

Bank Pekao Goes All the Way with Web-Based End-to-End Trade Finance Solution

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With roots dating back to 1929, Bank Pekao is not only Poland's largest bank, but also the biggest bank in Central & Eastern Europe (CEE) in terms of market capitalization. Since 1999, Bank Pekao has been part of the UniCredit Group, one of the largest banking and financial services organizations in Europe with a presence in over 20 European countries and 40 million customers.

Given such a long and illustrious history, one might think that the Bank is a bastion of conservative thinking and traditional services. But in reality, that's hardly the case. "As Poland's corporate banking leader, Bank Pekao differentiates itself from the competition by offering a full portfolio of innovative Web-enabled transaction banking products," says Sylwester Stasiak, Managing Director of Bank Pekao's Transaction Banking Department. "Our emphasis on electronic banking speeds time to market of new services, and strengthens the Bank's competitive position."

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Since trade finance plays a key role in its corporate strategy, Bank Pekao took innovation to the highest level when it implemented Surecomp's automated end-to-end trade finance solution. "Trade finance is central to Bank Pekao's corporate strategy, allowing the Bank to finance corporate customers even in today's difficult economic environment," Stasiak says. "We chose Surecomp based on its wide-ranging expertise. We needed to work with a vendor that had strong IT and trade finance expertise, and Surecomp fit the bill in both areas."

Complex Situation, Smooth Migration

The Bank's relationship with Surecomp began indirectly in the late 1990s when BPH – which later merged with Bank Pekao starting in 2005 – implemented IMEX®, Surecomp's world-leading trade finance back-office solution, and later deployed allNETT®, the vendor's Internet-based trade finance front end (known as PekaoTrade by the Bank's customers). In 2007, following the completion of the merger with part of BPH, Bank Pekao successfully deployed IMEX and allNETT (PekaoTrade), and smoothly migrated corporate customers to its new end-to-end, Web-based trade finance infrastructure. "We needed a centralized Web-based solution for our trade finance operating teams at five processing centers, which in turn support trade finance activities at over 1,000 branches across Poland," Stasiak explains.

From the Bank's perspective, the project was completed successfully – in budget and on time – despite the added complexity due to the post-merger situation. "As one of the first projects implemented following the merger, the project received a lot of attention within the Bank," Stasiak notes. "And since there was a need to coordinate between two internal IT departments, the project was very complicated due to legal, business and IT standpoints. Yet the whole migration process went very smoothly, and was completely transparent to our corporate customers. The Pekao IT department did a very good job."

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One of the reasons for such success was the close cooperation between the Bank Pekao and Surecomp teams. "The project was implement-ed quite rapidly, taking about six months," Stasiak says. "Our IT personnel worked closely with Surecomp, and everyone understood the direction and target at which we were aiming. Surecomp was very flexible, and their people were always available – even on weekends – which led to faster implementation."

From Surecomp's perspective, the implementa-tion was also considered a great success. As such, Bank Pekao was awarded the Surecomp 2008 IMEX-allNETT Implementation Award. "The award is welcome recognition of our employees who worked on the deployment," Stasiak says. "In fact, we plan on publicizing the award within the banking industry. On a similar note, Bank Pekao was awarded Best Trade Finance Provider Poland 2008 and 2009 by

Global Finance magazine for our trade finance products, of which our Web-based front end is one of the most important."

Web-Based Front End Leads the Way

Bank Pekao provides the allNETT front end as a complementary tool at no charge to corporate customers who actively require letters of credit (LCs) and other trade finance mechanisms. "We have branded the trade finance front end as 'Pekao Trade,' and we promote it in our marketing campaigns," Stasiak says. "The front end is fully integrated within our electronic banking infrastructure – basically it's a new element within a familiar overall e-banking system. As a result, it leads to the successful cross-promotion of other services offered on our e-banking portal."

Feedback from the Bank's customers confirms the success of the Web-based front end. "Using the front end, customers now can easily define their partners, initiate LCs and monitor transaction status – and they really appreciate the ease of monitoring," Stasiak says. "Also, with a simple right click of the mouse, they can use the 'recreate' feature to reconstruct the terms of conditions of previous LCs, and then simply change the amount. Finally, all trade finance information is in one place and available online. Corporate customers are happy that they no longer have to search for order sheets stored away in boxes or drawers."

Front-to-Back Benefits

For Bank Pekao, its integrated end-to-end trade finance solution is of critical importance. "The main benefit for Bank Pekao is the solution's ability to automate trade finance processes, which translates into high efficiency and faster overall processes," Stasiak says.

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As a result, it's no surprise that Surecomp's front-to-back solution has more than met the Bank's expectations. "We got just what we wanted and ordered," Stasiak says. "The system gives us everything we need, and that's all we require. On top of that, Surecomp provides us with new releases and versions, which include new value-added features. The automated solution supports our strategy of promoting trade finance as much as possible, given the superior margins of these activities. With our automated Web-based system, we can handle additional trade finance volumes without adding workload or headcount."

Extraordinary Relationship

The relationship between Bank Pekao and Surecomp is not a typical one between a bank and solution vendor, according to Stasiak. "What makes our relationship unusual is Surecomp's flexibility, dedication and ability to define solutions to meet our unique needs. Surecomp provides us with a very high level of service, and we feel they take good care of us."

Bank Pekao also appreciates the personal touch provided by Surecomp. "The Surecomp relationship manager plays a big role in our success. He truly understands us – we think the same way. And he successfully cooperates with other vendors involved in our e-banking services," Stasiak says. "In short, we consider the people at Surecomp to be our friends."

As such, the Bank is looking forward to maintaining its relationship with Surecomp well into the future. "We definitely plan to keep our relationship with Surecomp as we move forward. We want to stick with Surecomp, and we hope to be part of their future plans as well," Stasiak concludes.