

5 strategic benefits of hybrid cloud infrastructure for banking

“Our hybrid cloud solution has been a game changer, enabling us to meet our clients’ ambitions with scale, pace and efficiency. It’s great to have a partner like Red Hat helping us drive our success in making our clients’ ambitions real.”¹

Douglas Carter
Senior Vice President,
Technology Operations
CIBC

Introduction

While the banking industry began its journey to cloud computing cautiously, today nearly every banker uses a cloud environment in some way—though few are using cloud technology to its full potential. To deliver on the benefits of hybrid cloud solutions, banking organizations need to balance immediate business requirements with providing a consistent enterprise infrastructure.

Hybrid cloud infrastructure is the combination of one or more public and private clouds, using tools and technology to support workload portability, integration, orchestration, and unified management. Hybrid cloud infrastructure allows bankers to deploy unified business applications by coordinating tasks that run in different environments. The continuous flexibility, scale, and interoperability helps to connect the technologies and partners that best meet an organization’s needs.

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Innovate on your terms

Bankers have long relied on core systems to provide differentiation in the marketplace. The ability to modernize the core, which includes using cloud technology, is a critical part of the bank’s overall success. While most organizations may start their cloud journey with 1 or 2 different providers, a [hybrid cloud infrastructure](#) helps bankers innovate by promoting a wider set of technologies that is consistent across the datacenter and public clouds. This approach allows teams to build new customer experiences, create and market offers, optimize operations, and manage talent across the enterprise, using the same tooling for common tasks. It also helps bankers take advantage of application-specific capabilities, such as machine learning, image recognition, and natural language processing.

Synchronize the enterprise

The banking industry, particularly bankers with diverse product offerings, has struggled with segmentation. Hybrid cloud infrastructure brings common orchestration that connects tasks across enterprises to create cohesive workflows, regardless of where they are running. By using a hybrid cloud model, bankers can provide better integration of business units connecting business-critical applications and data sources, which results in unified, governed decisions. Using a solution like [Red Hat® Ansible® Automation Platform](#) provides the needed orchestration for bankers looking to automatically provision or deploy servers, assign storage capacity, create virtual machines, and manage networking across their multiple business units and various cloud environments.

Build security-focused, compliant, and resilient operations

One of the early benefits of cloud technology was overall resiliency, helping institutions respond more quickly to physical outages and disruptions. However, with an increased focus on operational resiliency, the way data and business applications move to cloud environments is critically important for



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¹ Red Hat video. “CIBC accelerates innovation and agility with hybrid cloud,” 2 May 2022.

About Red Hat

Red Hat is the world's leading provider of enterprise open source software solutions, using a community-powered approach to deliver reliable and high-performing Linux, hybrid cloud, container, and Kubernetes technologies. Red Hat helps customers integrate new and existing IT applications, develop cloud-native applications, standardize on our industry-leading operating system, and automate, secure, and manage complex environments. Award-winning support, training, and consulting services make Red Hat a trusted adviser to the Fortune 500. As a strategic partner to cloud providers, system integrators, application vendors, customers, and open source communities, Red Hat can help organizations prepare for the digital future.

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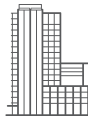
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banks. To mitigate risk and maintain compliance and continuity in a uniform and consistent manner, financial services institutions need to consider using a flexible hybrid infrastructure. Individual cloud providers may offer elevated security protocols for financial services companies, but monitoring multiple cloud providers, each with their own specifications, can become problematic. Engineering policy and governance into an existing hybrid cloud strategy will help to ensure that systems, software, and people are in compliance as the architecture changes.

Use what you have, scale as you need

Bankers have invested heavily in hardware, development work, and commercial software. A hybrid cloud architecture protects and uses existing investments while providing the foundation for modernization. By building a consistent architecture throughout the enterprise and the various cloud environments that are available both now and in the future, bankers can start to shift processing and applications away from heavy up-front capital spending toward operational expenditure. In addition, banks can rapidly scale, increasing or decreasing compute capacity to respond more quickly to market shifts or customer demands.

Optimize talent and develop new ways of working

Hybrid cloud, along with containers, microservices, and cloud-native development tooling, presents an opportunity to train teams on the most popular tools of modern technology environments, develop new talent, and build new collaboration methods. Red Hat can provide organizations with the capabilities and solutions to attract new workers and train existing employees in open source skills including DevOps, agile methods, and user experience (UX) design.

Red Hat and open hybrid cloud

Cloud technology is built for agility, allowing for a rapid response to changes and scale to meet customer demands. However, without careful planning, bankers could find themselves locked into specific vendors, facing the same lack of agility experienced with on-premise, conventional solutions. An enterprise open source approach helps bankers create higher value in their hybrid cloud implementation—with a DevOps culture and modern practices such as containerization, continuous deployment, management automation, and analytics-driven decision making.

At Red Hat, our cloud container platform supports bankers throughout their cloud journey, introducing modern DevOps strategies while providing the flexibility to build and run scalable applications in any environment. [Red Hat® OpenShift® Container Platform](#), combined with [cloud-native development](#) and [automation technology](#), delivers enterprise open source software infrastructure that helps bankers meet the interoperability needs of a hybrid cloud, provide security for the critical capabilities of the datacenter, and take advantage of public cloud tooling.

Read more about [hybrid cloud infrastructure](#).