

Core Banking Evolution

From Monolithic to Software as a Service

From the 1960s to 90s, core banking systems were designed to perform operations and support the functions, modularity, and scalability that banks and financial institutions needed back then. The evolution of modern systems delivered better functionality but still a rigid monolithic infrastructure, inhibiting banks from reducing their costs and accelerating their time to market.

Today, customers' expectations and needs, the digital revolution, regulations, and rising competition are the key drivers for the birth of cloud-native core banking platforms.



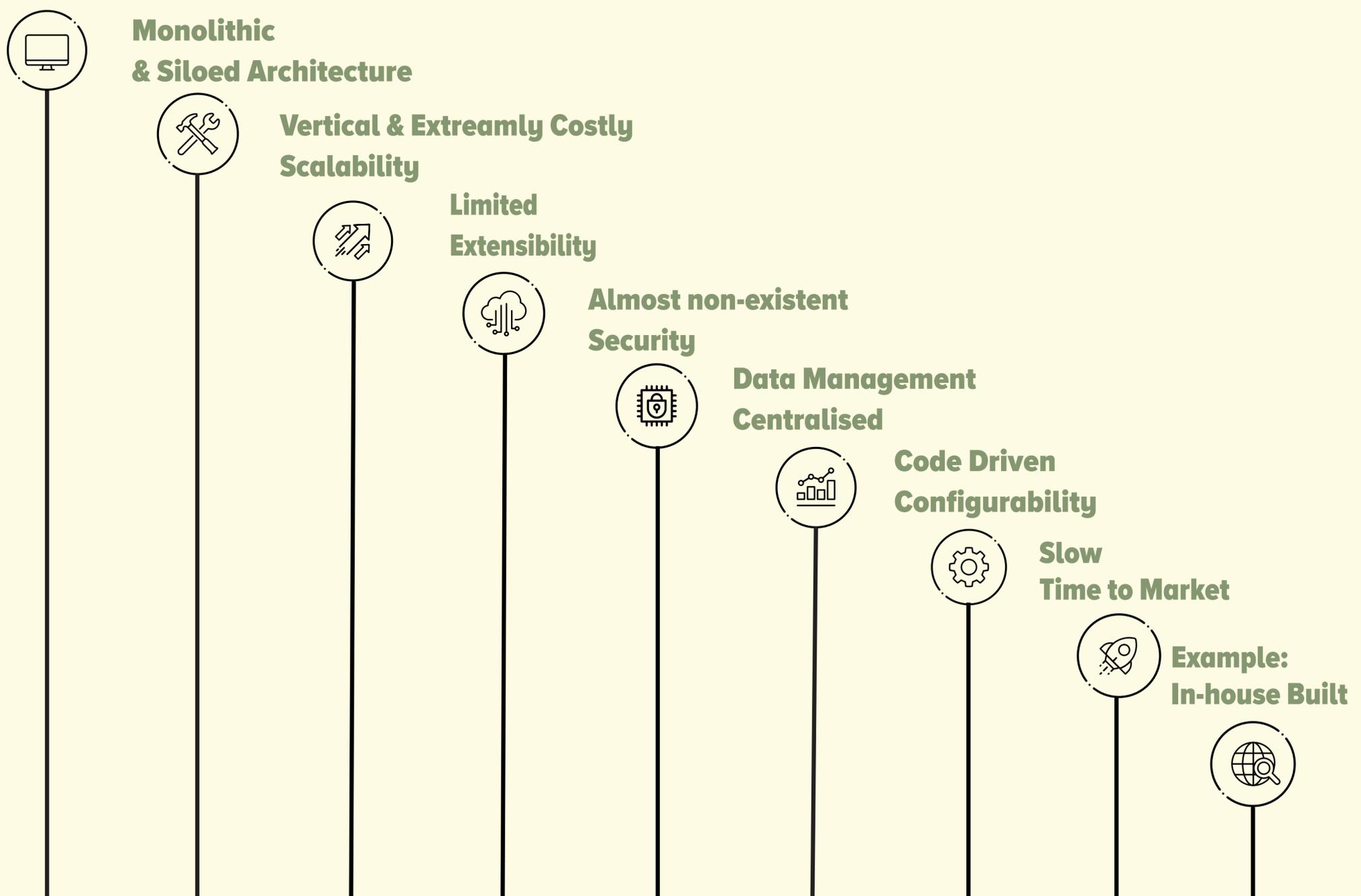
1st Gen Monolithic

Core banking systems developed in the 1960s and 1970s provided basic functionality for processing core banking transactions. They were mainly developed in-house and operated on mainframes with almost non-existent security.

The systems introduced in the 1980s were primarily product-centric and developed in silos, with limited extensibility.

The introduction of more open, flexible, and customer-centric core banking systems did not start until the 90s.

