

Moving payments to the cloud

Deepak Gupta explains why Volante Technologies has experienced a strong uptake of its payments-as-a-service offering

Before joining Volante as its global head of software-as-a-service, Deepak Gupta's career included stints as an executive in the enterprise resource planning (ERP) industry.

"Looking at the core payments industry, I was surprised to see a similar situation to that of the ERP vendors: a small number of legacy providers with 20-year-old systems that were expensive and time-consuming to implement," says Gupta. "This presented an opportunity for disruption by a modern cloud-native provider and is the reason why Volante is experiencing strong uptake for our payments-as-a-service [PaaS] offering."

Banks are now replacing legacy systems by moving to PaaS, which Gupta puts down to resiliency.

"The pandemic exposed gaps in the business continuity and security of many banks and their providers," he says. "Some US banks could not process Fedwire transactions for several days due to an outage traced to their provider's transition to remote working. Even before the pandemic, banks suffered from downtime and delayed/missed payments due to the limitations of their payments systems. In a real-time world where consumers and businesses expect always-on services, this is no longer acceptable.

"Legacy systems are also difficult to enhance and expensive to maintain, making it tough to secure healthy margins."

Gupta says that banks, when looking into PaaS services, should ultimately consider what value it could bring to the business.

"Can it guarantee the right level of resiliency?" he asks. "Can it run in an active-active-active deployment, which is today's gold standard for uptime? Is the service easy to extend, so time to market and value for new products is improved? Is it truly cloud-native and microservices-based,

A portrait of Deepak Gupta, a man with glasses, wearing a dark pinstriped suit jacket, a white shirt, and a red patterned tie. He is smiling slightly and looking towards the camera.

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rather than a legacy system wrapped in a hosted managed service? Does it offer a low cost of entry and variable pricing model? Considering all these factors will maximise the benefits of cloud payments modernisation."

With banks looking to maximise the success of their cloud payments modernisation programmes, they must think carefully of the steps they should take.

"They need to avoid customising the new solution based on legacy systems requirements," says Gupta. "Modern cloud-native payment processing systems do everything that legacy systems do, but also offer new capabilities like real-time payments and receivables, application programming interfaces, and ISO 20022 messaging. Once they modernise their business processes and IT operations, they'll really start experiencing the benefits of cloud and PaaS." ■