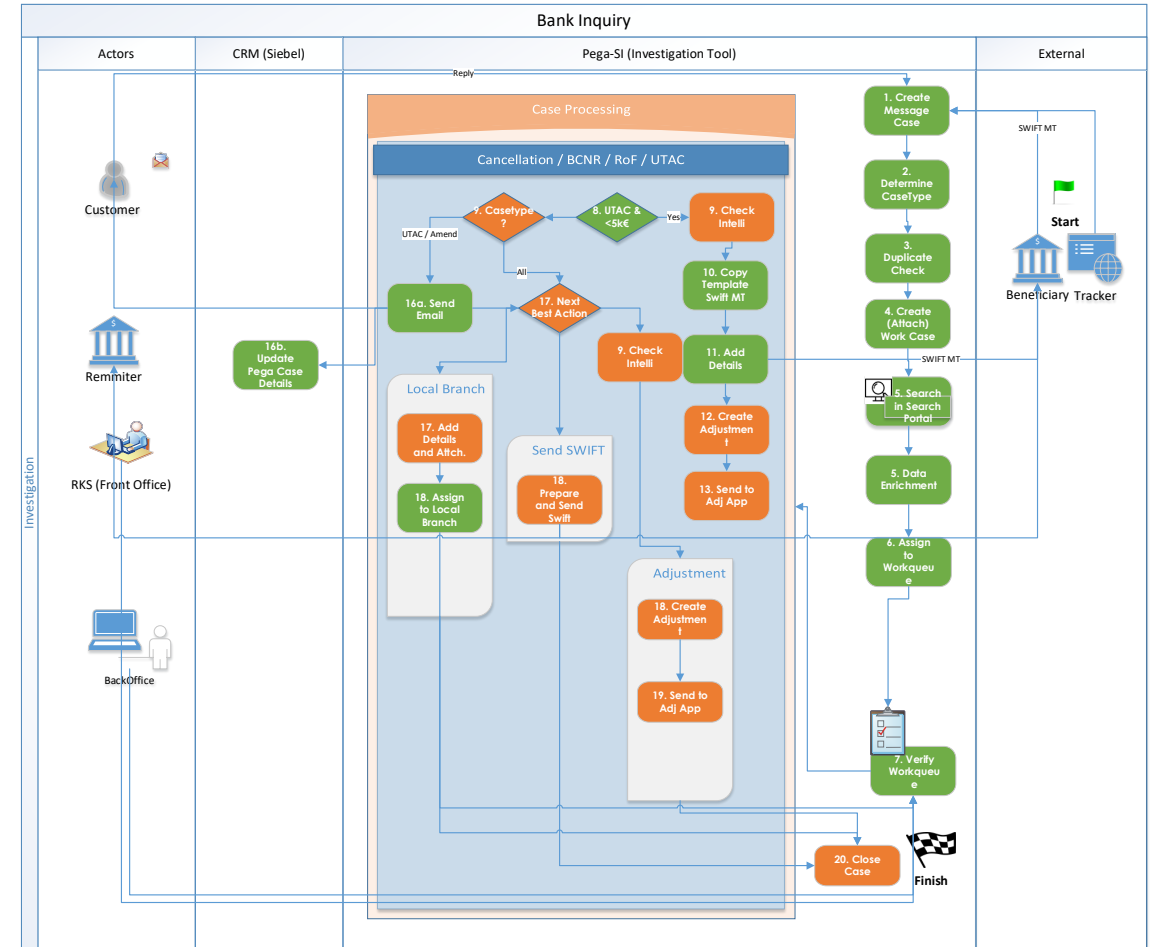
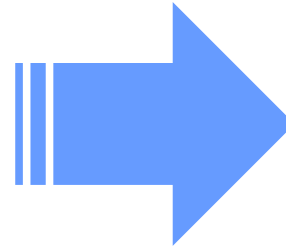
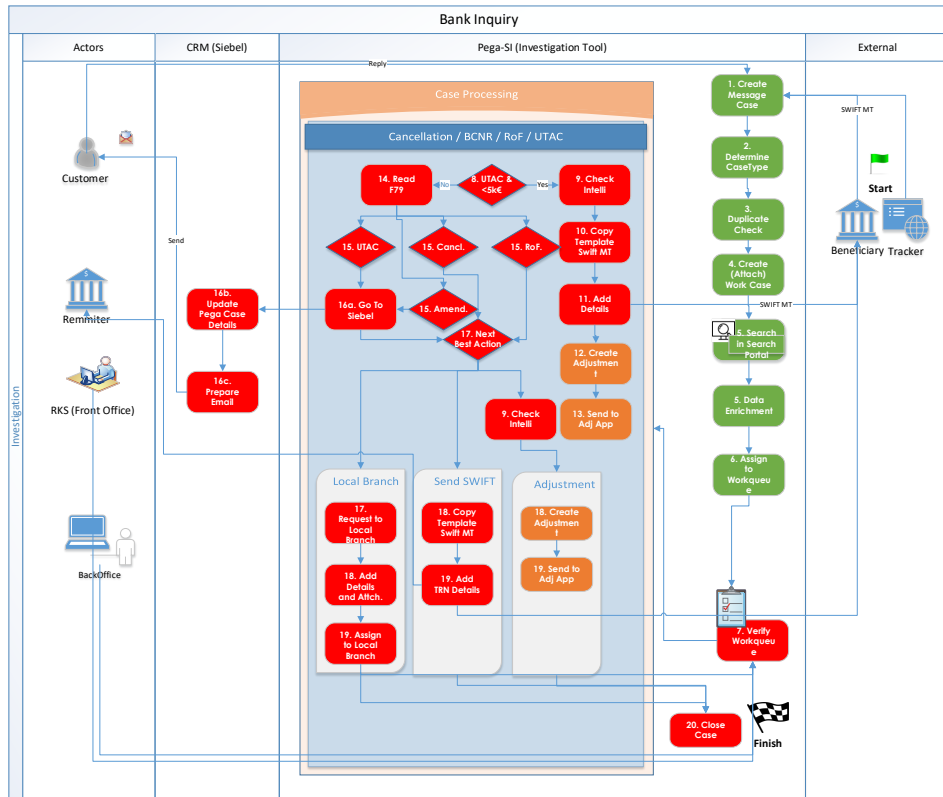
# Optimisation – Process Client Inquiry