In-house Built Infrastructure



1960's - 1990's

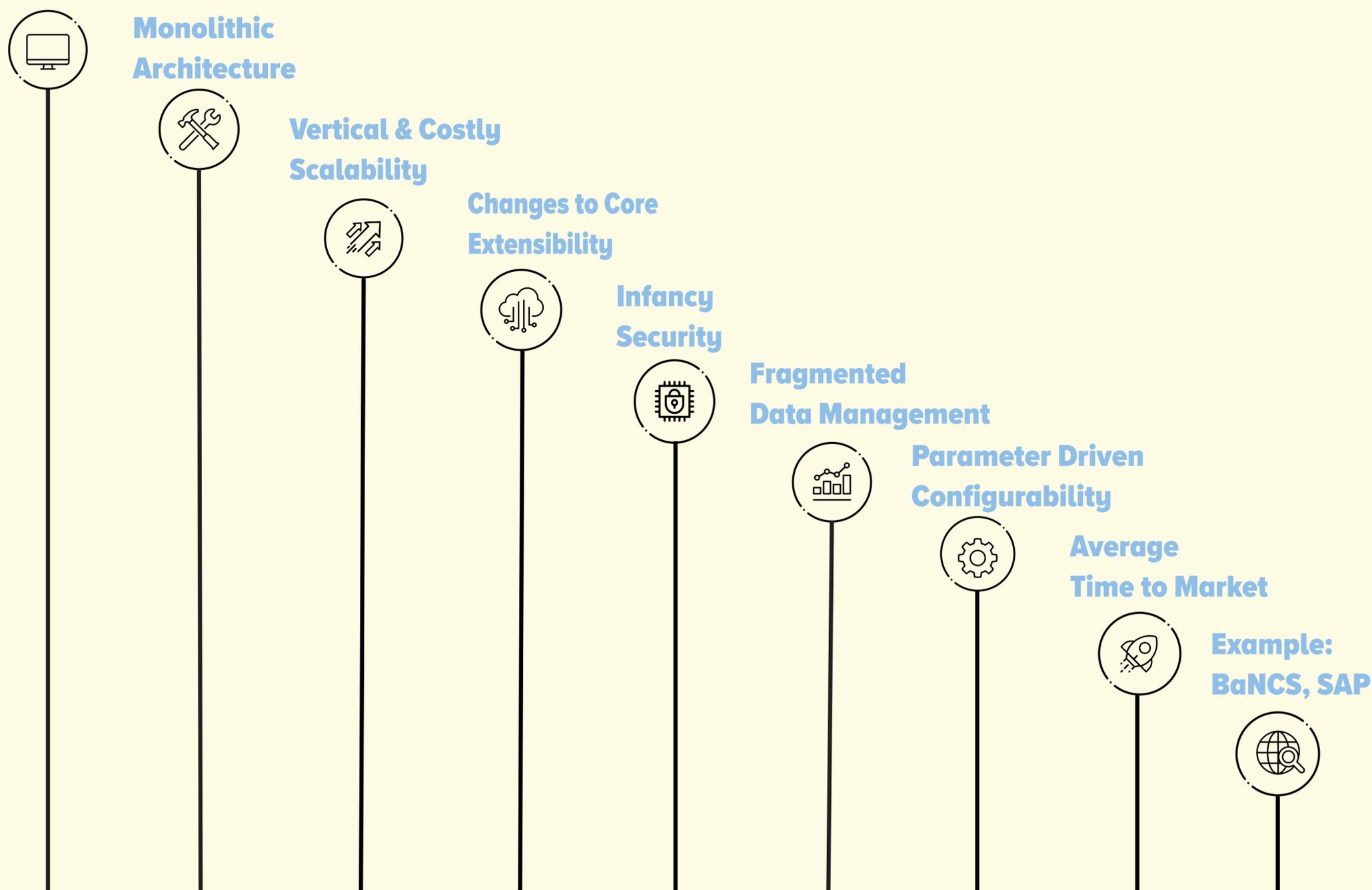
2nd Gen Off The Shelf

Core banking systems in this period were outdated, expensive to maintain, rigid, and unable to support growth and innovation.

It was complex for banks to offer new products or integrate new applications, third-party packages, and other IT assets.

The core banking nature of in-house or on-premise infrastructure was unable to provide necessary information for today's banking data control environment and customers' demands.

