

# UniCredit Becomes Number One Bank in Central and Eastern Europe

**Capgemini supports ground breaking program covering merger and integration activities in the key strategic region for UCG**

## The Situation

In 2005, UniCredit Group acquired Germany's HVB Group and its Austrian subsidiary, Bank Austria Creditanstalt (now Bank Austria). The deal – at the time Europe's biggest cross-border acquisition in the industry - led to the creation of an industry giant with more than 10,000 branches and 168,000 employees.

The Central and Eastern European (CEE) Integration Program was established to support the consolidation of all CEE banking units into the UniCredit Group structure, with Bank Austria in a sub-holding role steering the business in the entire region.

The CEE Integration Program needed to tackle a number of challenges:

- program size - activities in 14 countries across 21 banks
- short timeframe to complete – within only 18 months
- high complexity due to different integration approaches in several countries - ranging from full scale legal and technical mergers, integrations to de-mergers, as well as re-brandings and further adaptations to UniCredit Group standards
- financial stretch – with senior Group management seeking a 1:1 ratio between costs and benefits after 3 years.

**“Capgemini was a tremendous support and a reliable partner to form the Number One Bank in Eastern Europe.”**

**David O'Mahony,  
Program manager,  
Global Banking Services CEE,  
Bank Austria**



### The Solution

The Central Integration Program consisted of an international UniCredit team, with Capgemini supporting from the design to the execution phase. The goal of the joint team was to:

- achieve strategic goals within the given time and budget
- provide support with proven PMI tools and methodologies
- provide on-site support for local projects
- provide alignment with other projects running in parallel
- foster buy-in of employees with professional change management
- exchange best practices and lessons learned.

### The Result

After one and a half years of intensive collaboration, the CEE integration program was successfully delivered on time and above expectations while keeping the costs at 11% below budget.

In only 18 months, the banking landscape in Central and Eastern Europe has been reshaped by:

- full legal and technical mergers in Slovakia, Czech Republic, Romania, Bulgaria and Bosnia & Herzegovina
- integration into the Bank Austria sub-holding in Russia, Turkey and the Baltic Countries
- transformation to full UCG standards in Hungary, Serbia and Slovenia
- de-merger and sell-off of Splitska Banka in Croatia.

The program contributed significantly to restructuring the Group and strengthening its position in CEE. Unified steering structures, lean organizations as well as UniCredit Group standard IT solutions have been implemented to provide a solid basis for further growth in the region.

### How UCG and Capgemini Worked Together

The program showed a number of specifics that needed to be addressed in order to achieve superior results:

- strong central guidance to align the large number of involved countries and banks within the overall tight timeframe and budget
- continuous adaptation of areas of support in line with country specifics in order to meet the different integration requirements
- information to be distributed amongst the countries in order to leverage best practice PMI approaches throughout the group
- central and local budgets to be monitored and tightly managed.

Accomplishing all these goals within the tight schedule was extremely demanding. In good collaboration with third parties such as IT system and infrastructure vendors, as well as other consultancies, the CEE integration team mastered the challenges successfully. A major cornerstone of the success was Capgemini's collaborative business approach. Understanding the needs of the local integration projects, as well as working together with the central integration team was essential to achieve the goals of all involved parties.

With Capgemini's support UniCredit Group successfully mastered all challenges and ensured sustainable prosperity for the Group.



### About Capgemini and the Collaborative Business Experience™

Capgemini, one of the world's foremost providers of consulting, technology and outsourcing services, enables its clients to transform and perform through technologies. Capgemini provides its clients with insights and capabilities that boost their freedom to achieve superior results through a unique way of working, the Collaborative Business Experience™. The Group relies on its global delivery

model called Rightshore®, which aims to get the right balance of the best talent from multiple locations, working as one team to create and deliver the optimum solution for clients. Present in more than 30 countries, Capgemini reported 2008 global revenues of EUR 8.7 billion and employs 90,000 people worldwide.

More information is available at [www.capgemini.com](http://www.capgemini.com)

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In collaboration with



UniCredit is a major international financial institution with strong roots in 22 European countries as well as representative offices in 27 other markets, with approximately 10,000 branches and over 168,000 employees as at 30 June 2009.

In the CEE region, UniCredit operates

the largest international banking network with over 4,000 branches and outlets. The Group operates in the following countries: Austria, Azerbaijan, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Estonia, Germany, Hungary, Italy, Latvia, Lithuania, Kazakhstan, Kyrgyzstan, Poland, Romania, Russia, Serbia, Slovakia, Slovenia, Turkey and Ukraine.

For more information visit [www.unicreditgroup.eu](http://www.unicreditgroup.eu)