Legend ■ Manual ■ Guided ■ Automatic

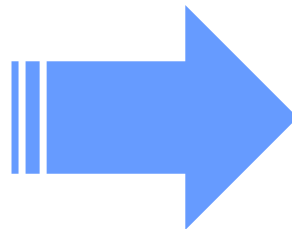
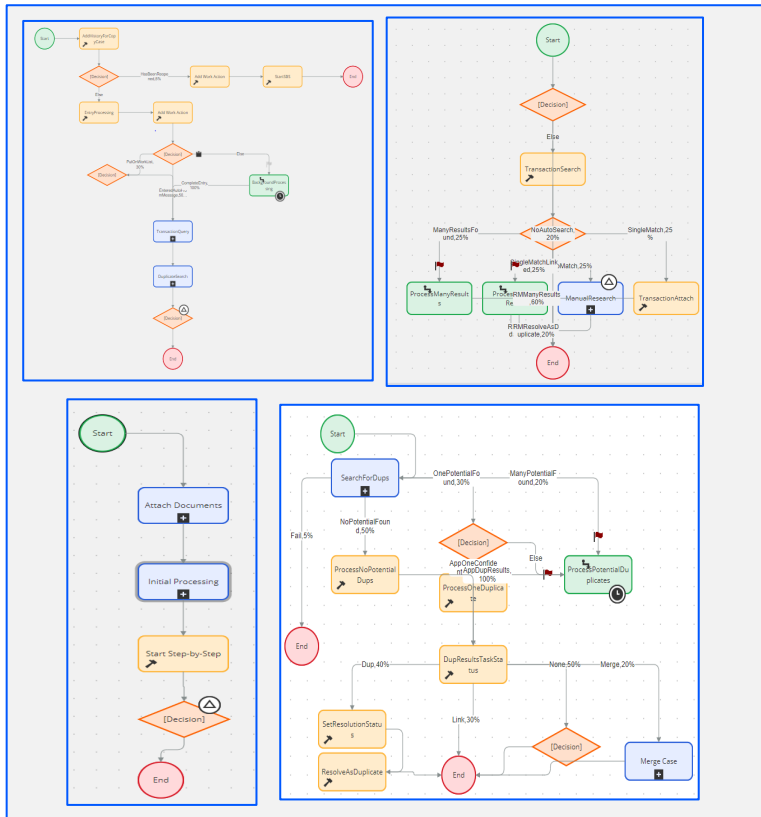


