

# Lender Saves Money and Improves Customer Service



## Cisco unified communications and data center technology gives financial services provider streamlined calling platform

### EXECUTIVE SUMMARY

**Customer Name:** International Personal Finance

**Industry:** Financial Services

**Location:** Czech Republic

**Number of Employees:** 6300

#### Challenge

- Reduce telephony costs
- Streamline operations
- Improve customer relations

#### Solution

- Unified communications and collaboration suite hosted in virtual contact center based on Cisco Unified Communications Manager and Cisco UCS servers

#### Results

- Operator waiting times reduced by 86 percent
- Number of data centers halved, reducing costs by 24 percent
- 21 percent reduction in outbound calling and travel costs

### Challenge

International Personal Finance is a leading international home credit business serving 2.4 million customers and operating under the Provident brand in six markets: Poland, the Czech Republic, Slovakia, Hungary, Mexico, and Romania. Within these countries the demand for credit is increasing, but consumers are relatively underserved by financial institutions, particularly for those wanting smaller loans. Through more than 6300 employees and 28,400 agents, International Personal Finance offers a personal credit service to customers who want to borrow money quickly in a manageable and transparent way.

The company's home credit product comprises two core offers. The first is a small, short-term unsecured cash loan, ranging from the equivalent of about US\$80 to US\$1600 repaid over a period of around 12 months by money transfer to a bank account. The second is an optional personal home collection service provided by dedicated agents who deliver the loan to and collect repayments from the customer's home each week. An important feature is that customers who choose the agent service benefit from no extra charges for missed or late repayments.

Evidently, the company's business model involves a significant level of voice communications, not only between the financial services provider and its customers but also between head office and agents. The latter bring in approximately 60 percent of the company's revenue and are typically targeted to make 15 to 20 visits a day to collect repayments and provide loans to new customers, with net collections being tracked through an internally-developed application.

In the past, the outbound call centers accounting for the bulk of this voice traffic had been built on an as-needed basis, with little or no integration between them. This arrangement meant that the company was exposed to significant voice costs, because communications were usually carried over the public network. In 2008,

this issue of poor integration and high costs came to a head when the company decided to consolidate outbound collection operations in Slovakia and the Czech Republic.

"We expected a significant increase in the volume of collections by running a centralized collections department," says Pavel Pivonka, IT manager for Provident Financial. "But it was extremely expensive, because we were, for example, calling mobile phones in Slovakia. The cost of our calls increased dramatically."



**“The implementation of a unified computing infrastructure has removed issues related to system complexity and high operational cost, while contact center technology improvements are enhancing customer service.”**

Pavel Pivonka  
IT Manager  
Provident Financial

Another problem was that the Provident Financial operation across the Czech Republic and Slovakia was considerably hampered by the lack of integration between call center and data center technologies, infrastructures, and locations. This meant staff could take up to 15 minutes to handle a call, affecting the company’s ability to deliver outstanding customer service. Last but not least, the diverse multi-vendor Provident Financial infrastructure was poorly equipped to support productivity-enhancing collaboration technologies such as unified communications and enterprise video.

### Solution

Provident Financial selected a Cisco end-to-end architecture to implement a new, highly available communication and collaboration system that could significantly improve business processes, increase productivity, and enhance interactions within the company and with its customers. Using Cisco® Medianet, the communications infrastructure delivers high-quality video and audio for all users.

“Medianet helps lower total cost of ownership and scales video through features such as auto-configuration and media monitoring,” says Pivonka. “It also makes it easier to ensure a consistent quality user experience, while optimizing bandwidth use and efficiency.”

Provident Financial migrated from legacy private branch exchange systems and contact centers to Cisco Unified Contact Center Enterprise. This solution delivers intelligent contact routing and call treatment, network-to-desktop computer telephony integration (CTI), and multichannel contact management over an IP network.

The core of the infrastructure is a Cisco Unified Communications Manager 8.5 system. This is an enterprise-class IP communications processing system for up to 40,000 users, and even 80,000 users configured as a mega-cluster. In addition to traditional telephony features, it provides advanced capabilities such as video, mobility, presence, preference, and fully-featured conferencing services. Cisco ISR 3945 Integrated Services Router voice gateways offer public switched telephone network connectivity.

At Provident Financial, each of the two data centers supports this technology with a single Unified Computing System™ (UCS®) chassis containing eight virtualized Cisco UCS B200 M2 blade servers. These servers balance high-performance and high-density for production-level virtualization and other mainstream data center workloads. To help ensure high availability, the virtual infrastructure is split across two data centers: one in Prague, Czech Republic, and another in Bratislava, Slovakia. The data center switching fabric is based on Cisco Catalyst® 6500 and Catalyst 2960 Switching platforms.

