



The Computerworld Honors Program

Honoring those who use Information Technology to benefit society

Final Copy of Case Study

Status:

Winner

Year:

2013

Organization Name:

Commercial Bank of Africa

Organization URL:

<http://www.cbagroup.com/>

Project Name:

M-Shwari Project

Please select the category in which you are submitting your entry

Emerging Technology

Please provide an overview of the nominated project. Describe the problem it was intended to solve, the technology or approach used, how it was innovative and any technical or other challenges that had to be overcome for successful implementation and adoption. (In 300 words or less.)

Commercial Bank of Africa has developed an innovative banking service that will offer products and services over electronic channels to a significant new market, whilst retaining the integrity of the CBA brand and the standard for personalized service and customer relation excellence. M-Shwari seeks to address the financial inclusion problem by reaching out to the millions of un-banked customers in Kenya, by providing a fully integrated mobile centric banking solution that supports savings and loans all delivered through the mobile phone. To deliver M-Shwari, CBA partnered with a local Telco service provider, Safaricom (Vodafone Group Affiliate), to deliver this banking solution to Safaricom's 16 Million M-PESA customers. M-PESA, the most successful mobile money platform in the world, hosts more customers than all the banks in Kenya combined. Customers can open an account, deposit, withdraw, borrow and pay loans all through the mobile phone. To ensure that customers open bank accounts without needing to visit a bank branch, the core banking system had to be integrated to a government population registry system for KYC verification. Other challenges we have had to overcome to

provide the product include system integration: M-Shwari entails integration and communication of various systems managed by different organizations and residing in different geographical locations: that is, M-pesa system residing in Germany, the core banking system residing in Kenya and the Kenya government population registry system. Communication between all these systems for service delivery to customer should be within acceptable turnaround time (a range of 5 seconds). Further to system integration, the operational and technical processes amongst the different partners/organizations had to be aligned for optimal M-Shwari service delivery.

When was this project implemented or last updated? (Please specify month and year.) Has it incorporated new technologies and/or other innovations since its initial deployment? (In 300 words or less.)

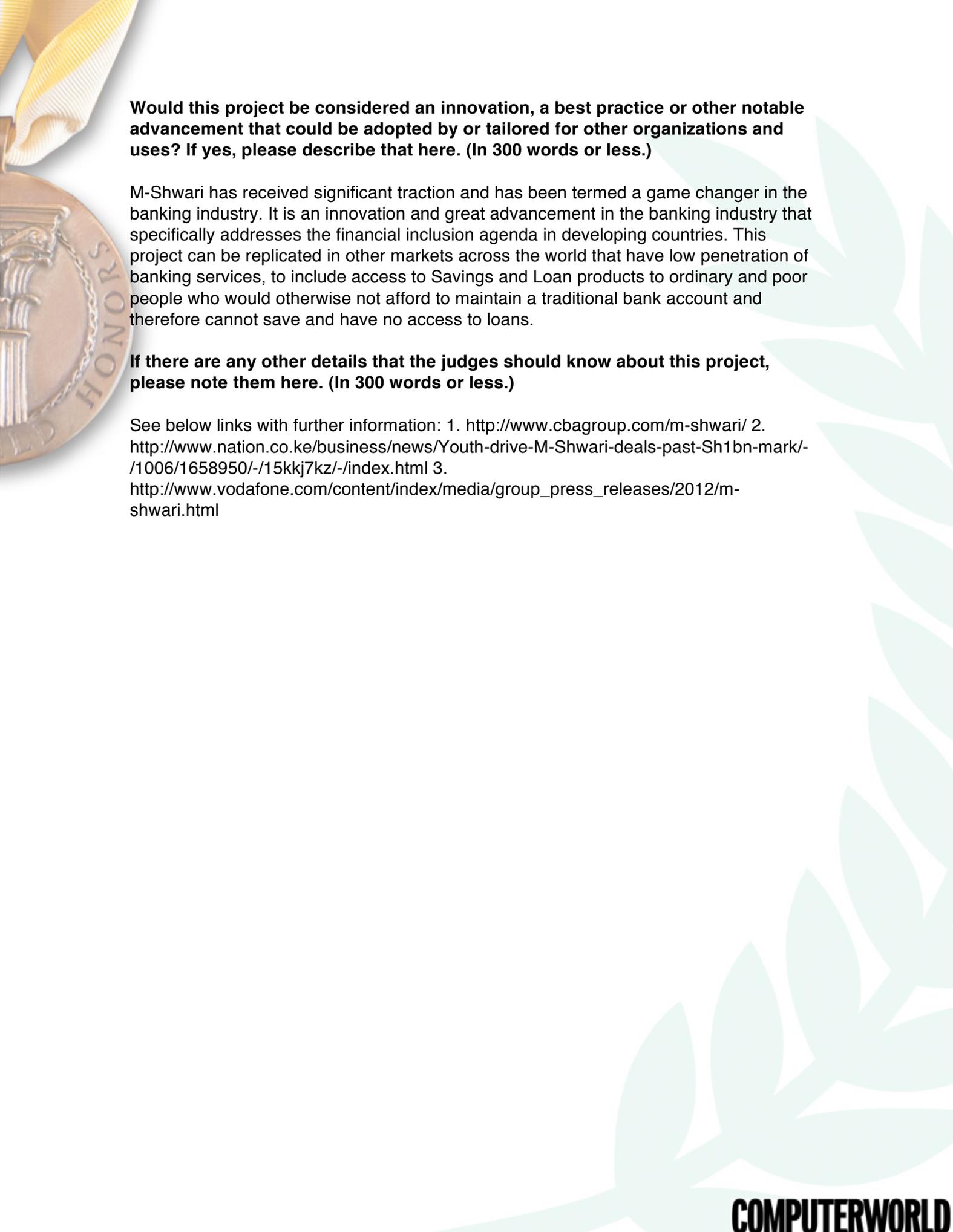
The flagship product for this new business venture, M-Shwari, was launched on November 27th 2012. The product has been termed by local banking industry pundits as the game changer in the banking industry in Kenya and beyond. Barely two months after the launch of the product, the platform has opened over 1 million bank accounts, and has registered in excess of KES. 1.5 Billion in deposits (USD. 18.75 Million). The main technological innovation was data center collocation, that is, ensure seamless and secure (VPN) communication between the various technologies: Oracle Exadata, Oracle Weblogic, Temenos T24 core banking platform, Fiorano Enterprise Service Bus, VMT and IPRS. The build of the above individual systems also entailed significant technological innovation. For instance, the M-Shwari application had to be developed within the M-Pesa platform to allow accessibility via the existing M-Pesa user interface whilst allowing transaction validation using M-Pesa PIN; T24, the core banking system, needed to be customized to support the mobile-centric banking product, as well as allow interfacing with the other systems.