# Optimisation – Process Bank Inquiry



Legend ■ Manual ■ Guided ■ Automatic

# Infinity in Pega-SI POC



Case life cycle

1. Attach	2. Process	3. Transaction & Dup Sea...	4. Start Step By Step	5. Resolve	+ STAGE
Attach Documents for Bra...	Initial Processing	Transaction Query	StartStepByStep	EndNewWorkflow	
<ul style="list-style-type: none"> <li>1. Check Reopen Co...</li> <li>2. Is A Branch User?</li> <li>3. Is A Branch Work ...</li> <li>4. Attach Documents</li> <li>5. Reset User Organi...</li> </ul>	<ul style="list-style-type: none"> <li>1. AddHistoryForCop...</li> <li>2. ReOpen Check</li> <li>3. EntryProcessing</li> <li>4. Add Work Action</li> <li>5. Routing Check</li> <li>6. Assign to WorkList</li> <li>7. BackgroundProce...</li> <li>8. Add Work Action</li> <li>9. StartSBS</li> </ul>	<ul style="list-style-type: none"> <li>1. No Auto Search?</li> <li>2. PaymentSearch</li> <li>3. SearchStatus</li> <li>4. TransactionAttach</li> <li>5. ProcessManyResu...</li> <li>6. Process Single Res...</li> <li>7. ManualResearch</li> </ul>	<ul style="list-style-type: none"> <li>1. Start Step-by-Step</li> </ul>	<ul style="list-style-type: none"> <li>1. End Exception Flow</li> </ul>	
CONFIGURE PROCESS	CONFIGURE PROCESS	CONFIGURE PROCESS	+ STEP	CONFIGURE PROCESS	
			Step By Step Processing		
			<ul style="list-style-type: none"> <li>1. SetupStepByStep</li> <li>2. Restart Assignme...</li> <li>3. Auto Ack?</li> <li>4. Send Correspond...</li> <li>5. StepByStep</li> <li>6. End Step By Step</li> <li>7. Transfer</li> <li>8. Request Informati...</li> <li>9. Duplicate Search</li> <li>10. Diarise</li> <li>11. Create FTM Adjust...</li> <li>12. CreateAdjustment</li> <li>13. Merge Case</li> <li>14. Restart Assignme...</li> </ul>		
			CONFIGURE PROCESS		
			Set EndExceptionFlow		
			<ul style="list-style-type: none"> <li>1. End Exception Flow</li> </ul>		
			CONFIGURE PROCESS		

# Optimization – At A Glance

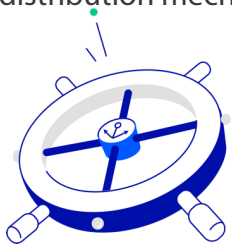
## *Operational Excellence*

Pro-Active monitoring of open investigations

Usage of highly efficient task management reporting

Auto selection and (or) distribution of tasks

Possibilities of Skilled based task distribution mechanism



## *Straight Through Process*

End to end GPI integration

Full STP cancellation of payment, UTAC  
Central Orchestration mechanism to communicate between Client or Front channel with Back office process



## *Employee Excellence*

Next Best Action based on automated phrase recognition

Reduction of Unknown investigation types

Help Back office investigator with a guided view to increase efficiency



## *Product Awareness*

Considerable effort reduction in manual updates and local maintenance of templates

Utilize financial messaging capabilities of investigation tool of automatic or guided data population



# Future For Smart Investigate Platform

## Remaining 2024 Priorities

### Compliance with Swift & Industry Standards

#### Swift Annual Standards Release

- camt.105 & 106 support for charge and multi-charge claims

#### Swift Case Pilot

- Further camt.110 & 111 – pilot investigation types (RQFI, RQDA etc.)
- Swift Case service API v7 update for CCNR/CONR & UTAP

#### Technical enhancements

- Security updates (PCI DSS, OWASP)
- Accessibility improvements, UI/UX

### Smart Investigate Next-Gen (Project SING)

#### Modern, Constellation-Based Product Offering

- Full MT and MX message support
- Intuitive inbound telephony handling powered by Pega Customer Service™

#### AI Infusions

- 'Talk-to-your-case' with GenAI Coach™,
- Knowledge Buddy™ provides on-the-fly insights and training
- Pega ProcessAI™ predicts likely outcomes

