CENTRAL BANK OF EGYPT
Egyptian Banking Institute

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Current Trends

"Low Code and No Code Platforms"

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Current
Trends

What is Low Code and No Code Platforms?

No-code and low-code platforms are becoming more and more popular as companies look for more effective ways to manage operations and develop applications. Platforms that are low-code or no-code are designed to advance development and simplify it by minimizing coding.

No-code and low-code platforms are type of applications' development platforms that allow users to create applications without deep or prolonged coding knowledge and expertise. Low-code platforms enable users to create applications using a graphical user interface (GUI) and drag-and-drop tools, while no-code platforms provide users with templates and other tools that allow them to quickly build applications without any coding process.

According to a report published by Gartner, the market for low-code/no-code platforms has reached $18.5 billion globally in 2021, increasing 22.6% from 2020. Then it expanded to $22.4 billion in 2022 and now it is expected to grow to a total of $26.9 billion in 2023.

With the increasing adoption of technological advances and platforms in the banking system, no- code and low-code platforms are gaining momentum for their usefulness in various banking and financial domains. In these regards, Gartner has anticipated that by the end of 2024, low-code/ no-code development will represent 65% of all application development, which means that financial institutions are paying attention to adding LC/NC platforms in the FinTech software development life cycle.

Difference between Low-code and No Code

The primary distinction between the two platforms is that although no-code platforms allow organizations to completely avoid working with code and depend entirely on visual tools, low-code platforms still demand some level of coding expertise where the developers may have a hand in scripting and manual coding.

However, to really understand how they're different, it's important to fully understand each approach, as follows:

Firstly, Low-code is a rapid application development technique that automates code generation using visual building blocks, such as point-and-click, drag-and-drop and pull-down menu options. This automation allows low-code users to focus on the differentiators rather than the common denominators of programming. Users can also perform some coding and scripting with low-code solutions. To put it simply, low-code provides a hybrid system that boosts developer productivity. Low-code solutions also enable non-technical individuals to become "power users" with the ability to alter the system.

Secondly, for the No-code it can be considered as a subset of the low-code development approach. In this situation, a user can point-and-click and drag-and-drop but there is no direct access to code. Without requiring technical expertise, no-code development creates the code and introduces a whole new user base to the realm of technology.

In fact, low-code and no-code are complements not substitutes, and they both point the way towards future progress.

Benefits of Low Code and No Code Platforms

Low-code and no-code development solutions are emerging empowering banks to transform software development as we know it, through:

• Democratize technology: No-code and low-code platforms can be used to develop a wide range of applications, from web-based applications to mobile apps. Cloud-based low-code and no-code solutions can enable banks to fully realize the benefits of digitalization and integrate cutting-edge technology into their operations. Additionally, decision authorizations, better API integration, and process automation can all be achieved with no-code/low-code techniques.

• Accelerate Innovation: Low-code/no-code platforms can speed up innovation by allowing developers to easily create proofs-of-concept for more sophisticated software development tasks requiring high-level skills. Through such platforms, ideas and solutions can be assessed, before investing time and resources in developing comprehensive fintech mobile apps

• Boost business agility towards customer centric approaches: through built in APIs , reusable plug-in modules and graphical connectors that automate multiple tasks of the bank , a bank of any size can move forward efficiently towards customer centric approaches and take a share in an open collaborate ecosystem, hand in hand with FinTechs , which imbedded such mentioned tools.

• Simplify connectivity: In an open banking environment, low-code can be used to build connections to Banking as a Service (BaaS) or Software as a Service (SaaS) APIs – connectivity that is potentially transformational.

• Increase efficiency and reduce time: it is easy to imagine a future where banks will harness low-code applications to reduce time to market and offer truly personal banking at a far lower cost and at a far greater pace than ever possible.

• Expand the capabilities of banking: No-code techniques can perform an expanding range of capabilities in banking, including developing web and mobile user interfaces (UIs), dashboards for analytics, showing key performance indicators (KPIs) and charts to boost client engagement, and more. Furthermore, a bank can concentrate on doing more to draw in and keep consumers instead of having to hire an army of coders and developers.

• Comply with Regulations: although, laws and regulations shift more than any other globally, however, fortunately, one of the greatest benefits of using low-code/no-code platforms is that they are already compliant with the newest trends and regulations and timely updated for any such in the future.

Challenges of Low Code and No Code Platforms

Low-code and no-code platforms do not come without challenges. These platforms facilitate the development of apps, although their scalability and customization options may be constrained. Furthermore, as these platforms are meant for quick development, quality assurance and security precautions might be lacking. To mitigate such risks and safeguard sensitive data, this entails establishing user authentication and authorization in addition to putting security policies and procedures into place. It's also critical to make sure that the designed or developed apps are up to date with the newest security patches by reviewing and updating them on a regular basis.

Implemented Examples

• ING, a global financial institution of Dutch origin, announced its partnership with genesis, the Low Code Application Platform for financial markets, to launch the Credit Insurance Application ("CIA"), a deal-flow and portfolio application which expected to transform the management of credit and political risk insurance ("CPRI") globally.

• Academy Bank, a US lender that is part of a family of banks with more than $3 billion in assets, used Salesforce's low-code solutions to develop a tracking app to help the bank process Paycheck Protection Program (PPP) loan applications.

• Bendigo Bank, one of the largest banks in Australia, reorganized its strategies to prioritize the customer experience. They eliminated the organizational divisions in some key fields and focused on the organization's fundamental components or responsibilities, namely customer service, collaboration, and innovation. The bank has successfully deployed 25 customer-focused enterprise apps in 18 months in a low code format that help Bendigo manage ATMs Management, Credit Card Management, Fraud Management, Disputes, Loans, Mortgages, and so on.

• Standard Bank, headquartered in South Africa, has established a center of excellence to empower employees to take charge of their digital transformation. One of the first projects to be deemed a success was introducing a low-code ATM inspection solution, which enabled the rapid development of a mobile app prototype in only 24 hours. There are now over 300 employees using the app to produce over 5,000 inspection reports every month.

Illustrative Videos on Low Code and No Code Platforms

Low code Vs No Code:

https://youtu.be/GtnoUHTxoTI?si=JMJlGE152g2oM066

Reimagine Banking Solutions with Low-code

https://youtu.be/3iOpf8gadGg?si=WfGsg0Lmct0GxWeV

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