bank bjb
syariah

BJB Syariah gains competitive edge with Nutanix Cloud Platform, delivering microservices to customers 10 times faster than before

Nutanix powers faster go to market competitive edge for Indonesia's first regional Islamic bank, supporting a further double-digit business growth

INDUSTRY
Financial Services

BENEFITS
- Deliver microservices to customers 10x faster than before, from two years to two months.

- Embraced DevOps model to reduce complexity; storage takes minutes not weeks.

- Zero downtime with 90% of applications hosted on Nutanix, scaling to support business in minutes.

- 80% savings in man hours from reduced complexity in daily operations and maintenance.

- Reduced overall IT operational costs by 40%.

BUSINESS BENEFIT

With 14% growth in sharia asset since 2017 to 2019[1], the rapid growing Islamic banking industry in Indonesia has made it vital for BJB Syariah, Indonesia's first regional Islamic bank, to grow their competitive advantage against its competitors. Partnering with Nutanix, the bank has embraced a DevOps model using Kubernetes-based Nutanix Karbon and Nutanix AHV to speed up microservices delivery to its customers by at least 10 times. Such advantage could serve well by giving the bank a first-mover advantage against their competitors.

> "Our digitalisation partnership with Nutanix was one of the most critical aspects of our services relationship. Nutanix played a critical role in helping us to grab full potential of the market, supporting our increased business growth of up to 20%."
>
> – Dadang Rohandi, Head of IT Division, BJB Syariah

SOLUTIONS
Nutanix Cloud Platform

- Acropolis OS, including built-in hypervisor, AHV

- Prism management

- Karbon

- 10 nodes of Nutanix: DC – DR Replication

[1] Source: https://fixindonesia.pikiran-rakyat.com/ekobis/pr-36836793/perkembangan-perbankan-syariah-di-indonesia-cukup-meningkat

NUTANIX.

APPLICATIONS

- Pickup service for new account openings
- Real Time Gross Settlement (RTGS)
- Other enterprise critical applications for financial, accounting, and supply chain purposes
- ATM switching
- Risk assessment
- SaaS for school, travel and alms management system

CHALLENGE

BJB Syariah initially started in 2000 as a sharia business unit of Bank BJB, a conventional bank owned by the governments of West Java and Banten provinces of Indonesia. To provide sharia banking services to people in Indonesia, in 2010, the bank was spun-off by its parent company. Today, BJB Syariah is the first regional bank in Indonesia that became its own business entity. With its 8 branch offices and 55 sub-branch offices, BJB Syariah is aiming to cater 80% for the nearly 50 million populations in two provinces.

For over 10 years, BJB Syariah has aimed to continuously enhance its customer experience. The bank faced the challenge to better respond to changing market requirements and regulations as well as the increasing need for applications and faster development. Those also made it difficult for the bank to quickly provision IT resources and maintain the related infrastructure in parallel to the production environments.

They started looking for a suitable platform that provides both speed and agility to keep up with the market changes and to help them to move towards a more agile DevOps delivery mode for faster application development.

"Our 3-tier infrastructure IT environment was complex and we do not have enough room for infrastructure expansion. We were depending on manual processes which were time-consuming. We want to develop software and deploy improvements for customers faster, more efficiently and with higher quality. Time is very crucial and the focus on new product development is something that we would like to execute," said Dadang Rohandi, Head of IT Division.

SOLUTION

Rather than implement on-premises equipment and software, it chose an all on-prem cloud platform route. The private cloud-based approach allows the bank to focus on customer service and market strategy, while backed by agile, flexible, and scalable IT services. The bank decided to pioneer a radically different approach to banking infrastructure. After evaluating VMware during PoC, the bank's choice eventually fell on Nutanix AHV Hypervisor for virtualization with the built-in Kubernetes-based Nutanix Karbon.

"Nutanix is the only HCI platform that integrates its hardware and software in one bundle without the need to prepare the servers, storage and network separately for virtualization. It propelled our agility in business performance and allow us to focus more on creating better customer experience and grab the huge Islamic banking industry's potential," Dadang stated. "It also comes with Nutanix Karbon that helped to speed our application development to market."

CUSTOMER OUTCOME

Microservice deployment sped up to two months from two years, faster time to market

Dadang said, "One of our missions is to provide Sharia services with prime quality through product innovation that is easy to access. With Nutanix support, now we can immediately serve new customers or businesses by just doing simple software modifications, instead of facing long waiting times, that will affect our business in this competitive market. This is significantly less than the whole day that it used to take when we used physical servers."

The bank had developed more than 100 applications consisting not only of its critical financial, accounting and supply chain purposes, but also SaaS to communities to support its business expansion. The applications development has more than 80 applications in the pipeline for various needs such as school management system, travel management system for hajj travel and Islamic non-profit organizations. Nutanix makes the application development available in a matter of months versus years, – more than 10 times faster.

"Nutanix dramatically reduces our deployment time to only two months from two years as we no longer need to hire third-party service to help with our application development," he said.

DevOps model adoption reduce complexity and storage time

The shift to DevOps model since using Karbon accelerated BJB Syariah's application development as it reduced complexity. "Our developers are more likely to get it right the first time, enabling us to a more agile DevOps delivery model that is simply impossible with the 3-tier infrastructure," said Dadang.

Moving to Nutanix also allowed BJB Syariah to only need minutes to set up storage. "This process previously could take 4-6 weeks and Nutanix significantly reduced the wait, much to our pleasure," he said.

Scaling to support business in minutes with zero downtime

"Before, it took us days just to do network server set up. Since using Nutanix, we find it is a plug and play experience, just 30 minutes and it is ready to use. This amazing speed really supports our current business because now we can implement the solutions so much faster than before," said Dadang.

"We have developed around 100 applications and 90% are under Nutanix. It has allowed us to scale out or scale up our system easily to meet our ever-growing needs to support our business expansion to capture 80% of sharia market in West Java. No more waiting four months just for the servers to arrive." he said.

80% savings in manhours and 40% overall IT operation cost reduction

"In January 2020, we have accomplished ISO20000 and with Nutanix we have reduced backup time by eliminating manual programming. We spent less time on fire-fighting infrastructure and maintenance issues, reduced disruptions and freed up the IT team for more strategic tasks. With these daily operational burdens lifted, our team works much faster and we estimate a savings of at least 80% in man hours," Dadang said.

According to Dadang, "a big part of digital transformation is removing all the barriers of innovation. Nutanix helps our services development to blaze through from zero to launch. Services that previously took months to launch now go into production within a matter of hours, giving us the freedom to experiment with new ideas in a highly agile way. And at the same time as achieving all these improvements, we have reduced our operational costs by around 40%," Dadang said.

NEXT STEPS

BJB Syariah is committed to further their digital innovation roadmap, bringing them closer to their vision of a truly agile DevOps operation as well as their goal of being the top five largest banks in Indonesia.

"Our digitalisation partnership with Nutanix was one of the most critical aspects of our services relationship. Nutanix played a critical role in helping us to grab full potential of the market, supporting our increased business growth of up to 20%. Trusted partners like Nutanix functions just like an extension of our team. Nutanix Cloud Platform fits exactly what we were looking for to support our customer-centric initiatives and we look forward to an exciting future ahead with Nutanix's innovations," said Dadang.

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