



5th Global FinTech Innovation Awards

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BankTech and FinTech in 2023!

Feature Focus

'Firsts' in Islamic FinTech in 2023

The Big Interview

Krish Narayanaswami, Managing
Director - Banking, Financial Services,
and Insurance, Azentio Software

Opinion

Leveraging client lifecycle management
to stay ahead of the compliance curve



IBSi FinTech Journal

Global FinTech Perspectives

Leadership with world-class solutions

Azentio Software provides specialised, vertical-specific software for clients in the banking, financial services, and insurance (BFSI) industry

Robin Amlôt

Managing Editor, IBS Intelligence



Headquartered in Singapore, Azentio was founded in December 2020. Owned by private equity firm [Apax Partners](#), Azentio acquired specific portfolio companies providing leading-edge banking, financial services, and insurance (BFSI) software products. Each of the four organisations acquired, had its unique proposition. The first company offered world-class products covering lending, compliance and asset management, and general insurance. The next was a Kuwait-based global Islamic banking software provider. The other two firms were leading software vendors in the insurance domain - one providing a robust intelligent automation solution for life insurance, and the other was a core insurance software company.

[Azentio](#) achieved top positions in multiple categories in the exclusive Leadership Club of the IBSi Sales League Table (SLT) 2023, ranking Number One in:

- Product Breadth
- Islamic Banking | Retail Lending (for the [Azentio ONEBanking](#) platform)
- Process Automation / BPM (for the Azentio Islamic Banking suite)
- Insurtech (for the [Azentio ONEInsurance](#) platform)
- The IBSi SLT2023 Leadership Club identifies prominent systems that have made their mark across various categories as well as geographies.

Azentio also ranked second in four more categories:

- Regional Leaders – Middle East (for the Azentio ONEBanking platform and the Azentio Islamic Banking suite)
- Best in Islamic Banking – Universal Core (for the Azentio Islamic Banking suite)
- Best in Islamic Banking Universal Core – Middle East (for the Azentio Islamic Banking suite)
- Best in Compliance Management (for Azentio ONEBanking – Risk & Analytics solution)

Krish Narayanaswami, Managing Director - Banking, Financial Services, and Insurance, of Azentio Software, told IBS Intelligence that the firm's strong performance is a direct reflection of its wide-ranging BFSI products portfolio. He states, "We have some of the leading products in Islamic banking, compliance, automation and insurtech. Another reason for our success is that we deal with over 500 clients who continually contribute to our products and make our offerings even more complete."

What do you see as the biggest challenge facing



Krish Narayanaswami, Managing Director - Banking, Financial Services, and Insurance, Azentio Software

the banking sector and how do you, as Azentio, help financial institutions address it?

"Challenges in the banking sector vary with region, size, type of bank, and other contextual factors. Nevertheless, digital transformation remains a persistent and critical challenge for all financial institutions (FIs). The shift towards digital banking, mobile apps, and online services is ongoing.

"Banks must invest heavily in technology to keep up with customer expectations, ensuring secure and seamless online experiences. McKinsey research shows, while 90% of companies have launched some flavour of digital transformation, on average, only a third of the expected revenue benefits have been realized.

"Azentio plays a pivotal role in helping FIs address the challenges of digital transformation. We have succeeded in this by adopting an API-first approach in our product strategy. API-first approach offers the much-needed operational flexibility and serves as an accelerator for digital transformation."

How do your solutions redefine the financial institution's customer experience?

"A typical regional bank has over 1,500 customer journeys (across business units, product lines, and customer interactions). These journeys

can be grouped into two broad categories—those that a bank needs to ‘de-friction’ and those that need to be ‘reimagined’. Most journeys fall in the de-friction bucket, as streamlined, seamless experiences drive customer satisfaction.

“We are focussed on digitally enabling accelerated lending solutions to help banks speed up their transformation, overcome potential execution barriers, and stay ahead of future market shifts.

