Fractional CIO Case Study

SUMMARY

A listed Indian Finance Company in retail micro loans wanted to grow its business in Tier2 and Tier3 cities of India with a sound technology platform, applications and digital backbone in place. Retail loan financing is a competitive market with many players and digital enablement plays a key role as a business enabler and cost driver. The company needed to formulate a proper strategy and also execute on the strategy for its digital transformation journey.

THE CLIENT'S CHALLENGE

The client provides unsecured and quick access to finance to micro enterprises in tier 2 and tier 3 cities of India. The majority of their business operations processes were manual. They had a stated business objective to make the best use of technology, tools and applications in a cost effective by flexible way that could support transforming existing manual processes to digital ones and scale as per future needs. They had deployed the required IT infra, applications and software as suggested by their IT partners. Each partner had setup their respective module(s) as per their best understanding which lacked cohesive overall planning. Hence, the business benefits were not being achieved due to the siloed approach. Lot of management (founders) time was consumed on day to day IT issues rather than focussing on the business.

An immediate requirement was to rollout the main business application comprising of the loan origination, credit appraisal, disbursement, collection, regulatory filings and other related functions. The next need was to integrate the business application with 3rd party data sources like Bank (for loan disbursement and EMI Collection), Credit bureau, Insurance, Digital channels - SMS & Whatsapp in a seamless manner to digitize the journey. This required a robust and effective software architecture and effective management of the software development life cycle.

A related pain point was to ensure a stable network (internet) connectivity at all offices in Tier2/Tiere towns. All offices were connected with broadband links from local ISPs and the networking operations were managed centrally from Mumbai. Internet connectivity and speed issues were daily problems across the branches.

There was also a need for uniform IT policy in place for employees, devices, infra, support and security management aligned to industry standard practice.

Being a listed company, they also had a need to implement a strong financial ERP to effectively manage the financials.

They needed an IT strategy and execution partner who would help them conceptualise, architect, design, develop, implement, operate and manage above stated business objectives.

ACTION PLAN

Striatum was selected by the client as the IT partner of choice to deliver the services as per the Fractional CIO offering of Striatum. Striatum consultants have successfully

achieved all and more of the above assigned business objectives over a period of 12 months and continue to manage the ongoing operations and service delivery for the client. Striatum provided the strategic and technology leadership for the stated business objectives with tremendous value addition. Client could achieve following milestones during last 12 months with Striatum expertise

➢ Ongoing application development, delivery and rollout managed in line with business requirement and SDLC methodology
➢ Main Business application (web as well as mobile version) rolled out across 5 states and more than 100 users;
➢ Application hosting infrastructure setup on Azure cloud with industry standard BCP framework.Application migrated from existing data center to Azure cloud services.
➢ Seamless Application Integration with 3rd party interfaces (bank, insurance company and credit rating agency) with APIs and H2H from production and DR sites
➢ MS NAV 2016 ERP was rolled out for Finance team with production and test setup
➢ State of the art SD WAN technology deployment for branch networking over inexpensive broadband connections
➢ Standardization of IT infrastructure carried out to provide uniform and secure experience to all stake holders
➢ A strong IT governance and management framework created for MS Office 365 applications
➢ Remote IT helpdesk was setup to support infra 24*7 with one of the best SLA management
➢ 5 Year IT budget has been created for management review and presented to board for their long term view
➢ An effective vendor and partner management/governance framework is created to evaluate IT platform/solution, ordering, deployment and ongoing operational review post roll out
➢ Tableau was implemented and integrated with business applications for real time analytics and dashboards
➢ Ongoing review of IT budget and optimizations carried out to reduce Opex by 15%.
➢ IT readiness planned in advance to have normal business operations and employee productivity during Covid-19 lockdown period
➢ Managed functional UAT testing using services from a leading independent testing firm for main business application validation
➢ Addition to the above, new initiatives are under evaluation to further support the business :
   ○ Cloud based Integrated backup and restoration solution for IT endpoint data protection
   ○ Virtual Desktop technology is under exploration for virtualization of hardware infra and cost reduction
   ○ Additional payment channels integration to increase payment options and collection efficiency

RESULT

Client was able to achieve business objectives at a very cost effective price point. Client management (founders) focus on their business leaving aside IT aspects to be managed by the Striatum Fractional CIO team to manage.

Client gets One Full Time Equivalent (FTE) per month of efforts every month spread over multiple senior consultants from Striatum team with one senior professional leading the team fully focussed on meeting the client objectives.