



If we are to be a winner in the digital banking environment, we must run fast and automate as much as possible and this is exactly what our new organization and the OpenStack platform offers us.

Klas Ljungkvist , CIO of SBAB



SBAB increases speed and customer value with Compliant Cloud

SBAB is Sweden's fifth largest bank and offers loan and savings products to consumers, tenant-owner associations and property companies in the Swedish market. Founded in 1985, the bank today has approximately 500,000 customers more than 700 employees. SBAB has a clear vision: to offer the best residential mortgages in Sweden. It does this by striving to deliver on the customer promise of accessibility, transparency and consideration. SBAB, which is owned by the Swedish state, has deposits of about SEK 125 billion and lending of some SEK 350 billion.

Cleura and its service is now a strategically important partner for SBAB as its technology is helping us in the pursuit of our vision, to offer the best residential mortgages in Sweden, says Klas Ljungkvist.

Customer value through digitalization permeates all areas

SBAB is experiencing a period of growth with the aim of increasing market shares in both the private and corporate segments, which it intends to achieve through a strong focus on customer value in all of its business. This naturally also includes the IT area. For SBAB, whose entire operation is digitalized, IT is at the core of all development projects. In parallel, SBAB is competing in a market characterized by major change and digitalization, where speed and flexibility in IT will be a crucial factor — something SBAB is prepared for.

Previously SBAB worked with major IT projects and launched a new release each month. This working method had a greater impact on the bank's customers when staff were forced to take the system offline on weekends to deploy new releases. The process was both inefficient and slow.

Small agile units to boost speed

We have worked hard to both upgrade our technology platform and our method of working, which has given us a much stronger potential to deliver customer value, says Klas Ljungkvist.

SBAB has organized its technology departments into some 12 small and agile development teams with short decisionmaking paths that enable a rapid progression from idea to code in production. One important success factor in this work has been that each team is responsible for 95 percent of its own service, which means they worked autonomously to build microservices while remaining independent of any challenges arising within other teams.

By operating in small units, rapidly deploying new code and thereafter acting on the feedback from our customers, we have increased our innovative drive and dramatically shortened the production process from idea to operational service, says Klas Ljungkvist.

We feel Cleura provides cutting edge technical solutions that contribute added value to SBAB, with a strong focus on sustainable IT and a high level of security awareness, as well as with great proactivity and innovation that are available to both us and our customers in everyday situations, says Klas Ljungkvist.

Technology platform that enables innovation in a highly regulated industry

One important precondition that allowed the technology department to work efficiently was to use a technology platform that not only permits, but actually promotes, flexibility and innovation while meeting the bank's stringent requirements for security and regulatory compliance. SBAB therefore held a tender for a new IT infrastructure partner that included a clear requirement set.

We place stringent demands on our suppliers and expect deliveries to be characterized by operational stability, sustainability, a high level of security and major innovation in everyday work, says Klas Ljungkvist.

As a result of this tender, and as part of efforts to achieve a long-term transition to a modern technology platform, SBAB initiated a collaboration with Cleura already 2017 when the bank chose to place parts of its IT operations in Cleura's OpenStack-based Compliant Cloud service. Compliant Cloud is Cleura's IT infrastructure service for companies with stringent security and the service has integrated regulatory compliance.

Compliant Cloud as base for rapid innovation

Since 2017, Compliant Cloud has been used as a base for SBAB's microservices, which act as a service layer between the bank's customer channels, — the online services and apps — and the underlying IT systems, such as credit granting systems and deposit and lending systems. The technology platform meets the demands for speed, flexibility and scalability made by the new technology organization at SBAB.

SBAB has positive experiences from using Compliant Cloud, which has provided it with a service that complies with its rigorous demands for speed and flexibility while offering a high level of reliability and security. The technology platform has become a key part of the puzzle needed to create a fully operational, fast, innovative and agile development environment that ultimately provides a stronger customer experience.

If we are to be a winner in the digital banking environment, we must run fast and automate as much as possible and this is exactly what our new organization and the OpenStack platform offers us. We roll out, test and listen to the feedback we receive and automate each project down to the last detail, says Klas Ljungkvist.

A winning combination

One year after the new organisation was launched and Compliant Cloud was in place, the technology department at SBAB doubled its productivity. On average, SBAB launches between 250 and 300 updates per month and has far exceeded the goals set. The bank's focus is on constant innovation and speed to deliver customer value and it has adjusted its objectives for new functionality to 400 updates per month.

We are setting ambitious targets, but we have concrete evidence that the organization in combination with the Compliant Cloud service have provided us with the right circumstances to maintain our momentum. It is essential that we stay on our toes; if we fail to constantly push forwards and develop faster in our striving to deliver value then we will not be a winner in the digital race. It's all about speed, says Klas Ljungkvist.

In total, SBAB has a team of about four people working with Compliant Cloud and the company feels that after investing some time initially the service is now working as desired without requiring routine maintenance and contacts with Cleura's specialists.

SBAB

SBAB's business idea is to apply innovation and consideration to offer loans and savings products to private individuals, tenant owner associations and property companies in Sweden. SBAB was founded in 1985 and is owned by the Swedish state.

Cleura

Cleura is a leading global supplier of IT infrastructure cloud services based on OpenStack. The company delivers public, compliant and private clouds.

Cleura is certified according to ISO 9001, 14001, 27001, 27010, 27013, 27017 and 27018 – internationally recognized standards for quality, sustainability and information security. Its services are available from more than 20 data centers around the world. With its compliant cloud, Cleura ensures that customers adhere to demands originating from specific laws and regulations concerning auditing, reputability, data handling and data security, such as Basel, Solvency and GDPR. Cleura is a part of Iver.