

FMO

Entrepreneurial
Development
Bank

FinTech Partnerships – FMO Case Study

How a Nepalese bank embraced **digital transformation** in a cash-bound economy



“Digitalisation enables us to enhance the client experience, improve processing efficiency and remain ahead of the competition.”

Sudesh Upadhyaya, Chief Information Officer and Chief Business Officer, NMB Bank

enhancing operational efficiency and staff productivity to improve customer experience and services levels.

As with many new digital banking projects, Genie-Teller needed to interface with legacy core systems at NMB. In the absence of API connectivity, Bank-Genie’s solution enables developers to use standard ISO protocols for ATM machines to communicate with NMB’s core banking system.

The combination of Bank-Genie’s expertise and high-level co-operation within NMB enabled implementation to be carried out within three months. The speed of implementation was impressive given the regulations governing NMB as a listed company, and the bank is already benefiting from extensive cost efficiencies and reduced reliance on paper-based and manual processes.

Going forward, the flexibility of Genie-Teller gives NMB the ability to upgrade and adapt its core banking system in the future. The NMB team has begun work on migration to a more advanced system that will help to join the dots between Genie-Teller and other planned digitalisation upgrades – truly transforming NMB into a fully digital bank.



A drive for efficiency

The digital transformation of Nepal’s largest commercial bank, NMB Bank, began in 2016 when management identified efficiency gains and improved customer experience as key goals to maintain its leading position in a highly competitive and fast-evolving market environment.

NMB found it needed to make various structural changes to facilitate this transformation, including the creation of a dedicated senior digitalisation team and the hiring of the fintech consultant, from ICICI Bank in India.

Part of the challenge faced by NMB was determining how the digitalisation process would work in practice and how to implement it effectively as part of the bank’s long-term strategy. It also sought help in deciding which functions could be enhanced in-house as well as in which areas partnerships would offer the best route.

With a large branch network to run and high volumes of cash transactions, operating as it does in a predominantly cash-based economy, NMB was attempting to perform a significant upgrade to the way it and its customers do business. It also sought to implement much higher standards of digital security.



Partnership with Bank-Genie

To tackle inefficiency in its branches, NMB’s management opted to seek a fintech solution, rather than hiring highly skilled IT developers, who are scarce and costly in Nepal. Having examined local offerings, NMB was able to tap FMO’s extensive global financial network to source a fintech specialist with the experience and resources to tackle a project of this scale.

Singapore-based banking systems and software provider Bank-Genie proved an ideal fit because of its focus on banks in emerging economies, its roots and experience in Asian markets, and proven track record in fintech projects. In addition, Bank-Genie offered deployment of solutions that met the high international standards NMB was looking for.



Tailored implementation

Starting in July 2017, Bank-Genie introduced its Genie-Teller solution into the NMB network, supporting a wide range of standard banking services such as deposits, withdrawals and account transfers, and functions both within branches and via a mobile app. Genie-Teller has proved a milestone for NMB’s digitalisation journey,

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To be a partner in the digital transformation of your institution, FMO has implemented a dedicated FinTech team.



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