**Abstract**

Cloud-based systems can help banks automate workflows, deliver new services faster, boost efficiency and deliver savings. Gartner defines a core banking system, as “a back-end system that processes daily banking transactions and posts updates to accounts and other financial records. Core banking systems typically include deposit, loan and credit processing capabilities, with interfaces to general ledger systems and reporting tools.” Basically, core systems are the mission-critical systems that facilitate almost every major transaction for banks. Currently, only a small percentage of banks have transitioned their core banking systems to cloud-based platforms. Other banks without on-premises core systems often outsource their data to private clouds through their core provider. However, industry analysts and experts expect more banks to migrate as they modernize the systems. Cloud-based core banking lets banks automate processes, deploy new services for customers in a timelier fashion and gain efficiencies that can redound the bottom line. To successfully make a transition to cloud-based core banking, bank IT leaders need to educate them, find the right technology partners and be open to a new way of doing business.