

CUA Banks on Hitachi Platform to Build Reputation as Fifth Pillar of the Australian Financial Industry

CUA (Credit Union Australia) is Australia's largest customer owned financial institution, providing banking products and services to over 400,000 customers. Wholly-owned by its customers, the institution's profits are reinvested to create more competitive products, better interest rates and lower fees.

A refreshing alternative to the traditional Australian banking model, CUA proactively promotes greater competition within the Australian financial services industry to ensure customers get the best deal. In the past few years, CUA has collected multiple awards from industry and press bodies for its products and customer service.



To build on its success, CUA needed to overhaul its data strategy, so it brought in Hitachi Data Systems, which it now considers a strategic partner.

Background

In 2011 CUA undertook a broad analysis of its future growth strategy, during which it recognised a major gap in its information infrastructure in terms of both scale and flexibility. Having gained traction in the marketplace through its reputation and offerings, the institution required an upgrade of its datacentre systems to enable sustainable growth, analyse growing datasets and separate its business data from silos.

A comparatively small organisation in banking terms, the institution needed big-bank platform quality and power on a scalable model, so that it could continue to effectively compete with the 'big four' banks.

According to Karin Muller, head of infrastructure services, CUA, the leap in capabilities they were aiming for was considerable: "We were carrying a system with a huge footprint which wasn't upgradable to anywhere near the magnitude we needed. Meanwhile, we didn't have the flexibility to add new services or collect any of the new unstructured data we had started creating. It has been a massive step in terms of enabling the business to achieve more."

In addition to improving service reliability, coping with more data and delivering system performance, CUA also wanted to create the



ability to recall and interrogate data to comply with new banking requirements.

Following a closed tender process with the incumbent IBM, Hitachi Data Systems successfully responded to CUA's brief with the most credible platform and future roadmap. Offering to create a joint solutions roadmap, Hitachi Data Systems was able to provide a longer term infrastructure strategy in line with CUA's business aims.

Karin Muller notes that "Hitachi Data Systems hit all the right notes in terms of technology capability, but the differentiator was the partnership approach. While other solutions didn't meet the mark, the engagement and responsiveness from Hitachi exceeded our expectations."



The Solution

Hitachi developed a solution for CUA based on Hitachi Virtual Storage Platform and recently extended the solution to include Hitachi Unified Storage (HUS) with Hitachi Content Platform (HCP) to underpin the institution's enterprise infrastructure by replicating data to three locations with synchronous data replication. The key outcome of the datacentre and compute environment upgrade was an ability to replicate all its data securely and safeguard against disaster situations.

In fact, during the deployment, the widespread and devastating floods in Queensland provided a timely reminder of this requirement. Absolute simplicity from a replication and data integrity point of view was central to the transitional process. In relocating its data to safe locations, two datacentres had to be moved over the course of 18 months. Because of the synchronous replication in place, as a result of the HCP solution, front end services were maintained during these transitions.

Central to the upgrade process was the need for minimal disruption to customer services during the transition itself. With a promise to customers of 24/7 service availability, there was no room for error, according to Muller: "The solution was on budget and on time, with a planned 99.98% service availability. We managed our entire data centre transition within two planned six-hour periods of downtime on weekends. Given this was a major update to our core systems, it was an excellent feat of project delivery."



To properly test the three-location scenario, Hitachi worked at length with CUA to model disasters around business continuity and disaster recovery, throwing up some complex challenges along the way. "Naturally during the process, we experienced some unexpected challenges. The Hitachi guys were with us all the way, working through the night with us to make sure the project was on track and there were no unexpected effects on customer services," said Muller.

The Result

With CUA embarking on a whole-of-business brand transformation, David Gee, chief information officer at CUA underscored the importance of robust service availability to the institution's brand: "We needed the flexibility of replication service with responsiveness that could maintain service availability at 99.98 per cent. Customers have minimal tolerance for even short planned outages, so we had to ensure that the transition would be smooth and the platform robust for the future. With the Hitachi platform and roadmap in place, we had the peace of mind that our infrastructure would be secure and that we could grow and develop our services and capabilities."



Hitachi's partnership approach to the project ensured that they became a trusted partner for CUA, according to David Gee: "We work with a lot of vendors and there are just a few which we regard as true partners. What makes Hitachi one of those is how – above the technical expertise – they've exceeded our expectations. The Hitachi team were highly proactive and putting hard work to accommodate our needs. Furthermore, they've more than 'met us half way' in terms of sharing their roadmap and aligning our future work based on key capabilities we anticipate requiring."

The upgrade represents a sea change in terms of driving big data insights. From David Gee's perspective, the platform is enabling a broad transformation of CUA's infrastructure that would let it grow and develop its services. "Previously, we had no way of analysing our vast dataset, or organising the new unstructured data that has the potential to deliver real customer insights. As we look to understand new market segments and derive targeted offerings from insights, we are still recognising the commercial opportunity the platform has created."

"To become the fifth pillar of the Australian banking system and compete with bigger players in the industry, our organisation is going through a major transformation. We found ourselves with a tier three datacentre which wasn't delivering the kind of compute power or flexibility we needed. The platform upgrade was business-changing."



CUA now has the ability to scale and react to business demand. "We have a big enough core IT function to cope with any new capability demanded by the business as well as the service availability customers require. Should we acquire or merge or experience fast growth, we can simply add more tiered storage as we need it."

Looking Ahead

Now that CUA is able to see and analyse how often data is being accessed, it is in the process of adding dynamic tiering – a core capability of Hitachi Unified Storage – it can manage where data is stored. Data will be moved between different storage types based on its level of priority and this will ensure that the most frequently-used data is quickly accessible.

The next phase of the implementation will be data reclassification, where data is categorised into priorities, so tiering can be further refined and enable frequently-accessed data and high-priority data to be dynamically moved according to usage requirements.

“Most vendors are too focussed on ‘what can I make from this deal’, but the difference with Hitachi is that they recognise the value in understanding our business needs and what will drive the kind of value for money that will extend the partnership over time.”



For more information about CUA or Hitachi Data Systems:

About CUA

CUA is Australia’s largest customer-owned financial institution, providing everyday banking products and services. The CUA is 100 per cent owned by customers. Instead of paying out profits in the form of dividends to shareholders, CUA reinvest profits back into the business. This means customers benefit from more competitive products, services and fees. CUA aren’t just passionate about customer service – they excel at it. The needs of over 400,000 customers drive all the decisions and CUA’s goal is to deliver an excellent customer service experience every time.

About Hitachi Data Systems

Hitachi Data Systems provides best-in-class information technologies, services and solutions that deliver compelling customer ROI, unmatched return on assets (ROA) and demonstrable business impact. With a vision that IT must be virtualised, automated, cloud-ready and sustainable, Hitachi Data Systems offers solutions that improve IT costs and agility. With approximately 5,900 employees worldwide, Hitachi Data Systems does business in more than 100 countries and regions. Hitachi Data Systems products, services and solutions are trusted by the world’s leading enterprises, including more than 70 per cent of the Fortune 100 and more than 80 per cent of the Fortune Global 100. Hitachi Data Systems believes that data drives our world – and information is the new currency. To learn more, visit: <http://www.hds.com/anz/>.