



Waldviertler Sparkasse von 1842 AG (WSPK)

Outsourced IT & Core Banking System Keep WSPK Flexible & Fit

Flexibility over time can be an elusive goal for many companies. For Waldviertler Sparkasse von 1842 AG (WSPK), a leading regional bank in Austria and Czech Republic with a history spanning 160 years, flexibility is a way of life. "At WSPK, we pride ourselves on our flexibility and innovation. Thanks to this flexibility, we successfully change with the times and provide our clients with the high-quality, personal service they expect and deserve," says Dir. Reinhard Pröstling, CEO of WSPK.

Waldviertler Sparkasse von 1842 AG (WSPK) is a leading regional bank in Austria and the Czech Republic, offering a complete portfolio of banking services for small and medium-size enterprises, individuals and municipalities. In 2006, the bank's number of clients reached over 48,000, including more than 27,000 in the Czech Republic. WSPK has 8 branches in Austria, 7 in the Czech Republic, and representation in Slovakia. Established in 1842, the bank owes its 160 years of independence and profitable growth to its flexibility, personal approach to clients, and innovation. For additional information visit www.wspk.cz and www.wspk.at.

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So when WSPK found that its core banking system (CBS) in the Czech Republic was no longer fulfilling the bank's needs, it looked for a flexible solution that could evolve and address requirements long into the future. And when the bank later decided to reduce IT costs while concentrating on its core business, WSPK once again "went flexible" by outsourcing its CBS operations and entire IT infrastructure.

Versatile Core Banking System

Headquartered in Austria, WSPK broke new ground in 1993 when it became the first foreign bank to receive a license to establish branches in the Czech Republic. The bank opened its first branches there the following year, operating its core banking system for both Czech and Austrian branches from its IT center in Vienna. By 2002, however, the bank realized that the core system was not fully meeting the bank's changing needs in the Czech Republic.

To remedy the situation, WSPK decided in 2003 to establish a new state-of-the-art IT center in the town of Jindrichuv Hradec (Neuhaus), near the Czech-Austrian border. And at the same time, with the help of Ness Europe, a subsidiary of Ness Technologies, the bank quickly deployed the versatile SYMBOLS core banking system offered by System Access. Ness implemented and adapted the system to the bank's specific needs, and managed the entire project, including subcontractors.

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"We chose Ness as our partner for the CBS project based on strong references and its professional approach – and we weren't disappointed," says Dir. Gerhard Fuchs, COO of WSPK. "Thanks to close cooperation between Ness employees and the WSPK team, the core banking system was implemented rapidly and smoothly in less than 12 months."

Not only was the CBS implemented on time and on budget, but also it delivered ongoing benefits. "The key advantages of the CBS are its flexibility, seamless integration with our financial accounting system, and high-level display of the bank's operations in one application," says Dir. Rudolf Bacher, CFO of WSPK. "As a result, operations and maintenance of the system are simpler and less expensive when compared to its predecessor."

Flexible IT Outsourcing

After the success of the CBS project, the bank decided in mid-2004 to outsource its entire IT operations in the Czech Republic. Once again, WSPK turned to Ness. As a result, WSPK became the only bank of its size in the Czech Republic to outsource its IT operations; moreover, Ness became the first company to meet the country's strict legislation for outsourced operations of a core banking system and related applications.

"We decided to hand over our IT operations to professionals in order to improve our IT flexibility, risk management, and ability to meet future challenges, including implementing regulatory provisions such as Basel II," says Robert Frassl, CIO of WSPK.

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Since November 2004, Ness has assumed responsibility for the bank's IT infrastructure and services. Outsourced services include operation and maintenance of its core banking system and data warehouse, central helpdesk system, network infrastructure including workstations and servers, dozens of databases, interfaces for Internet banking, reporting to the Czech National Bank (CNB), and data backup and archiving solution.

Outsourced IT has delivered many bottom-line benefits to the bank. "We are very satisfied with our decision to outsource our IT operations," Dir. Bacher says. "First, we have been able to reduce costs, with investment costs being replaced by lower operating costs. Second, we have improved IT system and service availability, surpassing 99.9% average annual reliability on key measures. Third, we have upgraded our IT infrastructure, making it more flexible for addressing current developments and future challenges. Last but not least, due to Ness' flexibility and professionalism, WSPK need not overly concern itself with IT, allowing us to concentrate on our core business of providing personal service to our banking customers."

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Ness leverages its deep understanding of the products and processes, as well as the accounting and reporting needs, of banks and other financial institutions to serve WSPK – and the bank is quite pleased with the results. "Ness has definitely met our expectations, and we are very satisfied with their level of service and support. Our relationship is very close, and their personnel are very professional and flexible. The strength of our relationship is reflected in the fact that we are considering new projects with Ness, such as implementing the new core banking system in additional branches," Dir. Gerhard Fuchs says. Which just goes to show how a little flexibility can go a long way.

About Ness Technologies

Ness Technologies (NASDAQ: NSTC) is a global provider of end-to-end IT services and solutions designed to help clients improve competitiveness and efficiency. Ness specializes in outsourcing and offshore, systems integration and application development, software and consulting, and quality assurance and training. With 7,500 employees, Ness maintains operations in 16 countries, and partners with over 100 software and hardware vendors worldwide.