IBM

Nextra banks on IBM portal solution to win and retain customers.

Overview

■ **Challenge**

With two financial groups about to merge, Nextra's management feared that differences in business processes and technology between the groups would erode customer service and drive away clients

■ **Why Become an On Demand Business?**

Nextra needed to deploy a common set of efficient business practices throughout the organization to shorten turnaround time for operational tasks, improve productivity and provide responsive customer service

■ **Solution**

Nextra streamlined business processes throughout the merged company to provide realtime, responsive customer relationship management, improving customer service and protecting its competitive position

■ **Key Benefits**

Enhanced responsiveness to customers, improved productivity and efficiency; tens of thousands of dollars saved in software deployment and training costs

By providing more responsive service, Nextra has improved customer retention rates and fostered greater confidence in its banking and asset management capabilities among clients worldwide.

According to a recent study, mergers in the banking sector often cause customers to leave their banks— primarily for factors such as deterioration of customer service.[1] So on the eve of a merger that created Nextra Investment Management sgr (Nextra), its directors were concerned about retaining the company's customer base and competitive edge.

A subsidiary of the Intesa financial group, Nextra (*www.nextrasgr.com*) is the leading asset management company in Italy. Headquartered in Milan, the company's 600 employees

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ON DEMAND BUSINESS™

On Demand Business Benefits

- Employees can access realtime data, leading to increased productivity and faster answers for customers
- Tens of thousands of dollars saved in software deployment and training costs during the first six months after implementation
- Open standards-based technology provides flexibility to quickly and easily add and integrate new applications as needed
- Shortened time-to-market for new financial products

manage assets totaling more than €120 billion (US $132 billion). Nextra was born in 2002 through the union of Comit Asset Management (CAM) and Intesa Asset Management (IAM), two successful companies in the Intesa group.

As the merger date approached, Nextra's management saw potential problems in the business processes of the two asset management groups. IAM—the larger of the two groups—was using standardized company-wide processes that allowed it to identify its most valuable customers and target them for priority service. IAM could also package and deliver products and services tailored to the needs of particular segments. CAM, on the other hand, relied on informal procedures based on localized information that was communicated largely by word of mouth, or in memos and e-mail messages. It was not equipped to deliver the timely, personalized service that IAM's customers had grown to expect.

Nextra's management feared that once the two groups merged, the company would not be able to deliver consistent, responsive service. Nextra IT Manager Massimo Paglietti recalls: "No matter what branch of the company they contact, customers expect us to know who they are—their portfolios, service histories, preferences and requirements—and to serve them accordingly. But following the merger, we could no longer deliver on that expectation, because we could not share information about a customer's history or preferences, track marketing campaigns or ensure that employees were updated about policy changes.

"We were concerned that customers would grow weary of re-explaining their situation to every new contact person and receiving conflicting or incomplete information from agents who could not handle their requests in a defined manner," Paglietti continues. "Ultimately, we feared that account holders would lose confidence in our ability to respond to their needs and take their business elsewhere."

Efficient business practices

Nextra had to act quickly to eliminate these barriers without jeopardizing the merger's critical timetable. It needed to deploy a common set of efficient business practices and technologies across the merged organization to increase operational efficiencies, boost productivity and redeploy staff—all with the aim of shortening turnaround times for operational tasks and providing stellar customer service.

"When a customer calls," says Paglietti, "we want our service representatives to be ready to greet that individual by name. The customer's history, preferences and any outstanding issues should be immediately accessible on the agent's computer screen. The agent who takes the call could then help the customer immediately

resolve issues or move ahead to consider new products. By providing the consistent, coordinated services customers deserve — even in a newly merged enterprise — we hope to retain all our current clients and, ultimately, gain new ones."

Responsive customer service

To meet its goals, Nextra provided enterprise-wide access to the customer-centric applications and automated workflows that were the foundation of IAM's high-performance asset management business, to take advantage of that group's success. The company worked with IBM Business Consulting Services to design and implement a Web-based, enterprise-wide employee portal that would provide a single point of access to business functions and the applications supporting them — beginning with customer relationship management (CRM) and enterprise resource planning (ERP) systems. As a result, Nextra employees can now identify customer needs and cross-selling opportunities, promote new products and deal with customer service requests in realtime — all in a responsive, coordinated manner, in keeping with the company's established best practices.

Now, when a customer calls, a service agent can see accounts and holdings at a glance. On the basis of a customer's profile, an opportunities screen can suggest tailored services and products relevant to the customer's account. The bottom line: customers get highly personalized, coordinated services and answers to their questions in realtime.

Open standards for ease of integration

The Web portal, known as NEXTRANet, was built by professionals from IBM Business Consulting Services and the IBM Innovation Center in Milan, who worked with Nextra to define the portal's branding and graphic appearance, establish its navigation architecture and generate standard templates to create Web content. IBM Business Partners Semea Sud and SysNet consulted on specialized system architecture.

The IBM and Nextra teams developed and implemented the portal in just six months, using IBM WebSphere Studio Application Developer. IBM WebSphere Application Server is the runtime engine for the Java™ technology-based applications that deliver services and information to all Nextra employees. IBM WebSphere Edge Server, running on a resilient IBM @server pSeries 660 system, provides caching, load balancing and content-based routing support to enhance NEXTRANet's availability, scalability and performance. The solution also leverages IBM WebSphere Portal Enable running on an IBM @server xSeries 360 to deliver single sign-on integration with the company's IBM Lotus Notes and IBM Lotus Domino messaging and collaboration platform.

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Users log onto the secure NEXTRANet site from their PCs, through standard Web browsers. From the site's main page, they can conduct an intuitive search for the information they require, access information about current projects, read reports or corporate news, engage in discussion groups or link to the company address book and schedule. The portal also serves as a Web client for Nextra's SAS CRM solution and SAP ERP system.

According to Paglietti, WebSphere software was the only on demand platform that could meet the company's needs. "We evaluated other Web integration solutions, such as BEA WebLogic," he says. "But we quickly saw that WebSphere software was the only comprehensive, integrated solution that would allow us to seamlessly integrate our business processes. The powerful WebSphere development environment has enabled our team to build, integrate and deploy applications in record time."

Productivity and responsiveness
Although Nextra has not yet formally quantified the benefits of its NEXTRANet portal, Paglietti says they are extensive. "The realtime access to information and business processes that our employee portal delivers has increased our productivity by ensuring we are all working according to the same best practices and by reducing the time required to locate information," he says. "Employees have maintained the high level of responsiveness to customers that originally secured our leadership position. Our intuitive Web-based applications—created using WebSphere application development tools—have saved us tens of thousands of dollars in costs normally associated with client software deployment and training."

Paglietti concludes: "IBM was the only vendor with the leadership, expertise and financial industry experience to help us meet our goals quickly and cost-effectively. IBM and its partners assumed a leadership role in transforming and automating our business processes, freeing our personnel to focus on making the merger a success."

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