“Our solutions offer operating capabilities to support the day-to-day execution of the lending process. They overlay activities onto the bank’s existing lending processes from client outreach and screening to loan servicing and portfolio management. These capabilities are backed by digital and analytical tools that improve operational efficiency. Our solutions manage key operational activities of loan origination and servicing processes, allowing bank executives to focus on customer experience, decisioning, and business growth strategies.”

What do you see as the main technology drivers for Azentio over the next couple of years?

“Azentio’s raison d’être as a software solution provider is to create cloud-based digital technology solutions for FIs that seek to differentiate their customer experience, improve internal operational effectiveness, streamline processes, and enable seamless access to data across the enterprise.

“Azentio’s three-decades rich industry experience, combined with advanced technology frameworks, provides a solid foundation for companies to gradually scale their business. The cloud-enabled solution is pre-configured with key workflows, integrations, decisioning capabilities and analytics to automate processes across the customer lifecycle, enabling a rapid GTM.

“Azentio’s clients can access these solutions through the new proprietary cloud-deployment platform. The objective is to clip lengthy upgrade processes and reduce dependency on IT teams. Seamless software updates allow clients to always have access to the latest software version.”

Can you walk us through your latest implementation – the iMAL Islamic core banking at Rammis Bank in Ethiopia, which went live in just 30 days?

“iMAL is the leading Islamic banking software globally. With 150+ successful implementations worldwide, it’s a proven product. It is also 100% Sharia-compliant and probably the only fully AAOIFI-certified software. Within this project, we approached Rammis Bank differently. We have a pre-configured model bank, so, we leveraged the power of iMAL’s parameterisation module. Our pitch to the business users was - This is a model bank, for specific product definitions and processes, whereas a traditional implementation runs anywhere between 12-24

months. Rammis Bank was very nimble. Its project team said: ‘We will leverage what you have and take it to the market.’ That’s a key reason for an agile implementation. The 500-strong team is also very acute, understands Islamic banking thoroughly, and that comes to the fore.”

Islamic finance and, geographically, the Middle East are your ‘traditional’ focus areas – how do you see those markets evolving?

“Demand for Islamic financial services is increasing due to growing Muslim populations in SAAAME (South America, Africa, Asia, Middle East) countries, especially in Asia and Africa, which currently account for over 95% of the world’s Islamic population and which are projected to grow 35% by 2030. SAAAME countries have large unbanked populations, which can be harnessed by Islamic banking models. But to improve its competitive edge, Islamic finance must focus on improving its strategy and performance.

“The Islamic finance market is concentrated in Asia, the GCC and MENA regions. Most Islamic finance assets reside here, contributing to 95.5% of global Islamic finance assets as per the Islamic Financial Services Board (IFSB), with Islamic banking making the largest contribution to the aggregate global asset base. However, Islamic banking globally has low market penetration and accounts for a petty share of total banking assets in most countries within the region. The two largest Muslim countries, Pakistan and Indonesia, have Islamic banking assets of 15% and 5.8% of total banking assets, respectively, despite Muslims comprising 96% and 87% of the total population, respectively. Therefore, a focused strategy will add significant opportunities to our market share.”

Where do you see the biggest opportunities and the biggest challenges for Azentio going forward?

“Azentio’s existing large client base provides a significant opportunity to leverage it for upselling, cross-selling, and for valuable feedback for product improvement to drive growth and customer loyalty.

“Our competitive advantage comes from a deep understanding of local and regional requirements, strengthened further by concentrating on the right markets.

“Our biggest opportunity lies in expanding into adjacent markets and in a robust product strategy. Azentio has boosted R&D investments to create innovative and competitive modern products, improving existing ones to address the industry’s double-digit growth needs.

“Evolving business models, economic and market shifts, rapid technological changes are common challenges of a software product company. Each challenge requires a strategic and adaptable approach, and constant innovation. Successful software companies will be those that navigate these challenges and seize opportunities for growth and innovation in this rapidly changing technology landscape.”