Meanwhile connections between the centers use Cisco 7200 Series routers with Wide Area Application Services, which offer comprehensive WAN optimization from data centers to branches and up to 2Gbps optimized WAN throughput. Reporting is via a Cisco Unified Intelligent Center, which allows Provident Financial to benefit from custom reports and dashboards.

Voice and video recording are additional elements of the solution, which is tightly integrated with the customer application environment and with mobile GSM and IP communications. The main components of the solution, including Cisco Unified Communications Manager, Cisco Unified Contact Center Enterprise, and Cisco TelePresence®, run in the fully virtualized data center environment, using VMware ESXi and vCenter. The IP contact center technology enables five virtual contact centers



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within the company, supporting processes as diverse as outbound collections calling and telemarketing. To facilitate this, the Unified Contact Center Enterprise package features a wide range of APIs for integration with business applications.

The system also supports videoconferencing, thanks to an array of Cisco TelePresence endpoints connected via a Cisco TelePresence Video Communication Server. The endpoints range from fully fitted TelePresence suites to desktop videoconferencing enabled through Cisco Jabber™ Video for TelePresence, which extends the reach of TelePresence. This works with a compatible PC or Mac and a webcam or a Cisco TelePresence PrecisionHD camera to provide high-definition video communications. It is used for internal communications between executives at different sites and for communication with partner companies.

Provident Financial now has a unified dial plan for phone and video calls. Single Number Reach, enabled through Cisco Unified Communications Manager, increases availability and ease of communication between employees.

### Results

The infrastructure has allowed Provident Financial to reduce its data centers from four to two, providing an overall cost saving of 21 percent. To date, Provident Financial has purchased 110 agent licenses, 240 dial-up ports, and 90 interactive voice recognition ports, split equally across the two data centers. The system is designed to provide fully redundant support for all of the lender's operations across the Czech Republic and Slovakia, including two headquarters locations, 27 branches, and five virtual call centers (two in Slovakia and three in the Czech Republic).

The migration to the new architecture was achieved without any significant impact on the business and, now that it is in place, the platform has changed business processes and the communications culture within Provident Financial.

Back office infrastructures and applications can be deployed quickly and easily using standard templates. And the system has full integration with third-party applications such as Zoom SPANless recording, running in the VMware virtualization platform and with archivation on SAN storage. “The scalability of the virtualized UCS architecture means we can now deploy new services in the company about 45 percent faster, giving us a competitive advantage in the marketplace,” says Pivonka.

Cisco endpoints are used not only for audio and video calls but also for accessing the company's information systems. “The implementation of a unified infrastructure has removed issues related to system complexity and high operational cost,” says Pivonka, “while contact center technology improvements are enhancing customer service.”

As an example, the previous handling time of 15 minutes per call has dropped to just two minutes, representing an 86 percent reduction in delays to customers. The team leader in the Provident Financial collections department noticed a customer satisfaction improvement of more than 15 percent. “Single number reach means the right agents and advisers can be found more quickly, improving response times, reachability, and user experience for internal and external customers alike,” Pivonka says.

Collaboration internally and with partners has been greatly improved through videoconferencing. This has also helped to cut travel costs and increase productivity, while the ability to communicate over IP has significantly reduced the company's phone bill. “The reduction could be of the order of 30 to 45 percent,” says Pivonka.





Another significant benefit is not just the availability of extra features but also the simplification of ones that were there previously but were challenging to use. “To set up a conference call, for example, was very difficult,” Pivonka says. “Now it is much easier, which means people use it more often. Before we just had point-to-point communications, and it took the IT department two hours to set up a teleconference. Now anyone can set up a call in minutes.”

Because of the redundant nature of the virtual data center infrastructure, Provident Financial now also has an end-to-end system that meets its requirements for disaster recovery, which was not the case previously.

### For More Information

For further information on the Cisco architectures and solutions featured within this case study, please go to:

[www.cisco.com/go/datacenter](http://www.cisco.com/go/datacenter)

[www.cisco.com/go/collaboration](http://www.cisco.com/go/collaboration)

[www.cisco.com/go/borderless](http://www.cisco.com/go/borderless)

### Product List

#### Collaboration

- Cisco Medianet
- Cisco Unified Communications Manager 8.5
- Cisco Unified Contact Center Enterprise
- Cisco Unified Intelligent Center

#### Video

- Cisco TelePresence endpoints
- Cisco TelePresence Video Communication Server
- Cisco ISR 3945 Integrated Services Router
- Cisco Jabber Video for TelePresence

#### Data Center

- Cisco Unified Computing System™ UCS B200 M2 blade servers with Intel Xeon® E5640 and Intel Xeon® E5649
- Cisco Catalyst 6500 Switches
- Cisco Catalyst 2960 Switches

#### WAN

- Cisco 7200 Series routers with Wide Area Application Services



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