

# From Microfinance to Modern Banking Tsedey Bank Scaled Nationally with Nutanix

## About Tsedey Bank

**Industry:** Financial Services

**Geo:** Addis Ababa, Ethiopia, Africa

**Branches:** 627

**Customers:** 14 million+

**Employees:** 13,400

Website: [www.tsedeybank-sc.com](http://www.tsedeybank-sc.com)

### Applications:

- Core Banking
- ERP
- Internet, Card & Mobile Banking
- Email & User Management
- Commvault Backup
- Centralised User Management
- Outlook Email
- Reporting and Monitoring

### Products:

- [Nutanix Cloud Manager \(NCM\)](#)
- [Nutanix Cloud Platform \(NCP\)](#)

### Solutions:

- [Business Critical and Enterprise Apps](#)
- [Data Protection & Disaster Recovery](#)

## Ready to get Hands-On?

[Take a Test Drive](#)

Tsedey Bank modernises from microfinance to commercial banking with a hyperconverged platform that delivers simplicity, scale, and performance

After nearly 25 years of operating as a microfinance institution, Tsedey Bank embarked on a transformative journey to become a fully licensed commercial bank in Ethiopia. With this transition came the opportunity to rethink how the bank operated from the ground up, unencumbered by legacy systems.

Instead of patching together old systems, Tsedey Bank built an all-new banking technology stack on Nutanix, creating a private cloud that

would support rapid growth, customer mobility, and regulatory compliance from day one. Today, Tsedey Bank has 627 branches and over 13,400 employees and serves more than 14 million customers across urban and rural Ethiopia. Despite being a newcomer to the space, it already competes with second and first-generation banks because of its ability to scale services quickly, its reach, number of branches, and instant digital banking services including ATM, POS, Mobile banking, internet banking, and customer service.

### Key Outcomes

#### Seamless Scalability

All banking systems are centralised and easy to scale with Nutanix nodes.

#### Cost Control

Consolidated architecture and predictable TCO reduce operating costs.

#### Operational Simplicity

Single-pane-of-glass management across compute, storage, and networking.

#### Resilience and Compliance

Built-in disaster recovery readiness and full security alignment with INSA.

#### Empowered Teams

Staff quickly trained and certified thanks to intuitive tools and strong vendor support.

“We’re now competing with first- and second-generation banks with a modern, scalable platform that’s easy to manage and fully supported. Nutanix has helped us build something we’re proud of.”

**Tadele Alemu,**

Director, IT Infrastructure Management, Tsedey Bank

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## Challenge

As a microfinance institution, previously known as ACSI (Amhara Credit and Savings Institute), Tsedey operated on a decentralised model. Each branch ran its own system on local computers, meaning accounts opened in one location were inaccessible at others.

“There was no centralisation,” says Alemu. “Each branch worked independently, which created inefficiencies and prevented us from serving customers across our network and the country.”

When the institution transitioned into a fully-fledged bank (Tsedey Bank) in January 2022, it had to comply with strict financial regulations, modernise its systems, and deliver banking services nationally. Fortunately, Tsedey had no legacy systems to migrate, giving it the rare advantage of starting from scratch.

A huge benefit upfront was the involvement of Ethiopia’s Information Network and Security Agency (INSA), which assisted with consulting, RFP preparation, and compliance guidance and ensured that security requirements and regulatory standards were embedded from the very beginning.

“Our team was new to commercial banking, so INSA’s support helped us understand what was required from a performance and security perspective,” says Alemu. “Their experience with helping government and financial institutions across Ethiopia was invaluable in helping us ensure we knew exactly what we needed from our technology partners.”

## Solution

When it came time to define its digital backbone, Tsedey Bank was able to embrace modern infrastructure from the outset. Rather than attempting to weave its patchwork of standalone systems together, the bank built a next-generation private cloud environment powered entirely by Nutanix.