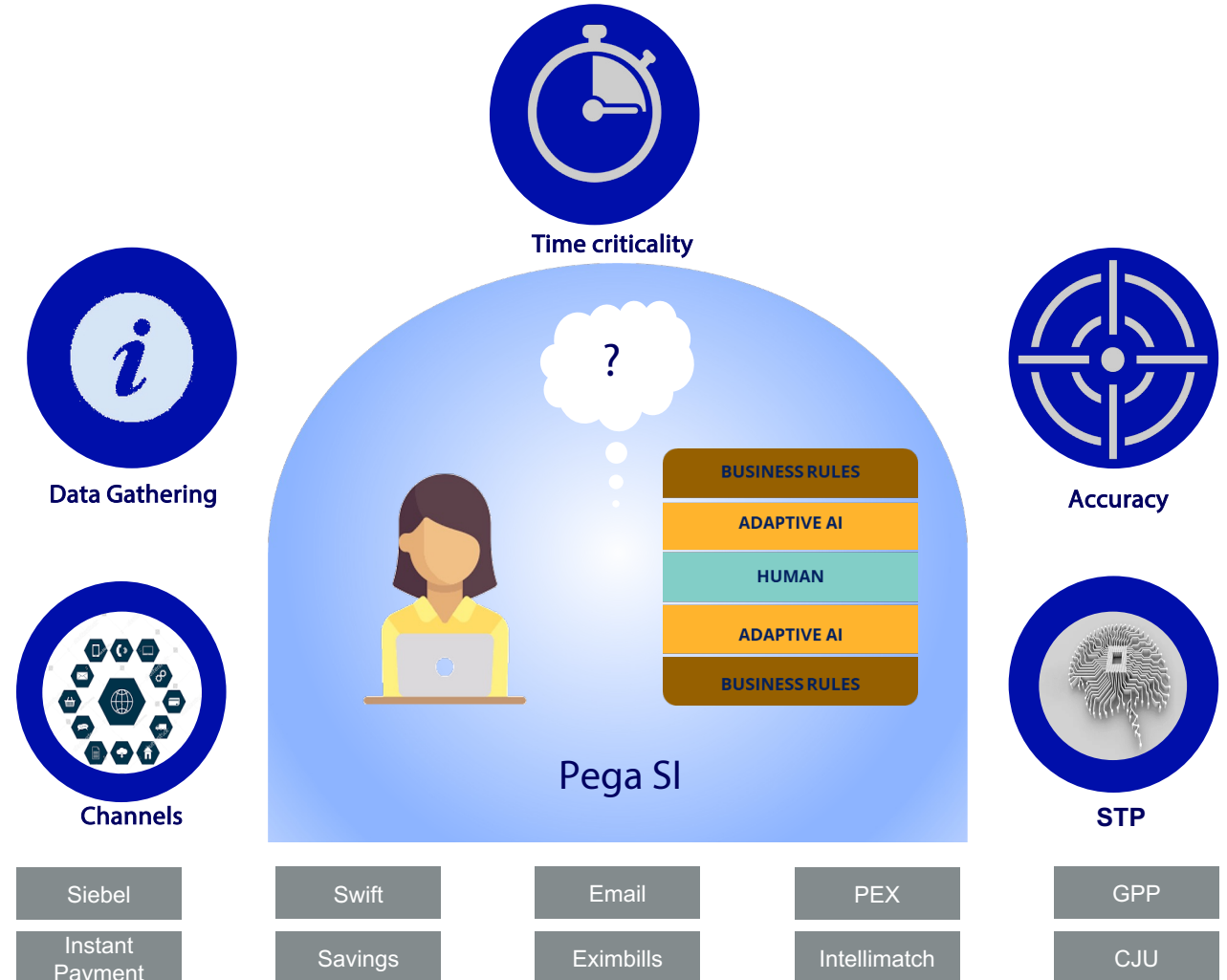
#### OOTB Process Automation

- Automate message response handling and adapt with our new orchestration model
- Automate common processes in-line with industry standards



