Skipton Building Society

diminishes development time with VMware

Skipton Building Society needed to build an agile infrastructure so its test and development team could bring the company’s latest products and services to market faster than competitors. In an industry handling sensitive financial data, this speed needs to be met with security. With a high degree of automation from VMware vRealize Automation, new applications can be developed on a completely secure and regulation-compliant platform and don’t need to go through internal approvals, meaning some of the Building Society’s new services can get to customers up to a month faster than before.

Skipton Building Society is a financial institution owned by its members and with a focus on offering mortgage and savings accounts. The society, based in Yorkshire, United Kingdom, is more than 160 years old and has a network of 95 branches across the UK. It currently has over 750,000 members with group assets of £13.9 billion.

The Challenge

As a financial institution owned by its members, building strong customer relationships is vital to Skipton Building Society as it develops, launches and grows new services.

Offering a range of products from mortgages through to savings accounts, the Building Society is, according to Ged Donovan, Architecture and Solutions Manager, Skipton Building Society, “One of the best kept secrets in the UK finance market”. Yet it is focused on growth. In order to do so, a key part of its competitive strategy - and therefore IT - is to improve time-to-market on all its propositions, inspiring members to tell more people about the great experience Skipton offers - and encouraging them to also join.

“We constantly look to align our IT initiatives closely to the business strategy. That means using technology to effect speed of change and offer customers updates on existing services as well as latest services, but we have to do that while keeping costs down – after all, it’s the members’ money we’re spending,” said Donovan.

Being fast to market with any service, for example a new savings account, meant Skipton’s test and development team need to be really agile. But, due to the sensitive nature of the financial data the organisation handles, all products also need to be developed in a secure environment that complies with regulations from the Financial Conduct Authority (FCA) in the UK. Unfortunately, its existing infrastructure just couldn’t guarantee speed with this security factored in. It wouldn’t take long to build a server to develop a new product, but it could take up to a month to make it live. As each new server would be developed with its own specifications from scratch, it would need to pass a lengthy internal approval and verification process via the security and IT teams before it could be used.

“Our test and development team would build new products, but were left frustrated at the time it would take to bring them to market,” explains Donovan. “Our teams are highly skilled, but we’re all...
“Pace of change is vital for us to remain competitive and automating with vRealize has made us significantly more agile. With the software-defined approach from VMware making the test and development team quicker to bring products to market, we can launch new products and services, as well as the best rates, to our customers far more quickly, so they can be reassured they chose the right institution to invest with.”

Ged Donovan, Architecture and Solutions Manager, Skipton Building Society

The Solution

Skipton wanted to get to a point where the test and development team could react to customer requirements as quickly as possible, so started looking for a solution that could automate the server creation process, letting the development team spin up environments as and when they wanted. Additionally, there had to be a guarantee for the IT and security teams that each new server would be fully compliant with financial industry regulations. Having consolidated its estate by virtualizing with VMware vSphere, the infrastructure team had not only driven significant cost savings, but achieved greater management and control of its estate. The team therefore wanted to expand on its approach and knew a move to a fully software-defined environment with automation at its heart, would enable new environments could be spun up faster.

With these requirements in mind, Skipton’s infrastructure team went through a competitive RFP process, considering Cisco and Microsoft’s cloud solutions alongside VMware’s vCloud Suite.

“vRealize Automation, part of the VMware vCloud Suite, had the level of automation we needed, so we could give developers a service catalogue to choose from when provisioning new servers, while the Site Recovery Manager product offered us automated disaster recovery to keep the infrastructure up and running at all times,” explained Donovan. “The much needed security aspect is taken care of through the micro-segmentation approach including network virtualization with VMware NSX. As NSX adds security directly to the workload, when a server is created to support a new application, its policies are automatically attached to it. Ultimately, we felt VMware’s suite was the most complete set of products, with the network virtualization offered through NSX meaning VMware could truly offer a fully Software-Defined Data Center – giving us an automated, resilient, agile and secure infrastructure in one.”

Business Results & Benefits

vCloud Suite has given Skipton the fully automated, yet secure and agile environment it wanted to achieve, vRealize Automation paired with VMware NSX for built-in network and security means the development team will be able to self-provision new servers at will and at speed via a pre-approved service catalogue.

The automated, catalogue approach to creating new servers means the IT and security teams have technical consistency and are always guaranteed each new environment meets all FCA regulations and compliance laws, so they don’t need to spend time manually configuring settings on them individually when they are created. Eliminating that internal process alone means the test and development team can start spinning up additional infrastructure resource, for peak periods such as ISA season as soon as they want to get started, with a new platform now deployed in just 1.5 hours, reducing the time to market on software updates and handling regulatory changes, bring them to Skipton’s customers weeks – or even months – faster.

“Pace of change is vital for us to remain competitive and the ability to automate new servers will make us significantly more agile. Our platforms might start in the test and development phase, but they don’t just stop there, they go into production eventually and, with VMware, will be rolled out much quicker than before. Bringing products to market quicker will help us offer the latest products and best rates to our customers, so they can be reassured they chose the right institution to invest with,” says Donovan.

“VMware has also helped us future-proof, keeping us ahead of the known - and unknown - competition. Our immediate competitors might be other building societies or banks at the moment, but the market is constantly changing, particularly with the rise of more and
more online digital services, and other competitors could come from any other industry.”

As well as agility and better time to market, vRealize Automation is also central to the organisation becoming more innovative. As the test and development team is able to easily spin up new environments, there’s more room for trial and error - with less resource or time invested if a new project doesn’t work out exactly as planned. “This freedom means the team can be more innovative in their development, taking risks with new ideas to operate more efficiently, rather than being constrained by process,” said Donovan.

Meanwhile, an added bonus of deploying the vCloud Suite for Skipton Building Society is VMware Site Recovery Manager (SRM). Not only can the organisation bring products to market faster and keep costs flat, but the reliability of its systems has improved. As part of a project focused on the stability of the IT estate, which has seen SRM deployed alongside Microsoft Clustering technology, Skipton’s IT team can guarantee the servers on its systems can be back up and running within hours of an outage, whereas it would take weeks to get some secondary systems, such as the HR application, back up and running before.

Looking Ahead

In the future, the IT team wants to make use of VMware’s Showback and Chargeback products. “We want to do more work into understanding how we can get the best value from what can be expensive resources,” explains Donovan. “As it’s our customers’ money, we want to show we’re effective at managing costs and operate as efficiently as possible. A clearer view of our estate will mean we can keep costs flat, but operate more effectively, so we’re able to do more with what we have. That could mean anything from switching off unused IT resource out of hours through to closing down unused web services.”

Finally, the organisation is looking to use micro-segmentation across all of its environment and blueprints. With the new European General Data Protection Regulations (GDPR) coming into force in 2018, this approach will be invaluable. As Donovan explains, “Meeting data protection regulations, such as the new GDPR, is a constant consideration. Being able to segment, prevent and load balance right by the server with VMware NSX makes everything far more secure, so we can continue to safely build out our environment, safe in the knowledge that we’re compliant and protected from our core, even as regulations change.”