

# Indonesian bank improves customer service and cuts travel costs with Cisco collaboration tools



“Cisco TelePresence has helped us increase collaboration between our headquarters, regional managers and bank managers, while significantly reducing business travel and related costs.”

– **Adrian Gunadi**,  
Director, Bank Muamalat  
Indonesia

Established in 1991, Bank Muamalat Indonesia was the first commercial bank in the country to implement Islamic Sharia principles as part of its daily operations. The bank serves more than 2.5 million customers through 400 branch offices in 33 provinces across Indonesia, and one branch in Kuala Lumpur, Malaysia.

Bank Muamalat Indonesia has more than 5,000 employees, including 700 at its headquarters in Jakarta. The majority shareholders are the Saudi Arabia based Islamic Development Bank; SEDCO Group, an investment company also based in Saudi Arabia; and Boubyan Bank of Kuwait, one of Kuwait’s largest banks.

## Critical issue

Under Islamic banking regulations, customers applying for financing must show that their business activities comply with a number of requirements. At Bank Muamalat Indonesia, this loan application and approval process took at least three months, because customers and branch managers had to travel to the bank’s Jakarta headquarters two or three times to meet with the credit committee. The committee held around 10 of these face-to-face meetings each week. To conduct internal reviews, some branch managers and other staff had to travel to Jakarta almost every month to communicate with fellow employees in the bank’s headquarters.

For internal communication, the bank used legacy analog PBX-based phones, which it ran on a Cisco network. For staff training and managerial job interviews, employees and candidates had to travel to the Jakarta office.

Bank Muamalat wanted to take advantage of the latest video conferencing technology to improve collaboration with customers, among branch offices, and between headquarters and branch offices. The company expected this to reduce travel expenditure and time spent in transit, as well as significantly reducing the three-month loan application period.

## What the bank required

Bank Muamalat wanted to implement an integrated video conferencing and collaboration platform, and upgrade its analog PBX-based phone system to a converged IP network.



## What it implemented

In June 2012, Bank Muamalat ran a three-month pilot program to trial a Cisco IP voice and video collaboration platform at its Jakarta headquarters and three branch offices. Employees responded positively to the pilot, so in September 2012 the bank rolled out the system company-wide, with assistance from Cisco Partner Mastersystem Infotama.

Bank Muamalat Indonesia deployed Cisco TelePresence System 1300 at its Jakarta headquarters and Cisco TelePresence 500 at its 10 largest branch offices, to enable operations managers to collaborate with staff in the branch offices and their customers. The credit committee uses the Cisco TelePresence System 1300 to record loan application meetings – a company requirement.

The bank also installed 40 Cisco Unified IP Phones (8941) with video across 65 of its medium-sized branches.

“Bank Muamalat has enjoyed a 10-year relationship with Cisco, and it made sense to build on Cisco’s network foundation with their collaboration tools,” says Gunadi. “Having a single vendor made it easier for us to develop our technology road map, especially with the wide range of video and collaboration tools Cisco offers.”

## Outcomes for the bank

The user-friendly equipment has been well received by staff, and adoption rates have exceeded the company’s expectations. More than 50 TelePresence meetings are held each month and the bank expects this to increase over time.

### Reduced travel expenditure

According to Gunadi, using TelePresence has greatly reduced the need for staff to travel to meetings and training sessions. This is reducing costs, saving time and cutting carbon emissions. In addition, staff experience less travel-related fatigue and downtime.

In the next year, the bank expects to reduce the number of face-to-face loan application meetings by 50 percent and reduce travel expenditure by 80 percent.

### Enhanced productivity

With less travel required and new ways to communicate, employees are more productive. They can now arrange video meetings spontaneously and these meetings are often shorter than when held face to face.

“Our staff can collaborate with each other much more effectively, which helps them make decisions faster and do their jobs more efficiently,” says Gunadi.

### Improved customer service

Cisco TelePresence and IP video phones are also helping Bank Muamalat deliver better customer service by allowing staff to communicate more conveniently with their customers.

“Using video conferencing to talk to our clients where possible saves them time, and it’s more productive than talking over the phone,” says Gunadi. “We can have more meaningful discussions, and being able to see body language and facial expressions makes it seem as if the client is there with us.”

The Cisco collaboration tools have enabled the bank to cut loan application times from three months to less than two weeks.

## Next steps

In 2013, Bank Muamalat will install IP phones in all of its Indonesian branch offices. The company also plans to introduce Cisco Jabber, which will give staff access to collaboration tools including presence, instant messaging (IM), voice, video, voice messaging, desktop sharing and conferencing. In particular, the company is looking at ways to provide more personalised and responsive customer service by interacting with clients through IM.

### Products and services

Cisco TelePresence System 1300

Cisco TelePresence System 500

Cisco Unified IP Phone 8941

Cisco Jabber

CUWL Pro licences

10 WebEx host accounts

This customer story is based on information provided by Bank Muamalat and describes how that particular organisation benefits from the deployment of Cisco products. Many factors may have contributed to the results and benefits described; Cisco does not guarantee comparable results elsewhere.

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