Implementing service virtualization to mitigate the risk of a Euro default

The business challenge
In 2012, Greece came close to defaulting from the Euro. If Greece did default, then our client, a UK investment bank, would need to be able to process payments using a new Greek currency from Monday morning, having only one weekend to make all the necessary changes. In order to mitigate the risk of this event, the client needed to simulate the default occurring in advance, and perform testing on all its payment systems to ensure compatibility.

The solution
Sandhata used its Service Virtualization expertise and best practice to build a virtual service to simulate the live service with added modifications to cater for the new Greek currency. This virtual service enabled the client to perform end-to-end testing of all of its payment systems and validate its compatibility with the potential new currency. This enabled the client to:

- Test all the systems using the new currency (which was not possible in the live third-party system)
- Perform impact analysis for all payment interfaces to enable continuous business planning

This virtual service and end-to-end testing capability empowered the bank to be able to run a dress rehearsal of the Greek default including bank-wide testing of the new currency across all systems that would be affected. This comprehensive testing provided an accurate risk profile for this event, which meant the bank could plan accordingly.

The result
The virtual service was built in only a few days, and implemented at very low cost. This virtual service, and the subsequent testing, provided the bank with confidence that its systems would be able to process the new currency in the event of the default happening. The bank had mitigated the risk of a Euro default on its trading systems at low cost and the board had confidence in the bank's trading capabilities in this event.

The team
Sandhata used its service virtualization expertise to build a lightweight, cost effective, virtual service to enable the required testing. Its integration experience and knowledge of the clients' payment systems enabled a quick turnaround.

KPIs
- 30 business streams were tested in parallel using the virtual service delivered
- Two weeks to mitigate macro-economic risk
- Two days to test all bank systems front to back with the new currency