On-premise Infrastructure



1990's - 2010's

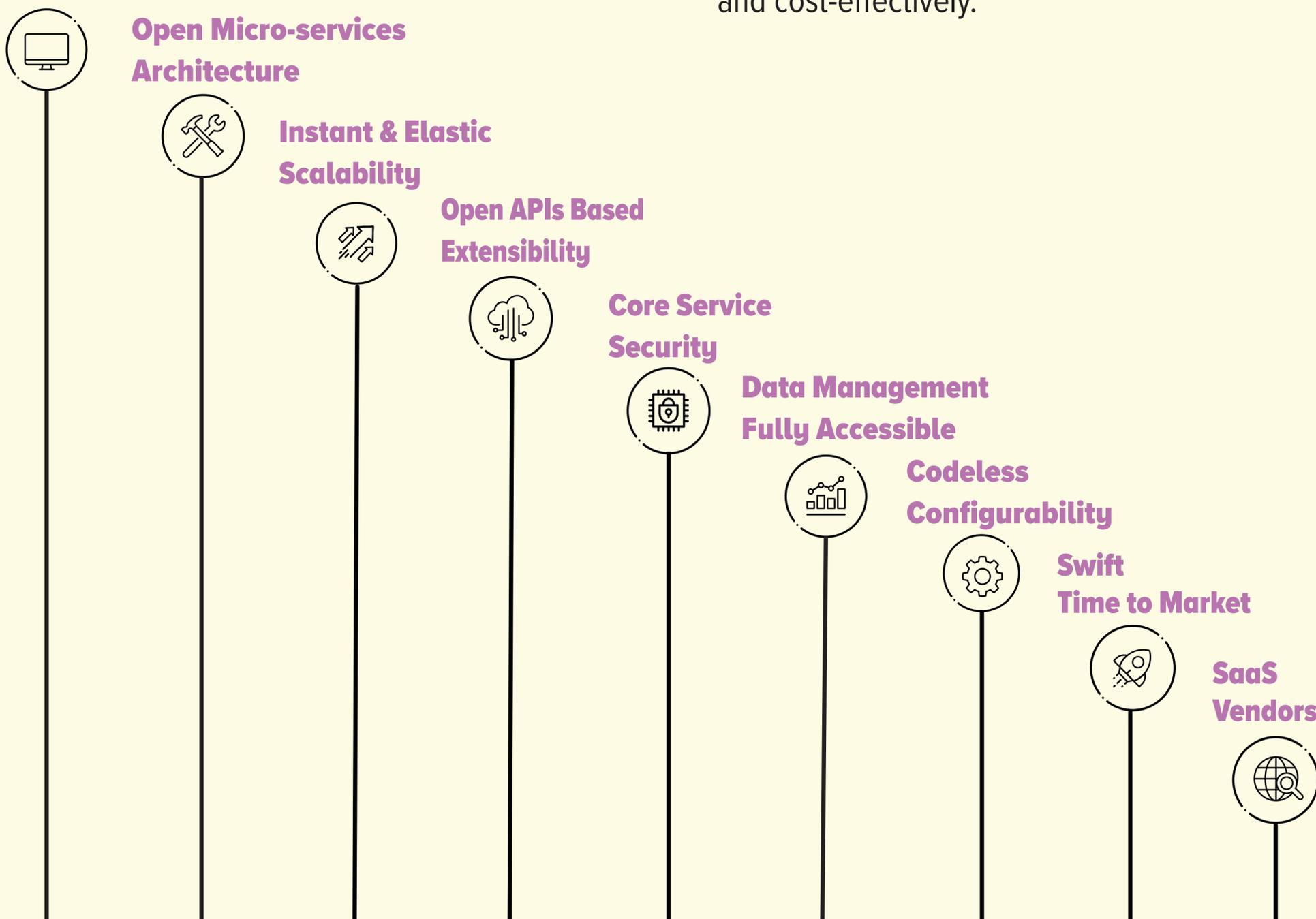
3rd Gen As a Service

Today, core banking systems are genuinely global solutions. Their architecture's nature is open, scalable, adaptable, lean and fast.

Recent solutions focus on data management and real-time processing across multiple channels to enhance customer and user experience.

Core banking solutions with a SaaS approach enable financial services to launch innovative and competitive new products quickly and cost-effectively.

Cloud Built Infrastructure



2010's and beyond

What is next?

There is no doubt that platforms will dominate the future of banking. The emergence of fintech players stepping into banking has pushed incumbents to adopt emerging technologies to stay up to date. The modern capabilities of cloud-native core banking solutions enhance financial services' agility in responding to competition and seizing new business opportunities.

The promise of the next-gen core banking solutions will empower banks to harness the great advances in technology and design to benefit their business and delight their customers.

Discover °neo

The easiest way to cloud-native core banking technology.

Through °neo, our clients rely on a banking-grade granularity SaaS platform that combines the right balance between autonomy and efficiency. The platform delivers next-level data management by unlocking data via APIs, events, and a data warehouse. °neo's best-in-breed ecosystem facilitates easy integration with other systems, reducing the time to market - combining additional functionalities to enhance core capabilities.

Do you want to know how °neo can help your business?

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