

# Case Study



People's Bank 

[www.peoplesbank.ge](http://www.peoplesbank.ge)

## Client:

People's Bank of Georgia

## Goals:

- to employ a contemporary automation means for the effective service of an extensive and constantly growing client base;
- to create own in-house processing centre built on a flexible, highly productive and scalable platform;
- brands of International Payment Systems; to ensure an appropriate level of control over
- a project of governmental importance.

## Implementation:

During six months from contract signing date:

- the processing centre is launched and certified with the VISA payment system; migration of the card business from off-site
- processing centre accomplished.

## Results:

- Processing centre is easily able to manage the growing volumes of the card project allowing the Bank to have complete control over their socially significant project;
- Bank obtained a platform which allows to develop their business offering their customers advanced services.



COMPASS PLUS  
Infusing Tradition with Innovation

## People's Bank of Georgia: card project for the government

### Client profile

The People's Bank of Georgia has the largest customer service network in Georgia, with approximately 210 branches across the country. It is thanks to this extensive coverage that the Bank was able to win a state tender for the issuance of pensions and social benefits. At the end of 2008, the Bank had 1.5 million clients – approximately 30% of the entire country's population. To maintain a client base of this standing it is imperative to uphold a state-of-the-art automation system and sustain the continuing use of bank cards.

### Challenge

Initially, the Bank issued local magnetic stripe cards for pensioners (over 150 000 were issued in total) whilst using the services of an off-site processing centre. However, the Bank's strategy of integrating into the global economic system meant that using uniform payment solutions was paramount. As a result, it was decided that all local cards would be replaced by VISA Electron cards and the Bank would set up an in-house processing centre of its own to service its bank cards.

### Solution

During September 2005 the Bank received Principal Member status in the VISA payment system, which announced People's Bank as its strategic partner in Georgia. Creating its own processing centre meant that the Bank was able to gain technological independence and assert complete control over the entire card issuance and their circulation. The running of the aforementioned government project on a country-wide scale imposed high accountability on the Bank's management ranks and having an in-house processing centre assured an adequate level of control over an operation of this scale and credibility.

During the course of the tender, the People's Bank of Georgia scrutinised several vendors for the construction of their processing centre. Compass Plus was selected based on the acumen of their TranzWare product suite. In the words of the director of the plastic cards department, Maiya Heladze, the deciding factors in choosing Compass Plus were as follows:

- the possibility of setting up a system using the Bank's own staff
- the example of PrivatBank as a proof of the system's productivity and scalability
- the appealing financial terms for the Bank
- Compass Plus' presence in Georgia with ProCredit Bank Georgia
- the high speed of projects implementation.

Bringing a processing centre into operation within the shortest period of time was one of the most pertinent factors in deciding the final vendor. Compass Plus also rose to this challenge. Contracts were signed in the middle of November 2005, and installation of the system and preparation for certification had already started by the end of the month. Certification in the VISA payment system was carried out and completed during May 2006. Migration of the card business (270,000 cards, 67 ATMs and 150 POS terminals) from the off-site processing centre (built on BASE24) to the newly set up in-house processing centre was also completed by the end of May.

### Achievements

The supreme quality of work between the Bank and members of the Compass Plus expert team made it possible to commercially launch the new processing centre in



just 6 months. Compass Plus' team of specialists were highly praised by the People's Bank of Georgia, and deservedly earned the respectable title 'Partner of the Year 2006'. As a result, the Bank created a processing centre, which easily adapts to the growing volume of the card project (at present the Bank has issued more than 600,000 cards and installed 150 ATMs and 1000 POS-terminals) allowing the card business to develop and offer its customers new advanced services. The Head of the processing centre at the People's Bank of Georgia, Zurab Gaprindashvili described the Bank's two-year partnership with Compass Plus as follows, "The solutions that Compass Plus provided for our processing centre proved both multi-functional and flexible enough to tailor to any of the Bank's requirements. One of the especially interesting functionality is the ability to manage attributes of a transaction at any given stage (courtesy of TranzWare Online Algorithmix). The scalable architecture of the TranzWare suite allows for increase in the system's productivity without significant expenditure on hardware. Compass Plus has built a good support system for its clients, which makes it possible for the most complex of problems to be solved rapidly and professionally whilst taking into account the opinions and needs of their clients. The Company's staff are always ready to assist us with the introduction of new program modules and solutions".

#### The future

The People's Bank of Georgia continues to systematically develop its card business - in 2007 certification for the issuance and circulation of VSDC cards was successfully passed, and before the end of the year, the Bank is planning to achieve a Principal Member status in MasterCard and get certified for M/Chip. The processing centre, based on TranzWare products is an important component of the Bank's IT infrastructure and after launching the new ABS it will be integrated with it in an online mode in order to ensure access to all bank products through different self-service channels (ATMs, kiosks, Internet bank, mobile bank), all of which the processing centre serves in a 24-hour mode.

"The People's Bank of Georgia is tightly connected with Compass Plus in a long-term partnership. The Bank is focussing on introducing and developing the most advanced card technologies across Georgia. Meeting the Bank's goals and its success will, in many respects, depend upon Compass Plus" - said Georgiy Gogvadze, the General Director of the People's Bank of Georgia.

#### TranzWare Online

A high-performance, scalable, multi-card processing solution providing efficient electronic funds transfer, inter-network switching and handling of an unlimited number of devices and delivery channels. In addition to standard features, TranzWare Online is equipped with innovative and rare functionalities such as algorithmic function (TranzWare Online Algorithmix) and remote access to processing center facilities (TranzWare Online FIMI).

#### TranzWare Card Management System

A feature-rich comprehensive banking solution providing efficient operation and management of back office activities. TranzWare CMS is flexible enough to facilitate the development of a multitude of financial products, thereby delivering a financial institution distinctiveness, competitive advantage and customer satisfaction.

#### TranzWare Card Factory

An advanced EMV-compatible card personalisation and issuing product enabling timely and cost-effective response to market demands. TranzWare Card Factory supports personalization of any card type and can be fully customised to suit specific requirements of any financial institution.

#### TranzWare Interchange

A robust interchange system capable of collecting, converting, organising, storing, routing, clearing and settling information in a payment environment of any complexity. TranzWare Interchange was also specifically designed to effectively function in an environment of any composition and is equipped with flexible apparatus to describe the business rules of payment system member interactions. In addition, the system bears other features such as currency conversion, delayed payments, risk control, commission calculation, settling disputes, etc.

# PRODUCTS

#### About Compass Plus

Compass Plus provides refined state-of-the-art products and flexible business solutions that drive all-scale multi-component EFT systems employed in the financial and retail industries, mobile and electronic commerce, interactive self-service business and in other trade areas that engage in electronic payments. Our in-house developed superior EFT solution – TranzWare™ – incorporates a comprehensive range of integrated customisable products and is fit to suit an array of customer needs. TranzWare™ solutions are capable of reducing clients' total cost of ownership, improving ROI, increasing efficiency and delivering great benefits to the end customers.

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