The hybrid path to faster, personalized banking

Shawbrook Bank boosts efficiency and service reliability while accelerating decision-making

London-based Shawbrook Bank has transformed its operations and customer experience by implementing an advanced hybrid cloud infrastructure that combines the best of both public and private clouds. The bank now delivers personalized, data-driven services with greater speed, reliability, and cost efficiency while strengthening data governance.

Tailored financial solutions for complex customer needs

shawbrook

Seeing more customers with complex and nuanced needs, Shawbrook Bank recognized an opportunity to carve a niche as a provider of highly individualized products for an increasingly discerning and specialist market — whether for property finance, business lending, personal loans, or savings deposits.

"Shawbrook Bank is a specialist lender within the UK, born out of the financial crisis," explains Alan Harper, director of corporate technology at the company. "Since then, we found a lot of the big banks were unable to serve more complex customers, and that became more of our sweet spot, and we were able to utilize that gap in the market."

The bank now boasts more than 500,000 customers. It knows that data is critical to develop a deeper understanding of these customers amid a dynamic and constantly changing economic landscape, where fluctuations in indicators like interest rates must be constantly monitored and acted upon.

In service to that commitment, the bank implemented a high performance, low-latency, and secure hybrid cloud environment. The shift laid the groundwork for Shawbrook to significantly increase operational and cost efficiency while elevating customer experience through faster, more accurate service delivery.

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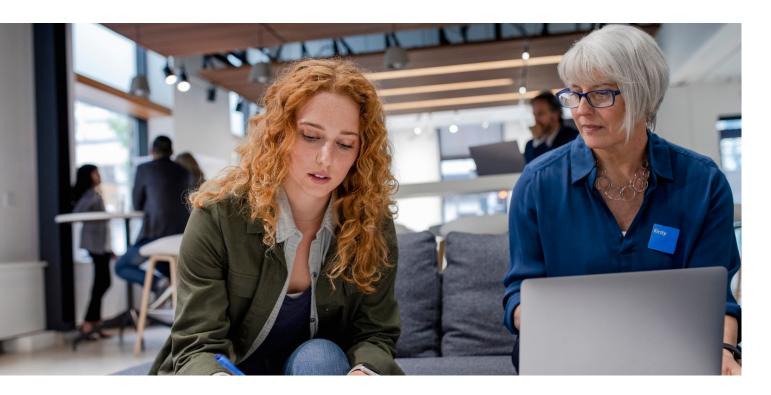**Alan Harper**, Director of Corporate Technology, Shawbrook Bank

Vision
Deliver specialist finance with a premium experience, flexibility, and certainty to more customers in Shawbrook's chosen markets, combining the innovation and agility of a start-up with the scale and financial strength of a large business

Strategy
Transform the data storage infrastructure that underpins and drives innovation, streamlining and unlocking the value of data used both on-premises and in the cloud

Outcomes
— Increases operational efficiency and service speed by reducing latency to less than 5 milliseconds and achieving a 26:1 deduplication ratio

— Delivers personalized financial services and meets complex customer needs with greater precision and zero service disruption

— Achieves cost efficiency, expects a 3-year ROI, and accelerates decision-making

Streamlining mortgages with AI and automation

According to Harper, Shawbrook's ambition is to enhance the customer experience through technology. "We want to improve how they do business with us, to serve our customers better," he says. "We want to make use of leading-edge technology as it evolves, bring digital to life for our customers, and unlock that experience."

This ambition led to the bank's decision to combine the best of both worlds in data transmission and storage performance, with a key goal of streamlining the onerous mortgage application process.

"Most people will do a mortgage application, and it takes ages," Harper notes, stressing that Shawbrook wants to substantially shorten this process. "We want to bring in more automation, not just to automate tasks but to make them better and actually really improve the experience."

As AI tools become increasingly vital, Harper believes that the vast datasets required to optimize them have changed what defines the most effective digital ecosystem for modern businesses.

"AI will play a huge part in our future within Shawbrook," he adds. "We're getting a lot of different data from a lot of different sources. Now, we want to be able to start modeling that data, use AI to gather from many different data sources, and really bring it to life and serve quicker."

Balancing cloud adoption with compliance and efficiency

While agility and quick decision-making are crucial for business success, banks like Shawbrook also need to ensure that their decisions are carefully considered to avoid any risks or negative impact on their customers.

The company had invested significantly in on-premises technology, including servers and storage, which it wanted to preserve. But as a data-intensive business, it faced increasing pressure to migrate more workloads to the cloud. While embracing the cloud-first trend was tempting, Shawbrook wanted to explore all its options.

On one hand, it needed to protect its existing investments. On the other, it had to navigate strict and evolving regulations governing the location of customers' highly sensitive financial data. Striking the right balance between performance and regulatory compliance was challenging, which is why the concept of **cloud sensible** resonated strongly with Harper and his team.

"Cloud sensible basically gives us the optionality," Harper explains. "It means that we're not automatically going to cloud-first, instead being able to take a step back and use a very pragmatic approach as to where workloads and systems should run from."

Increased efficiency and speed

Harper describes the recent changes at the bank as a big transformation, highlighting the significant upgrades and improvements made in its infrastructure.

Operationally, its staff are now better equipped to serve customers with speed and precision.

As part of this transformation, Shawbrook deployed HPE GreenLake for Block Storage built on HPE Alletra Storage MP and HPE ProLiant DL360 Gen11 Servers. One immediate benefit of this deployment has been a 26:1 deduplication ratio across the business.

This significantly improves system efficiency by reducing latency and increasing uptime, especially during busy periods. Harper reports that latency across the bank's SQL estate is less than 5 milliseconds, which exceeds the typical best practices in the industry for similar systems.

Better data control and reliability

Shawbrook has also gained greater visibility into system performance, allowing quick identification and resolution of bottlenecks, and ensuring uninterrupted services for customers.

Beyond these, the company is seeing improvements in data governance. Zerto, a Hewlett Packard Enterprise company, enables seamless failover to secondary data centers during outages, offering assurance like a tertiary disaster recovery.

"With a hybrid cloud infrastructure, we're able to remain in control of our data, enjoying better security and governance, ensuring best practices for every workload," says Harper. "It gives us the flexibility of not having to go all-in on either the cloud or on-premises. We can use the best of both."

Improved performance cost efficiency with hybrid approach

Through a balanced approach to cloud and on-premises solutions, Shawbrook has significantly increased system performance and become more cost-efficient.

The bank is repatriating its Desktop-as-a-Service to on-premises infrastructure, a move projected to recoup the cost of its new HPE servers and storage within three years, demonstrating significant cost efficiency.

This strategic shift has enhanced Shawbrook's staff capabilities with advanced technology and improved data management, increasing their ability to deliver exceptional customer service. "Our people can only be great if they have the best tech and data to provide our customers with the best experience," Harper says.

In addition, Shawbrook is deploying AI tools to analyze extensive datasets as it aims to speed up decision-making and improve customer interactions.

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"We're looking at tools out there that can help us gather public data, cross-reference it with our customers' data, and provide greater insight to be able to make quicker decisions and faster responses," adds Harper.

By adopting a hybrid strategy, Shawbrook strengthens systems governance while seamlessly integrating cloud and on-premises resources to support its growing customer base.

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