



INDUSTRY

Banking

LOCATION

Beirut, Lebanon

KEY CHALLENGES

- Growth, diversifying customer base required greater agility and alignment with goals
- Business units were beginning to bypass IT to find needed services
- IT was unable to chargeback for service delivery

SOLUTION

- VMware Professional Services engagement provided guidance for IT transformation
- Phase One: Infrastructure transformation via virtualization and cloud automation
- Phase Two: Expansion of virtualization, additional automated cloud operations capabilities

RESULTS

- IT now able to serve as a true service broker for business initiatives
- Improved reputation for service helps IT prevent “shadow IT” initiatives
- Transformed IT into a revenue-generating entity and gave visibility into IT costs
- CapEx savings of millions of dollars in Phase One alone



Bank Audi Bridges the Business/IT Gap with Help from VMware Professional Services

Business leaders sometimes see IT as a “black box”—a dauntingly complex function that is supposed to serve business objectives but often has its own agenda. And IT leaders sometimes find business goals to be disconnected from the realities of limited resources, budget, and staff. However, working closely with VMware Professional Services, Bank Audi found a way to bridge the gap between business and IT and create new business advantages.

Based in Beirut, Bank Audi is the top commercial bank in Lebanon and one of the fastest-growing banks in the region. With a sizable presence in Egypt, Turkey, Saudi Arabia, Qatar, Jordan, France, and Switzerland, Bank Audi offers a full range of products and services that cover commercial and corporate banking, retail and individual banking, on-line brokerage, private banking, and investment banking.

The Challenge

Bank Audi needed to tighten the alignment of IT capabilities with business goals in order to support continued growth and a diversifying mix of customers and banking services. To accomplish this objective, the bank’s CEO turned to Danny Dagher, an executive with business development and strategic acquisition experience, to lead an IT transformation. Dagher became the bank’s CIO.

“When I first joined Bank Audi, if I had to list the 10 or 15 jobs that were part of my charter, nothing related to IT would have been on that list,” said Dagher. Senior leadership recognized, however, that Dagher’s combination of business expertise and technical knowledge would be an asset in closing the business/IT gap, particularly if he could leverage the experience and guidance of trusted technology partners.

The Solution

One of Dagher’s first moves as CIO was to approach IT transformation from a business perspective in terms of budget. “We had to treat IT as a business to enable the bank to grow and go through the rigors of budgetary requirements, regulatory mandates, and compliance issues,” he said. “So we established IT and technology as one of the four pillars for our business strategy and our future journey.”

The next step was to find the best partners. That was easy, according to Dagher, because he had already established a relationship with VMware Professional Services. “They knew what we were going after,” he said. “We did not have to explain our vision to them.”

Dagher engaged with the VMware Accelerate Advisory Services team, part of the VMware Professional Services organization, to help put the wheels of transformation in motion.

“We definitely feel that we have a trusted relationship with VMware to start a long-term journey to the bank we’re aspiring to build.”

Danny Dagher, CIO, Bank Audi

“We were comfortable with the VMware team,” he said. “It was like talking to someone who already knew what my problems were.” Dagher wanted the Accelerate Advisory team to help the IT department take business agility to a higher level and become a true service broker.

The Accelerate Advisory team analyzed Bank Audi’s situation and requirements and identified opportunities for immediate cost savings by moving away from proprietary systems to standard, commodity hardware and by building a private cloud to save on third-party cloud service offerings. This included tuning the internal Information Technology Infrastructure Library (ITIL) process and governance.

More importantly, however, the Accelerate team provided detailed recommendations for making the transition to an agile infrastructure that could deliver on the vision of more satisfied end users and tighter alignment between business and IT objectives. The team recommended the following initiatives, aligned to Bank Audi’s transformation goals:

- Infrastructure layer: Implement infrastructure virtualization (compute-network-storage) and automation of IT operations.
- Applications layer: Provide predictable reliability through automation of disaster recovery (DR) and increase agility through cloud automation for faster, simpler deployment of IT resources.
- People layer: Enable the IT team to provide solutions to the business unit in an agile and efficient manner (through cloud automation), in a reliable manner (through cloud operations and DR automation), and in a sustainable and predictable manner (through cloud business management).

The Accelerate team devised a two-phased approach to implementation. Phase One focused on the transformation of the infrastructure layer, and included a migration from physical servers to virtual servers and implementation of a basic model for cloud operations (including capacity and performance management) and cloud automation (via virtual machine dispatching).

The focus of Phase Two is DR automation as a way to ensure reliability for the efficiencies and agilities adopted in Phase One. It includes further virtualization of physical assets and expansion of Bank Audi’s capabilities around cloud operations automation.

“The Accelerate Advisory Services team helped us tremendously, because they understood that our end goal is not to build infrastructure,” said Dagher. “The end goal is not to ‘automate’ and ‘manage.’ The end goal is to empower the business to accomplish its goals quickly and easily, and that means we need to be a true service broker: we get the request, it’s provisioned, it’s built. Whatever our constituents want to do should be easy for them. And for us, that means infrastructure is no longer a black box. It’s a transparent box.”

The Results

With guidance from VMware Professional Services, IT has begun the transition to its new role as service broker and business enabler.

“Our service delivery model now incorporates the key strategic elements the VMware team has consistently talked to us about,” said Dagher, “from the software-defined data center to the hybrid cloud to end-user computing and mobility. We can run our own business more efficiently, so we can help our constituents run their businesses more efficiently, with transparency over their costs and revenues. They can now accelerate their business initiatives, from launching new products to improving productivity.”

Equally important, IT at Bank Audi is becoming a revenue-generating business, because the processes are now in place to implement charge-back for services. “In the past chargeback was not even possible,” said Dagher. “We could do a showback, we could show them our cost and give them some visibility; but now we can comfortably chargeback if we add value.”

Thanks to these new capabilities, Dagher has also been successful in elevating the reputation of IT as a service broker among lines of business. “We wanted our IT team to stand against any competition, because

we had to assume that any business line could outsource IT services," he said. "They could literally bypass us, which we had started to see glimpses of two or three years ago when people started asking to use their own mobile phones at work. Some of them can even buy their own VPN services at this stage. So there was pressure on the IT teams to survive."

With the changes Bank Audi made to its IT capabilities, "we can now address their requirements quickly and effectively, whether the needed service was provided through internal or external sources," said Dagher.

In terms of tangible results, "Bank Audi started seeing CapEx savings of millions of dollars even before we finalized Phase One," said Dagher. "So we're very proud and very committed to launching Phase Two very soon."

The teamwork between Bank Audi team and VMware Professional Services is also a source of pride for Bank Audi. "We worked together on defining a timeframe, and we've been sticking to that timeframe extremely well," he said. "We get compliments from both directions. We tell the VMware team that you're doing a great job, and in return the VMware team always compliments the professionalism of our team, because we're the first to undertake this sort of effort in this part of the world."

Looking Ahead

The strategic advice and tactical coaching from VMware Professional Services helped Bank Audi align IT capabilities with business objectives, according to Dagher. "That makes us more comfortable that VMware is the right partner for the future," he said. "We definitely feel that we have a trusted relationship with VMware to start a long-term journey to the bank we're aspiring to build."

About VMware Professional Services

VMware Professional Services transform IT possibilities into business outcomes. Our comprehensive portfolio of consulting and education services help you uncover and exploit the unique opportunities made possible by VMware technology and solutions. Drawing on our unparalleled expertise and customer experience, we collaborate with your team to address the technical, people, process and financial considerations for your VMware solution to deliver results that are positive, tangible and material to your business.

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