

Using Data Center to Accelerate Growth

Cisco UCS cloud computing platform enables Erste Bank Serbia to reduce costs, carbon, and time-to-market.

Customer Name: Erste Bank a.d. Novi Sad

Industry: Financial Services

Location: Serbia

Number of Employees: 1000

Business Impact

- 65 percent increase in server utilization, enabling 1:10 consolidation of servers
- 80 percent reduction in energy costs, plus IT savings, providing return on investment within 10 months
- Provisioning cut from several weeks to two hours



Case Study

Business Challenge

Part of the Erste Group, Erste Bank a.d. Novi Sad is one of Serbia's most ambitious and forward-looking financial institutions. With 1000 employees and 300,000 customers, the company is strongly focused on growing market share in the retail, small and medium-sized enterprise (SME), and commercial banking segments. The bank plans to achieve this expansion through acquisitions and organic growth, which will be driven by providing customers with innovative products and an unrivalled service experience.

The bank's central data center in Novi Sad and remote data center in Belgrade are key enablers for this business strategy. They must provide 24-hour availability of services across 68 branches and business centers to maintain high levels of satisfaction and prevent customer churn. They also have to support rapid integration of acquisitions by enabling standardization of business systems and processes. Furthermore, the data centers must help ensure new propositions get to market in a timely and cost-effective manner.

Rather than enabling the company's plans for growth, Erste Bank's data center architecture had become difficult to scale and expensive to run. These problems were compounded by a dedicated server approach that used physical servers to run individual applications, such as domain controllers, file servers, SQL databases, Microsoft Exchange, and voice recording services. This traditional approach resulted in under-utilized hardware, server sprawl, multiple vendor relationships, nonuniform IT processes, and rising operating costs (space, power, cabling, and hardware).

Erste Bank's response to these challenges was to create a new cloud computing model, one that offered financial savings, faster time-to-market, and simpler, greener IT operations.

Solution and Results

Erste Bank worked with its local Cisco Partner to better understand the potential benefits of data center consolidation, virtualization, and automation. A detailed analysis showed that the Cisco Unified Computing System™ (UCS) offered superior VMware vSphere Hypervisor performance and a significantly lower total cost of ownership than that provided by other leading virtualization solutions.

The bank's new virtualized cloud computing platform is the first deployment of Cisco® UCS in Serbia. The solution includes the VMware vSphere Hypervisor and NetApp FAS3140 SAN storage. Previous management complexities have been greatly simplified by Cisco Nexus® 5000 Series Switches, which provide a unified fabric that can carry LAN and storage traffic over the same Ethernet cable.



"Our Cisco UCS cloud computing platform is providing significant savings on power, cooling, space, and maintenance. In fact, it has been so successful that we expect the solution to completely pay for itself within 10 months."

Zoran Savić

Head of IT Operations Department, Erste Bank a.d. Novi Sad

Using Data Center to Accelerate Growth

Continued



Case Study

Where before there were 35 physical servers, there are now just four UCS C-Series Rack-Mount Servers. The ability to run multiple applications alongside each other on the same server has also increased utilization rates from 15 percent to over 80 percent.


As well as halving future hardware and operating costs, this 1:10 server consolidation could lower energy costs by as much as 80 percent, saving more than US\$2900 per year for every server workload virtualized, or \$110,000 over five years. Fewer switching ports need to be maintained, providing potential annual savings of \$11,000. Also, because most service and security upgrades can be completed during the day, there is less need for staff overtime.

Business agility has also been transformed. Previously, launching a new service could take up to several weeks to scope requirements, order hardware, lay cable, and install, configure, and test equipment. Now, with Cisco UCS, a new service can be deployed in less than two hours.

These new levels of agility make it easier for the bank to support business expansion, integrate new services, virtualize desktop infrastructure, and help ensure business continuity.



For More Information

To find out more about Cisco cloud computing, please go [here](#) 

To find out more about Cisco virtualization data center strategies, please go [here](#)  and [here](#) 