Global voice network saves ABN AMRO £2m annually

Introduction

To help it meet its target of becoming one of the world’s top five banks by the end of 2004, ABN AMRO has implemented BT Business Voice – Voice Port. This new resilient, high quality voice solution serves offices in 23 countries and is saving ABN 25% on international calls.

Summary

ABN AMRO has set its sights on becoming one of the top five world players by late 2004. Key to long-term success is the need to exploit synergies between the bank’s businesses worldwide. Global voice consolidation was therefore a priority. Considerable cost and performance benefits could be gained by bringing all global traffic under one managed service umbrella.

BT proved to be the only company offering a large enough global presence and a resilient managed voice solution for a virtual private network serving offices in 23 countries initially.

Background

Targeting a top five spot in global banking ABN AMRO has major growth plans underway. Currently ranked eighth in Europe and 17th in the world, the Dutch bank has set its sights on becoming one of the top five world players by late 2004.

Key to long-term success is the need to exploit synergies between the bank’s businesses worldwide. This demands a robust, easily managed international infrastructure, whether handling consumers or corporate clients in the US, Netherlands or Brazil; wholesale clients in 45 countries; or private and asset management for individuals and institutions.

Today the bank has 3400 branches in 66 countries and staff numbering around 105,000. Given the over-riding objective to maximise value for shareholders, ABN AMRO is intent on developing common standards for decision-making.

Challenge

Leverage global spend and achieve economies of scale

This means leveraging global spend. Previously there were numerous individually negotiated local deals lacking the major discounts achievable by economies of scale.

Like many organisations that have to think globally and act locally, the bank’s expressed goal is to achieve good local visibility with central control.
But keeping in touch and monitoring these rapidly expanding global operations has not always been an easy task due to the wide variety of systems used worldwide.

During a significant period of expansion and acquisition, ABN AMRO ended up with a complex variety of local telecomm suppliers. ‘Every location did their own thing and we had a different tariff for each location,’ says Bob Underwood, Global Carrier Services Manager, ABN AMRO.

**Cost/performance benefits through global voice consolidation**

Global voice consolidation was a priority. About two dozen contracts were in place with local providers, and there was no common means for tracking international call traffic in most countries.

Call costs varied significantly, internal service was often erratic, and considerable cost and performance benefits could be gained by bringing all global traffic under one managed service umbrella.

**Solution**

**Chosen supplier must have global ICT capacity**

ABN AMRO invited requests for tender of the leading international information and communications technology suppliers (ICT). Bob Underwood insisted that the successful supplier demonstrate global reach, and offer significant savings, with proven technology that could be implemented with minimal disruption. ‘We wanted to put in a scalable, global infrastructure that would help pull the company together,’ he says.

**BT offers resilient managed solution across 23 countries**

After a series of technology trials, BT proved to be the only company offering a large enough global presence and a resilient managed voice solution for a virtual private network (VPN). The BT solution will initially be deployed in 23 countries.

**£2m saving on international call costs**

BT was able to offer more locations for a switched voice service than its closest competitor, and at a highly competitive tariff. Bob Underwood estimates that ABN AMRO stands to make a 25 percent, or £2m, saving on international call costs. But benefits are not simply a matter of price. ‘The VPN offers a higher quality, resilient network on a single platform with guaranteed service on a 24/7 basis,’ says BT Global Account Manager Gary Sandiford.

**Results**

**Banking business groups unified**

BT Business Voice – Voice Port has also brought the three main banking business groups closer together. As part of the globalisation strategy, the retail banking arm – based mainly in The Netherlands and Chicago – has gained global connectivity. Plans are also underway to bring new Brazilian retail operations on to the network soon. The wholesale bank, which has a presence in over 45 countries and the private client and asset management operations, serving high value customers in France, Luxembourg and Zurich, has also gained better connectivity where previously communications were difficult.

Global implementation took merely five months and the service went live in January 2003. ‘Implementation was well structured. We really benefited from the co-operation of BT’s regional people, from the Netherlands to Asia Pacific. Creating the VPN was a fine project supported by a really good team,’ says Bob Underwood.
Golden number accesses internal directory worldwide
Global communications have never been easier, particularly with the benefit of a global dial plan. ABN AMRO employees at a connected office are never more than a couple of digits away from each other to share market intelligence. There is also a golden number to access internal directory enquiries worldwide.

Simplified billing helps monitor and reduce costs
Billing has been simplified and also offers a valuable management tool for monitoring and reducing costs. ‘We now have a true understanding of international call traffic volumes. We can manage every location and determine where extra capacity is needed, or where we have spare,’ says Bob Underwood.

RoI in seven months
What’s more, return on investment was ahead of expectations. ‘We brought in RoI in just seven months, linking 35 sites in 23 countries to the VPN.’

Technical Information
ABN AMRO originally had a complex arrangement of relationships with local PTTs in 23 countries from The Netherlands to Singapore, UK to US. In order to handle international traffic, the international banking group previously had to handle 23 contracts.

BT provided a global voice network that puts the complete network under one managed service umbrella, with one point of contact. This network can be centrally monitored at a corporate level, while local offices retain responsibility for bills. ‘So ABN AMRO gains local visibility with central control,’ explains Steve Barter of BT.

BT Business Voice – Voice Port provides an end-to-end managed voice solution that includes:

• Global coverage in 24 countries in Europe, Asia Pacific and the US
• Fully managed, end-to-end voice virtual private network (VPN)
• Flexible tariff options – flat rate charging (includes most calls); pay as you go suitable for smaller sites
• High quality, resilient, circuit-switched voice network
• Variable length public/private dial plans
• On-net, forced on-net, virtual on-net and off-net calling
• Switched access via single stage or dual stage registered site access
• Switch termination to over 240 countries
• Voice band data up to 9.6 kbps
• 24/7 support from regional multilingual service centres

Special features include a global dial plan, so any of the 105,000 international employees at a connected ABN AMRO office can contact each other on the VPN using a short code.

A golden number, consisting of the country code and a zero, can be used to access local operators. The network offers resilience and global service level agreements. The system provides simplified billing, reduced international call costs, and a centralised view of billing and online reporting via the web of daily usage patterns for traffic management.