



Reducing risk and operational costs through modernisation and cloud migration

National Australian Bank



Business opportunity

National Australia Bank (NAB) needed to adhere to key internal and external controls to increase the resiliency and security profile of its applications.

During an audit of its on-premises infrastructure, the Asset Servicing team within NAB identified opportunities to enhance compliance for 23 applications operating on legacy hardware and software. By updating these systems, the bank could mitigate risks associated with these essential business applications and ensure control compliance.

Meanwhile, modernisation and cloud migration would allow NAB to decrease its on-premises footprint and lower the operational costs associated with these applications.

Technical challenge

Many of the 23 applications were among the most critical for NAB Asset Servicing and had existed for decades. There was also considerable technical complexity related to the crucial need to maintain integration with the broader application portfolio during the planned multi-wave cloud migration.

Another major technical challenge was the size of databases. Several key applications contained multiple terabytes of Oracle data, creating challenges around data transfer capacity and limited duration maintenance windows. The reliance on database links added complexity: Migration timing and dependencies had to be carefully mapped to available maintenance windows to minimize potential disruption.

Lastly, NAB aimed to complete the project at a fixed cost within 9 months, which added risks and intricacies.

Our solution

Together, NAB, Kyndryl and other partners updated software versions and migrated applications to Microsoft Azure. An in-depth discovery of current applications laid the groundwork for the project plan and migration schedule. Based on the discovery phase, the team developed a target roadmap and developed a plan to meet business goals within NAB's remediation schedule timeline.

The team successfully modernised each application's component stack to meet requirements like encryption and privileged access management. Legacy stacks without a modernisation path were encapsulated before being moved to Azure.

Kyndryl and NAB additionally defined the Azure landing zones, specified target sizing, and created and validated migration runbooks. The team relied on deep technical skills, thorough testing, and strong teamwork to ensure success.

The power of partnership

Kyndryl leveraged its strategic alliance with Microsoft to provide additional cost savings and incentives, enabling NAB to offset the cost of migration and remain within internal budget guidelines. Kyndryl was also able to tap into Azure experts and Microsoft technology skills in weekly customer success meetings with Microsoft supporting successful delivery of project milestones.

What progress looks like

Kyndryl, NAB and its partners successfully completed the modernisation and migration of all 23 in-scope applications with zero unscheduled downtime. As a result, the applications are all compliant on the bank's controls dashboard. Kyndryl's experience in complex application migration and modernisation, paired with our ability to manage and integrate with NAB and partner stakeholders across Asset Servicing, Cloud and Operations, was a key success factor and key differentiator for Kyndryl on this project.

Key outcomes:

- Reduced cost of platform and associated operations by 30 - 50%
- Remediated risk and brought 23 applications to supported levels
- Decommissioned 200+ physical servers and VMs
- Cut the total number of VMs in half
- Introduced automatic overnight shutdown of non-production VMs
- Introduced new Cloud CI/CD pipelines for Java applications which had been modernised

What's your next digital business challenge?

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Meet the team

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