LEVVEL

Top 40 U.S. Bank Saves Millions By Reducing Paper Check Use With RTP

Building an actionable architectural plan to support addition of Real-Time Payments

`ARCHITECTURE` `PROOF OF CONCEPT` `REAL-TIME PAYMENTS`

INTRODUCTION

A top-40 U.S. bank wanted to build an actionable architectural plan to set up multiple payment rails to support the addition of Real-Time Payments (RTP). In teaming up with Levvel, they would define business and technical requirements, build the payments architecture, and select a vendor to implement RTP Send and Receive functions.

> The implementation of RTP would allow the bank to manage vital working capital, reduce back-office costs, and improve transaction speed and efficiency.

CHALLENGE

As they wanted to develop a single strategic plan, siloed legacy systems were stifling innovation. The future state payments architecture would need to be designed with key features in mind, including proactive monitoring, protocol and scheme translations, and include ACH, Wire, RTP, and Zelle.

The bank faced challenges in building a new architectural plan, such as:

- Complexities in choosing a payment engine provider
- Expectations of The Clearing House (TCH) for real-time network
- Complications involved with use of a hosted solution
- Legacy systems issues associated with RTP implementation
- Internal systems' integrations needed to support RTP

APPROACH

Our mission was to use our payments and architecture expertise to identify the overall business requirements. This would help design an enterprise-level, reusable, and scalable architecture. The bank was on a time crunch, so we also wanted to help them find the best vendor to meet their current and future needs within their target timeline.

The phased approach given to the global bank included:

- **Phase 1—Compare and Contrast:** Offering multiple solution alternatives, ranging from a custom build utilizing open source technologies to multiple buy options
- **Phase 2—Business Requirements Documents (BRD):** Creating documentation covering an overall roadmap (tech, trends, and direction)
- **Phase 3—Proof of Concept:** Developing a POC demonstrating a possible custom build option (microservices using an API gateway)

> Our team's technical expertise and rich experience with RTP helped this bank understand best practices and solutions to their challenges under clear time constraints.
>
> **Phil Mork,** Principal Architecture Consultant, Levvel

RESULTS

Because of this project, the global bank became an early adopter of RTP and went live as an RTP receiving institution. In fact, they were able to find funding for the RTP Send phase by identifying internal use cases where they would save millions by moving away from official checks.
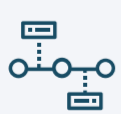
TEAM SIZE x2

TIMELINE 14 weeks

This project helped the bank:

- Go live as a receiving institution of RTP within their target timeline
- Utilize detailed technical documentation to chart architectural blueprint
- Plan for a modern, centralized payment monitoring system
- Facilitate a global customer view

> This bank saved $5 million per year by replacing 50% of paper check use