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BCA delivers financial services faster to compete in an evolving market

BCA
GRUP BCA
Senantiasa di Sisi Anda

PT Bank Central Asia Tbk (BCA), Indonesia's largest private bank, sought to accelerate development and improve application programming interface (API) access and management to meet new customer expectations introduced by fintech startup competition. Using Red Hat integration and container platform technology, BCA built a cloud-native, microservices-based API environment that can automatically scale to meet growing demand. The bank also improved resiliency and availability with separate gateways for internal and external API transactions. Now, BCA can build and deliver the innovative digital experiences customers want, faster.

Jakarta, Indonesia ●

Headquarters

Financial services

27,000 employees

Benefits

▸ Reduced time to market for new services and features from three months to one month

▸ Automated scaling to respond to growing, unpredictable demand

▸ Improved resiliency to achieve 100% service availability

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Heuw Haryanti
VP of IT Application Management & Integration, BCA

Enhancing the banking customer experience in a competitive market

Like in many countries, Indonesia's financial services industry is highly competitive, with traditional banks faced with increasing competition from agile fintech startups as customers shift to digital banking. These startups could quickly integrate business partners to provide higher-value services to customers.

In response, established financial organizations like Indonesia's PT Bank Central Asia Tbk (BCA) are focusing on finding ways to become more agile and innovative. Founded in 1957, BCA is Indonesia's largest private bank, largest lender by market value, and second-largest bank by assets. It provides commercial and personal banking services at more than 1,000 branches across the country.

With the growing need to adopt an open banking approach to stay competitive, BCA sought to improve communication between its 500 internal applications and between its physical branches. Additionally, the bank had a variety of legacy application integrations and related platforms. Each integration needed to be adapted individually whenever BCA brought new services to market.

"Compared to fintech startups, our complex legacy infrastructure and strict regulatory environment means it takes us more time for us to innovate," said Lukman Hadiwijaya, EVP - Head of Application Management, BCA. "We needed more agile, automated IT to deliver better quality solutions faster."

To accomplish this goal, the bank decided to find a modern platform for cloud-native application programming interface (API)-based integration. "Our open banking initiative needs to provide standardized API services for external parties to access our bank's services, such as Grab ride hailing," said Ferdinan Marlim, SVP of Application Management, BCA.

Increasing agility and scalability with a container-based API platform

After exploring the market for an open source solution, BCA decided to use Red Hat technology as the foundation of a new, scalable API environment.

"We see open source as a long-term strategy, because we can avoid lock-in or dependence on one technology provider. For us, open source means freedom," said Fransiscus Kaurrany, EVP - Head of IT Architecture & Service Quality, BCA. "Red Hat provides not only that flexibility of choice, but also the support and services we need for our critical services."

Red Hat 3scale API Management, part of Red Hat Integration, provides infrastructure to help organizations manage, share, and control their APIs for performance and growth. Integration with Red Hat OpenShift, an enterprise Kubernetes container platform running on premise, helps BCA build and run its applications in a contained, automated way.

"We chose Red Hat 3scale API Management because it can run on premise, on a container platform, for high scalability," said Heuw Haryanti, Vice President of IT Application Management & Integration, BCA. "Red Hat OpenShift ensures workloads can scale as needed to meet demand."

With support from Red Hat Consulting, BCA completed implementation of its new architecture in less than four months. The bank now has a central API-based integration solution based on Red Hat technology and Apache Camel. This solution helps all of its business units design, develop, and deploy applications more efficiently and in line with security policies.

"Red Hat 3scale API Management lets us connect different applications, whether legacy or new, to back-end services immediately with almost no changes. This ability is important as our services are becoming more digital and our front-end experience is evolving to address customers across more channels."

Fransiscus Kaurrany
EVP - Head of IT Architecture &
Service Quality, BCA

The bank continues to work with Red Hat's experts to mature its API integration implementation and related skills. Its staff use Red Hat Learning Subscription, an all-access pass to Red Hat's training courses, videos, and other resources that accommodate a variety of learning styles, to learn how to optimize its new container and integration solutions.

Balancing faster time to market with high service availability

Achieved 3 times faster time to market for new services and features

BCA's cloud-native, microservices-based development approach, supported by DevSecOps and a continuous integration and continuous delivery (CI/CD) pipeline, has helped it accelerate innovation to support a digital, omnichannel customer experience.

By replacing manual processes with self-service capabilities provided by 3scale API Management, BCA's integration team can more easily create and publish APIs, integrate applications with multiple internal systems, and provide external API access.

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The bank can now deliver new products and features to market faster to meet customer demands—in just one month, compared to three months needed previously.

Improved responsiveness with automated scalability

BCA has projected that its transaction volume will increase—and become less predictable—year over year. The autoscale capabilities built into Red Hat OpenShift helps the bank ensure that its workloads can access the resources they need across its current and future datacenter environments.

"When we experienced a significant increase in mobile banking traffic during the COVID-19 pandemic, Red Hat OpenShift helped us scale our application easily while still providing high service performance for our customers."

Increased resilience for high availability

A container- and microservices-based architecture, based on integrated Red Hat technology, helps BCA keep workloads isolated to improve the security of integrations between its internal and core banking applications. Instead of a single, monolithic API gateway, BCA has now split its API gateway to support internal and external access separately, minimizing the impact of any errors or outages. Cloud-native integration using 3scale API Management ensures loose coupling between business logic and integration script.

Using the Prometheus Operator for Red Hat OpenShift also let BCA monitor its production environment with ease to ensure its applications are always available for customers. As a result, BCA has achieved 100% availability for its customer-facing services.

Building on success with cloud-native integration

Based on its successful adoption of new work approaches like DevOps, supported by enterprise open source integration and platform technology, BCA now plans to standardize on 3scale API Management for internal, REpresentational State Transfer (REST)-based API workloads and Red Hat OpenShift as its application environment.

BCA is also planning to migrate from Apache Camel to Red Hat Fuse, part of its existing Red Hat Integration subscription, to support new types of users and enhance its microservices environment. It has also adopted Red Hat Ansible® Automation Platform to achieve the benefits of strategic automation across its divisions.

Experiencing Red Hat's ways of working has encouraged BCA to explore new approaches to innovation, such as shifting to event-driven architectures to collect and analyze data traffic to operate processes in parallel and respond faster.

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About PT Bank Central Asia Tbk (BCA)

Headquartered in Jakarta, PT Bank Central Asia Tbk (BCA) is one of Indonesia's leading financial institutions. It offers commercial and personal banking services through more than 1,000 branches located across the country. BCA has 27,000 employees and a revenue of US$19 billion.

About Red Hat Innovators in the Open

Innovation is the core of open source. Red Hat customers use open source technologies to change not only their own organizations, but also entire industries and markets. Red Hat Innovators in the Open proudly showcases how our customers use enterprise open source solutions to solve their toughest business challenges. Want to share your story? Learn more.

About Red Hat

Red Hat is the world's leading provider of enterprise open source software solutions, using a community-powered approach to deliver reliable and high-performing Linux, hybrid cloud, container, and Kubernetes technologies. Red Hat helps customers develop cloud-native applications, integrate existing and new IT applications, and automate and manage complex environments. A trusted adviser to the Fortune 500, Red Hat provides award-winning support, training, and consulting services that bring the benefits of open innovation to any industry. Red Hat is a connective hub in a global network of enterprises, partners, and communities, helping organizations grow, transform, and prepare for the digital future.