# Further Optimisations – To Infinity And Beyond

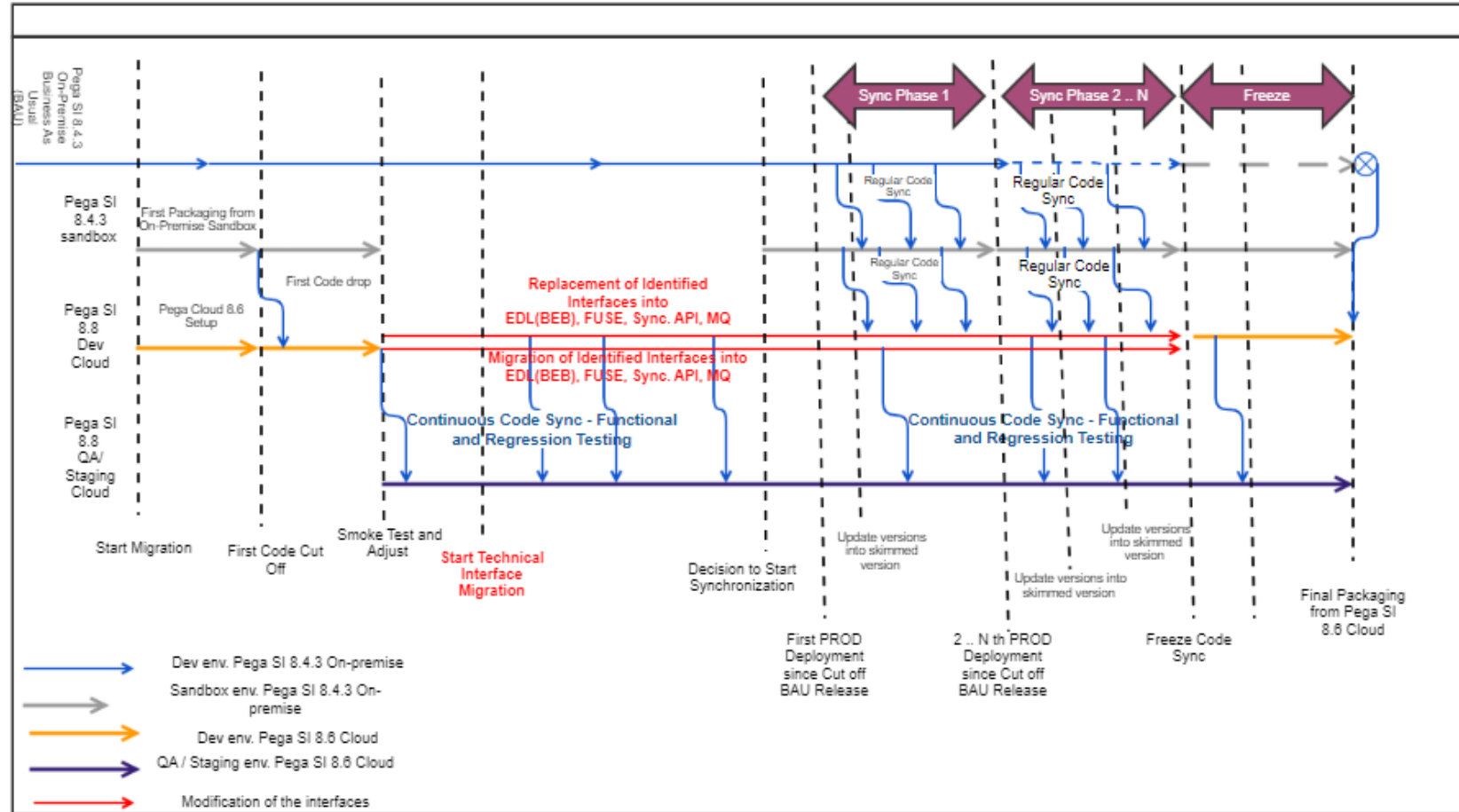
- Leverage technology for identification of exceptions, alerts and automated repairs and reprocessing
- Automate investigation process further using **process AI**
- Map SI processes to **Pega infinity** platform for further enhancements
- Streamline process design using **Fusion delivery** methodology
- Improve Customer experience across channels using **DX API**



*Thank You  
For Your  
Attention*

# Rule Migration

- Ongoing business as usual in on premise
- Intermediate environment of skimming and revalidating
- Parallel implementation of upgrading interfaces in Pega cloud
- Retrofit skimmed layer into Pega cloud
- Maintenance of complete list of sequential changes of On premise



# Data Migration Connection setup

- Rabobank Payments Pega Cloud VPC with reserved IP space
- VPN setup through public internet connected to DMZ route
- Connect to dedicated Oracle Connection Manager specific to the environment
- Access to Rabobank Pega on-prem environment

