

## Delivering Business and IT Efficiencies for Payments

### Challenges

- Rapidly growing volumes of electronic transactions
- Capacity constraints in legacy systems infrastructure
- Short timeframes for completing batch processing and realtime transaction loads
- Increased risk of data loss due to suspension of remote data replication
- Stringent regulatory requirements mandating changes in processing, archiving, and storing of payments data
- Internal “green IT” mandate for new systems and technologies

### Solution: EMC Payments Solution for Financial Services

- EMC Symmetrix DMX-4 with Enterprise Flash drives

### Results

- Internal postings and accounts reconciliations were reduced from 19 to 9 hours—a 50 percent improvement
- Improved overall daily batch processing cycle times by 12 percent and overall end-of-month batch processing by over 30 percent
- Meeting client SLA windows in less than six hours has eliminated related fines for non-compliance
- Infrastructure improvements lowered operating costs and increased efficiencies by freeing IT resources for other projects
- Achieved continuous data replication and data protection while meeting customer’s performance windows and SLAs

## Financial services hosting company speeds payment processing, meets strict performance SLAs and avoids financial penalties, reduces risk, and protects data with EMC Payments Solution

### Challenges

Payments processors worldwide are experiencing growth in electronic payments volumes while facing pressures to reduce systems and transactions costs. Contractual service-level agreements (SLAs) require payments processors to adhere to rigid time constraints or incur severe financial penalties. Because of the rapidly changing value of currency and the small profit margins on each payment, delays in settling transactions and quarter-end statements can reduce profits significantly.

For one European outsourcing company providing hosted payments processing services for several banks, increasing volumes of payments transactions caused daily and quarterly processing cycles to grow dangerously close to the maximum limit of its six-hour SLAs. Exceeding SLAs would lead to penalties from the company’s customers—cutting into already narrow profit margins.

In response to growing transaction volumes, the company and its hosted customers made frequent application software and mainframe hardware adjustments, fine-tuning the equipment to squeeze out more performance. This work meant additional IT staff hours, which was costly. Yet processing windows continued to increase, resulting in fewer hours in which to perform any tuning.

Having reached the performance limits of its infrastructure, the company decided to pursue a new technology solution. The solution would need to comply with the firm’s “green” mandate which specifies new implementations meet strict requirements to reduce data center operating costs by decreasing both data center floor-space needs and power usage.

### EMC Payments Solution for Financial Services

The hosting company runs Kordoba, an integrated banking application that provides complete preparation and processing of money transactions in asset and deposit banking. The company previously boosted Kordoba’s performance by configuring a cache system between its Fujitsu Siemens BS2000/OSD mainframe and the previous storage platform. As payments transaction volumes increased, this workaround solution required constant tuning and could not keep up with growing processing loads.

To further increase performance, the hosting company suspended data replication to their remote data center 100 kilometers away. Without remote data replication, they risked losing valuable information and jeopardized their service-level agreements.

The company considered adding traditional disk drives to their existing storage system and using only a small fraction of each disk, known as short-stroking. While this approach would speed processing, it also would require extra data center floor space and increase energy and cooling costs.

Ultimately, the company engaged EMC® Services, who performed a detailed assessment of the payments processing application and existing systems and then designed a new configuration. The solution utilizes EMC Symmetrix® DMX-4 systems with Enterprise Flash drives in its BS2000/OSD mainframe environment to handle both overnight batch and online daily processing of payments.

## Results

Since the Symmetrix DMX™-4 with Enterprise Flash drives was implemented, the hosting company's banking customers report that quarter-end payments-processing cycle times are up to 30 percent faster. Daily payments processing cycles have also improved by more than 12 percent. For one banking customer, internal bank process cycles, such as payments posting and accounts reconciliations, decreased from 19 to 9 hours—a 50 percent improvement.

Performance increases provided by the Enterprise Flash drives also have enabled the hosting company to reactivate remote replication and provide the superior data protection required by these heavy-volume, transaction-intensive environments. And, by discontinuing the prior cache-based configuration, the hosting company no longer needs to perform labor-intensive performance tuning, which has helped reduce operational costs and free IT resources for other projects.

With these improvements, the hosting company completes processing in less time than required by its six-hour SLAs, allowing it to increase customer satisfaction and avoid millions of Euros in penalties.

Reducing overnight batch cycle times enables the hosting company to maximize profits by handling greater volumes of payments transactions on a daily and monthly basis and collect fees on each transaction by meeting customer SLAs. Faster processing times mitigate risk for the company and its customers since a shorter overnight batch process allows more time to perform system administration without disrupting business. It also provides time to address issues that might arise during batch processing so corrective action can be taken without jeopardizing the next day's business and vital revenue streams are protected.

The EMC Payments Solution has exceeded the expectations of the hosting company. Not only did the solution reduce risk and meet SLAs for the company, but it also satisfied their green IT requirements through the replacement of traditional Fibre Channel drives with significantly more energy-efficient Enterprise Flash drives. With fewer, more-efficient drives, there have been significant energy savings and lower data center operating costs even as application performance requirements have increased.



**EMC Corporation**  
Hopkinton  
Massachusetts  
01748-9103  
1-508-435-1000  
In North America 1-866-464-7381  
[www.EMC.com](http://www.EMC.com)