



EFD, eFunds Corporation and IBM announce payments management and transaction insight, risk management and fraud detection on IBM System z

Banking industry payments issue

The number of electronic transactions conducted by financial institutions around the world every day is growing astronomically. As the global banking industry seeks to consolidate and modernize its operations to deliver better and faster services to customers, these firms are under intense pressure to adopt the latest technologies.

Optimizing the payments business is increasingly fundamental to a bank's commercial health. Today payments can account for a significant portion of a bank's total cost. The ability to move money quickly and safely and to manage the associated data management flows are necessary components of banking. The combined forces of increased regulatory pressure and the commoditization of the payments business are forcing banks to take a close look at how they deliver that component.

Adding further complexity, banks must also gain critical insights from their data to stay steps ahead of Internet-based theft of bank and customer information—threats that can dangerously undermine the efficiencies of more cost-effective virtual delivery channels. At the same, this data can provide key insights into the way their customers behave and the products and services they are likely to buy.

Bridging payments and risk management for business insight

Payments are at the heart of everything a bank does. Inherent in those transactions are several levels of risk, but also opportunity. The exposure risk associated with managing a settlement position with a central bank, risk of fraud on the individual transaction and abuse of cardholder accounts are all facets of risk and fraud with which banks must contend.

With EFD, financial services companies have the unique ability to bring payments and all three aspects of risk management together on one platform and then perform business focused analytics on the transaction data to better understand the dynamics of the payment business profit and loss. In so doing, banks can be better positioned to drive business insight to the next level—capitalizing on opportunities for customer cross-sell and up-sell.

Banks are seeking flexibility and simplicity. Many are consolidating their systems to streamline operations and achieve cost efficiencies in the process. System z™ provides flexibility of implementation options. Unique workload management capabilities of the System z can help simplify systems management. Additionally, the deeper levels of security, availability and information integration that the System z9™ can help enable banking firms to achieve better enterprise risk management goals.

Contacts and more

For more information about this offering:

Web site:

www-03.ibm.com/industries/financialservices/doc/content/partner/931731103.html

The business solution... EFD and IBM System z

Introducing Payments Management, Transaction Data Insight and Fraud Detection on IBM System z

Value to banking industry customers

Provides Banks with IBM System z premier database server technology, configuration options, support, services and financial incentives for the utmost in high availability, security-rich database serving and business value.

High availability and security for banking electronic payment business processes with EFD CONNEX™, EFD IST®/Switch, EFD DataNavigator® & EFD Enterprise View:

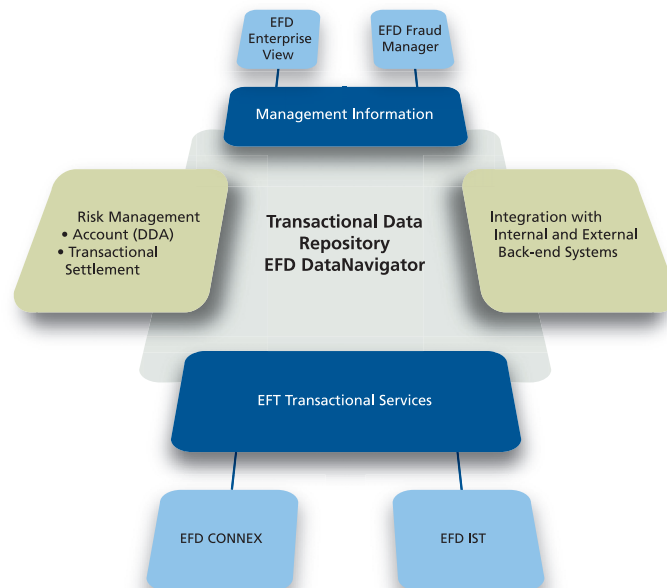
Payment Management and Transactional Data Insight

- **Enterprise Transaction Management:** EFD CONNEX *transaction processing engine provides a complete payment management solution optimized for System z, including ATM/POS network driving; transaction acquiring, routing, and authorization; and fraud prevention capabilities like Authorization Block. Customers can also choose to deploy EFD IST/Switch on Linux® optimized to run on System z in global "hub and spoke" processing implementations, or manage spokes on low-cost IBM System p™ installations.*
- **System z benefits:** *Banking customers can then manage IBM z/OS® and DB2® as a data serving hub and can use WLM to prioritize workloads and end-users response time to ensure the bank's business objectives are met.*
- **Transaction Data Insight & Payment Operations:** EFD DataNavigator *optimizes back-office functions by providing a user-friendly and customer service-oriented solution for Transaction Research, Exception Management, Device Management, Settlement and Reporting. All components of the system are available under one umbrella, providing a more complete view into your data. DataNavigator is designed to operate as a stand-alone platform for real-time EFT data management, working 24 hours a day, 7 days a week. With DataNavigator, data can be easily accessible within seconds after the actual transaction and is designed to have no impact to real-time transaction processing.*
- **System z benefits:** *With z/OS and DB2 integrated backup and recovery, back office functions stay up and running.*
- **Cross-Business Line Reporting:** EFD Enterprise View *leverages multiple transaction data sources to collect and display key management level payment processing information through an interactive dashboard designed for executive level business reporting.*
- **System z benefits:** *System z WLM allows banks to balance their needs for line reporting, transaction management and payments operations all on the same system, meeting customer peak performance needs and balancing the priorities.*

EFD Fraud Detection

- *When integrated with an EFD CONNEX payment management solution, EFD FraudManager combines flexible rules creation and management, research and decisioning features, system generated alerts and packaged reports as part of comprehensive in-line or post-authorization payment card fraud management solution. For use at issuer, acquirer or payment transaction switch.*
- **System z benefits:** *The Encryption Facility for z/OS applies the powerful encryption capabilities of the IBM mainframe to allow banks to encrypt sensitive information, further reducing their risk.*

"In addition to optimizing the costs of their payment processing infrastructure across multiple lines of business, financial services companies are looking at new ways to leverage the value of transaction data to provide deeper business insight into their customers' needs," said Gwenn Bezar, research director, Aite Group. "Over time, Aite Group believes that institutions will be able to use this insight to drive increased revenue through service expansion and customer cross-sell and up-sell throughout the entire payment account lifecycle."



EFD's Enterprise Payments Framework on IBM System z brings together enterprise transaction management, transaction data insight, executive dashboard reporting and payment transaction fraud management, all on an optimized System z deployment supported by IBM's entire range of storage, workload management, recovery and performance management solutions.