



CANTILAN BANK

10.23.17 RBAP SYMPOSIUM | TANYA HOTCHKISS, EVP OF CBI

DIGITISING BANKING SERVICES: CLOUD BANKING TECHNOLOGY

CHALLENGES AND OPPORTUNITIES IN RURAL BANKING



PHILIPPINES

FINANCIAL INCLUSION

43 branches and offices

Strategically located
across Mindanao and Leyte





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**86% OF FILIPINO HOUSEHOLDS DO NOT
HAVE A BANK ACCOUNT**



**40% OF
UNBANKED
TOWNS ARE
LOCATED IN
MINDANAO**

**RURAL BANKS =
FINANCIALLY EXCLUDED**

**RURAL BANKING AND FINANCIAL
INCLUSION:**

**THE REAL COST OF DOING
BUSINESS**





JAGNY USA
MARSHAL

PALAWAN

Sa P0.77 nga kantidad,
matagamtaman ang
atong seguridad!

CB KALINGA

(Institusyon sa Pagpapaligay sa Kalikasan)

Park sa di Gang kalsayon, kalsayon ang
Pangasinan sa Cebu City

ANCHES



SESSION HALL

1. BRICK-AND- MORTAR PRESENCE

43 branches and offices

Strategically located
across Mindanao and Leyte



2. DISPROPORTIONATE COST OF ICT AND BACKUP POWER SYSTEMS

WHAT DOES IT COST TO RUN A NETWORK
OF BRANCHES ACROSS MINDANAO?



3. OPERATIONAL, IT, BUSINESS CONTINUITY, AND COMPLIANCE RISK

**IN SUM, RURAL BANKS ARE
EXPECTED TO DELIVER BASIC
FINANCIAL INFRASTRUCTURE
DESPITE THE LACK OF
AFFORDABLE & ROBUST
PHYSICAL AND ICT
INFRASTRUCTURE**



**RURAL BANKS =
FIRST MILE IN FINANCIAL INCLUSION**



#1

DIGITIZATION THROUGH CLOUD

**DIGITIZATION IS THE PROCESS OF
USING TOOLS AND TECHNOLOGY
TO IMPROVE JOURNEYS.**

DIGITIZATION

- ▶ Digital tools have the capacity to **transform customer-facing journeys** in powerful ways, often by creating the potential for self-service.
- ▶ Digital can also **reshape time-consuming transactional and manual tasks that are part of internal journeys**, especially when multiple systems are involved.

**CLOUD COMPUTING
OR SAAS: WHAT IS IT?**

CLOUD

- ▶ What is cloud computing? https://www.youtube.com/watch?v=ae_DKNwK_ms 3:19
- ▶ What is cloud computing SaaS? <https://www.youtube.com/watch?v=xiOJMhY2IAU> 3:06
- ▶ Changes to computer thinking <https://www.youtube.com/watch?v=J9LK6EtxzgM> 5:38

A black and white photograph of several wind turbines against a cloudy sky. The turbines are white and have three blades each. The sky is filled with large, dramatic clouds. The image is positioned on the left side of the slide, with a blue background on the right.

CLOUD

- > a **utility**: only pay for what you use
- > enables businesses to **EXACTLY align technology expenditure with requirements**

CLOUD GIVES YOU ACCESS TO:

- > BEST IN CLASS SECURITY
- > COMPLIANCE
- > TRANSPARENCY
- > SCALABILITY
- > RELIABILITY OF SYSTEMS

A cluster of overlapping cloud shapes in various shades of blue and light blue, creating a sense of depth and layering. The clouds are stylized with soft, rounded edges.

CLOUD SOFTWARE-AS-A- SERVICE (SAAS)

**CLOUD: LEAVES THE IT TO
THE IT PROFESSIONALS;
MAKES US BETTER BANKS**

CANTILAN BANK'S

DIGITAL TRANSFORMATION

TO WIN THE DIGITAL BATTLE, WE MUST DRIVE UP:

- + CUSTOMER RELATIONSHIPS
- + STRUCTURAL SECURITY
- + MULTI-CHANNEL CAPABILITIES
- + STABILITY
- + SPEED

HIGH-TECH AND HIGH TOUCH



RURAL BANKS + KEY PARTNERS
MUST DRIVE DOWN COSTS AND
RISKS THROUGH TECHNOLOGY



JOINT MEDIA EVENT JULY 26, 2017:
ADB, CANTILAN BANK, ORADIAN

“The pioneering introduction of cloud banking in the Philippines is a key moment in solving the challenges of financial inclusion. Cloud technology can upgrade the competitiveness of rural banks and enable them to provide affordable, high quality financial services. With this in mind, we are excited to support and observe the collaboration of Oradian, the ADB, and Cantilan Bank.”

BSP GOV. ESPENILLA, JULY 26, 2017

KEY PERFORMANCE INDICATORS

FASTER TIME-TO-MARKET



KEY PERFORMANCE INDICATORS

COST REDUCTION



COST REDUCTION

- ▶ Outsourcing to the cloud through Instafin's SaaS model, can significantly mitigate and even eliminate associated IT, operational, and business continuity risks.
- ▶ Real-time monitoring helps optimize asset risk management and mitigates operational, strategic, and regulatory compliance risks.
- ▶ Direct positive implications on Cost and Operational efficiency. Consequently, such gains can lead to optimal use of capital.

KEY PERFORMANCE INDICATORS

SERVICE QUALITY IMPROVEMENT



**CLOUD GIVE US A DOUBLE WIN OF
CUTTING COSTS WHILE BRINGING THE
INSTITUTION CLOSER TO THE CLIENT,
MAKING OUR SERVICES MORE
FLEXIBLE AND RESPONSIVE TO THEIR
NEEDS AND MARKET CHANGES.**



**THE FUTURE IS DIGITAL.
THE FUTURE IS HERE.**

**AN INVESTMENT IN
KNOWLEDGE ALWAYS PAYS
THE BEST INTEREST.**

Benjamin Franklin

Thank you
Daghang salamat



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WWW.CANTILANBANK.COM

Email: tanya.hotchkiss@cantilanbank.com