Following guidance from Ethiopia’s Information Network Security Administration (INSA) and in collaboration with local implementation partner Deliver ICT and Telecommunications Technology PLC (Deliver ICT), the team evaluated market-leading technologies and selected Nutanix as the foundation for its operations. The Nutanix Cloud Platform offered a hyperconverged solution that integrated compute, storage, and networking into a single, software-defined system that could scale effortlessly and be managed centrally.

“Looking at global trends we saw that infrastructure was moving to hyperconvergence and software-defined networking (SDN) and that Nutanix stood out as a leader in this area,” says Alemu. “Additionally, Nutanix gave us everything we needed, including centralised control, scalability, and simplicity.”

Today, Tsedey Bank runs 100% of its core banking and enterprise systems on Nutanix, including internet, card and mobile banking platforms, ERP, email, backup, reporting, and customer management. This cloud-ready foundation supports its main and disaster recovery sites, ensuring resilience and performance across all 627 branches.

The original infrastructure comprised 8 Nutanix nodes across two generations of hardware, enabling the bank to scale on demand while maintaining a consistent user and administrator experience. However, as service demands increased, this proved insufficient. To address this, the bank procured 4 additional high-spec nodes.

A fourth cluster has since been deployed at the secondary (DR) site, this was in the procurement stage during our initial discussions. The bank's infrastructure now consists of a total of 16 Nutanix nodes, providing enhanced scalability, resilience, and performance across both sites. "Everything is running on Nutanix. We don't have any other computing platform. From service delivery to infrastructure, it's all on the same system," Alemu explains.

## Benefits

According to Alemu, the shift to Nutanix has allowed Tsedey Bank to immediately benefit from a unified, hyperconverged platform that gives the bank the simplicity and agility that would have been unthinkable under its conventional microfinance model.

The centralisation of operations also allows for the seamless management of services across all 627 branches. Customers who were once limited to banking at a single location can now access their accounts and services from anywhere in the country, which has given them the accessibility needed to directly support the bank's financial inclusion goals.

Operational efficiency has also improved dramatically. IT teams no longer need to juggle separate systems for compute, storage, and networking. With Nutanix, everything is managed through a single interface. Scaling up is straightforward, and adding a new node is all it takes to expand capacity. That flexibility means the bank can respond quickly to demand without legacy infrastructure delays and complexity.

Perhaps most importantly, the technology has empowered the people behind it. Although the team was new to Nutanix, its accessible learning resources and strong vendor support enabled them to gain confidence quickly. Several team members are now pursuing certification, and day-to-day operations are easily handled in-house.

From the business's perspective, reduced infrastructure complexity, faster provisioning, and lower total cost of ownership allow Tsedey Bank to operate more efficiently while offering a better customer experience. With full support from Nutanix and implementation partner Deliver ICT, the bank's IT foundation is modern, resilient and built to scale.

Despite being classified as a third-generation bank, according to Ethiopia's banking tiering system, Tsedey is now seen as a Tier 1 contender. Its ability to match and, in some cases, exceed the digital capabilities of longer-established rivals has drawn recognition from peers and regulators alike. That perception is a source of immense pride for the bank's leadership.

"We've implemented the latest technologies and we're proud of how we're using them," says Alemu. "When people see us as a Tier 1 bank, even though we're technically Tier 3, it's proof that we're doing things right. This project was more than just deploying a technology solution, it was a way to make sure we deliver value every day."

## Next Steps

Tsedey Bank is now expanding to a full dual-site model, strengthening its disaster recovery posture and planning for increased digital services. This will be supported by an additional four Nutanix nodes, which it is about to start implementing.

"We're proud of what we've achieved. And with Nutanix, we've built a platform that gives us the flexibility and support to keep growing, on our terms."

**Ready to modernize your infrastructure?** See how Nutanix can help you simplify your hybrid multicloud management. [Test Drive Nutanix Cloud Manager](#)

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6/25

# NUTANIX

T. 855.NUTANIX (855.688.2649) | F. 408.916.4039

[info@nutanix.com](mailto:info@nutanix.com) | [www.nutanix.com](http://www.nutanix.com) | [@nutanix](https://twitter.com/nutanix)

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