Is implementation of the project complete? If no, please describe the project's phases and which phase the project is now in. (In 300 words or less.)

Phase one of the project is complete and is commercially live with great market success. The project's phase 2 is underway, with an objective to improve on the user interface and include additional value-add features.

Please provide at least one example of how the technology project has benefited a specific individual or organization. Feel free to include personal quotes from individuals who have directly benefited from the work. (In 300 words or less.)

The solution has so far on-boarded over 1 million customers, who now have access to savings and loan products from a bank, all these from the comfort of their phone. Product feedback on social media: Twitter: @SafaricomLtd, @Safaricom_Care; Facebook: Safaricom Kenya Official Page. Sample feedback below; CIO EAST AFRICA, "#M-Shwari sees all Mpesa users access savings and loans without a bank account" Thibaud Rerolle, "CBK governor launching #M-Shwari. Financial inclusion is the only way to fight poverty. Launch of this service is admirable cc @SAFARICOM Ltd."

A gold medal with a ribbon is visible on the left side of the page. The medal features a classical architectural column and the word "HONORS" around its edge. On the right side, there is a light green laurel wreath graphic that extends from the top to the bottom of the page.

Would this project be considered an innovation, a best practice or other notable advancement that could be adopted by or tailored for other organizations and uses? If yes, please describe that here. (In 300 words or less.)

M-Shwari has received significant traction and has been termed a game changer in the banking industry. It is an innovation and great advancement in the banking industry that specifically addresses the financial inclusion agenda in developing countries. This project can be replicated in other markets across the world that have low penetration of banking services, to include access to Savings and Loan products to ordinary and poor people who would otherwise not afford to maintain a traditional bank account and therefore cannot save and have no access to loans.

If there are any other details that the judges should know about this project, please note them here. (In 300 words or less.)

See below links with further information: 1. <http://www.cbagroup.com/m-shwari/> 2. <http://www.nation.co.ke/business/news/Youth-drive-M-Shwari-deals-past-Sh1bn-mark/-/1006/1658950/-/15kkj7kz/-/index.html> 3. http://www.vodafone.com/content/index/media/group_press_releases/2012/m-shwari.html