

# REMOS

## Monitoring of Receivables



Customer:

Československá obchodní banka, a. s. (KBC group)

### Initial situation and project goals

Enterprises of all sizes are being confronted with long payment terms for their customer invoices. This often creates a need for external financing.

ČSOB, one of the Czech Republic's three largest and most significant banks, tackles this issue by offering an enterprise finance plan as an important part of their product portfolio. In order to support enterprise funding, ČSOB offers its corporate clients recurring short-term loans, usually on a monthly basis.

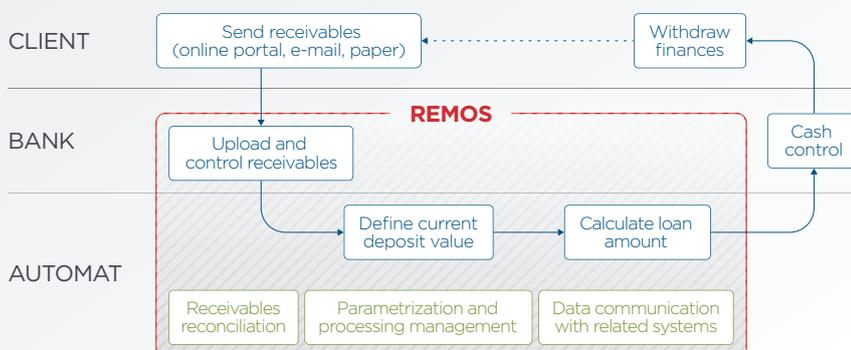
These loans are vouched for by unpaid invoices clients have issued to their customers, the clients' receivables, and additionally, their supplies. The amount of credit offered depends primarily on the amount of the receivables and supplies accepted by the bank. Moreover, the client's credit rating, terms of payment, and other factors also play a role.

Until recently, these loan applications were processed manually by ČSOB. Bank officers controlled and examined the invoices on paper, mostly by visual means at decentralized branches.

However, this procedure didn't comply with growing client demand for speed, precision, and flexibility or with bank requests for automatization, risk management, process auditability, and efficient reconciliation of receivables with incoming payments.

Thus, ČSOB made the strategic decision to develop a new software solution called the Receivables Monitoring System—abbreviated as REMOS. Subsequently, Profinit secured the system specifications and implementation of the REMOS project. This system enables bank clients to send receivables in various electronic formats through diverse channels without the need to go to a branch in person.

Thanks to REMOS, clients (even new ones) can now immediately withdraw loan finances the day after handing in their receivables. The money can be accessed as a revolving line of credit or a current account. From the bank's perspective, REMOS has fulfilled the defined requests and supports the entire life cycle of the enterprise finance service.



AHEAD  
THROUGH  
KNOWLEDGE

PROFINIT

Through REMOS, clients can time the delivery of individual receivables and supply documentation. Additionally, the financial products can be employed in a completely individual and flexible way, according to the client's needs. As a result, the "heart" of the REMOS system is an internal component based on a unique multidimensional algorithm developed by Profinit specialists. This component synchronizes all the individual operations into a single user-friendly process. As a matter of course, Profinit also fully integrated REMOS with existing banking applications including the data warehouse.

In early 2019, REMOS was serving almost 60% of small and medium-sized businesses and 50% of corporate clients and was processing around 900k receivables per month.

## Profinit's role

After landing the commission, the role of Profinit was, first and foremost, to convince ČSOB that we could swiftly bring quality delivery straight into the production environment. The first delivery consisted of basic functions for potential client product simulations, which were connected to the basic internal bank registers. It was released into the production environment 2.5 months after the initial project meeting.

Profinit acted as a contractor for the turnkey REMOS solution and handled everything from analysis, design, development, internal testing, and acceptance testing support all the way to production installation, pilot run support, and support during normal operations as defined in the SLA.

The detailed system specifications take up more than 600 pages of text.

The development of the entire REMOS solution took 15 months and was done in several stages, including the bank's initial assessment of our ability to actually produce a quality product. The total project volume was almost 2,000 man-days.

The speed of delivery and project end date were crucial parameters for ČSOB due to the competitiveness within the enterprise finance sector.

During the most work-intensive phases of the project, Profinit built and managed two development teams, which worked on parallel deliveries to efficiently make use of the testing capacities of ČSOB. After the testing, acceptance, and successful launch of one delivery, we immediately handed over another delivery developed by the second team, which was waiting to be tested.

Profinit delivered 3 out of 5 REMOS deliveries working in this parallel mode.

Profinit was able to operate in this mode without any negative impact on the quality of any of the deliveries because of its strict adherence to the Profinit software development process, its automation of regression tests, and the scope and connection project management of the individual deliveries.

## Success assessment

- ✓ Solution allows clients to pass on credit documentation electronically without having to go to a branch
- ✓ New clients can already withdraw loans the day after signing the contract and document handover
- ✓ Centralized credit scoring and risk assessment of the clients' contractors with individual settings
- ✓ Original project targets, deadlines, and budget were met

## Client testimonials

*„I definitely view the REMOS solution as a successful project that fulfilled the defined expectations and, in many aspects, even exceeded them. A large portion of the credit goes to the Profinit team, who was professional, well-organized, and otherwise great to work with. As a result, this strategic change in ČSOB could be completed without any problems.“*

**Martin Šindelář**

Executive Manager IT DEVOPS | ČSOB a.s.

*„The REMOS application enables our clients to communicate with the bank electronically and swiftly and to precisely identify the financing potential of receivable deposits. The solution also pushes ČSOB to service receivable deposits faster and better on the banking side. Profinit was very professional and delivered high-quality work. The project and its result as a whole are perceived by the bank as very successful.“*

**Michal Platil**

Senior Business Architekt | ČSOB a.s.