

AUTOMATING RISK REPORTING IN FINANCIAL SERVICES

RISK ANALYTICS AND PROCESS AUTOMATION



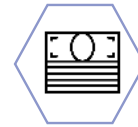
EFFICIENCY

Empowers risk management and produces accurate, in-depth reports



AUTOMATION

Drastically speeds the reporting process by reducing manual labor requirements



SAVINGS

Automation efficiencies cut labor costs by \$100,000 per year

Manual Processes Holding Back Progress

The Company is a subsidiary of one of the world's largest and most diversified financial groups. It provides its clients with a full range of high-quality financial services, including various commercial banking services, as well as asset management and administration, real estate, and stock transfer agency services.

When an audit identified exposures within the Company's processes, the organization realized its approach to risk management reporting was limited and costly. It needed to increase its level of data management and governance. The Company's highly manual processes created issues with repeatability and traceability, which impacted its ability to meet regulatory requirements.

The Company had more than 10 spreadsheets and workbooks that were filled with macros and custom code. To perform regulatory reporting on a monthly or quarterly basis, employees had to open each workbook in a specific order because of dependencies within the documents. This tedious manual process consumed anywhere from 60 to 80 hours a week to produce reports.

This presented numerous opportunities for errors, increased the overall cost of risk reporting, and took employees away from their higher-priority risk management tasks.

The audit kicked off a multi-year initiative for digital transformation to amend the Company's processes and align it for future growth. It needed to automate regulatory reporting, push all of its information into a centralized data warehouse, and develop the governance and traceability necessary to produce accurate and in-depth reports.

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About the Company

- ▶ A subsidiary of one of the world's largest and most diversified financial groups, providing clients with a full range of high-quality financial services

Business Challenges

- ▶ The Company's risk management reporting was costly and constrained by manual processes
- ▶ Reporting relied on multiple spreadsheets and workbooks filled with macros and custom code, presenting multiple opportunities for error
- ▶ Reports required 60 to 80 hours of manual work to produce

Solution

- ▶ Data governance and automation solution to elevate risk assessment and make reporting user-friendly
- ▶ Enables the Company to produce and parse high-quality data
- ▶ Saves over \$100,000 annually in labor
- ▶ Solution includes IBM Netezza, IBM InfoSphere Information Analyzer and DataStage, IBM BPM, and IBM Cognos Analytics

Prolifics Leveraging Technology

Prolifics leveraged a business process management (BPM)-powered data governance and automation solution to elevate the Company's processes and reporting standards. It combined financial process understanding and data/metadata management with automation and analytics to streamline and improve the quality of data throughout the enterprise. This helped increase integration and coordination among business IT and compliance processes.

Prolifics used IBM Netezza to create a full-stack data warehouse solution. IBM InfoSphere DataStage served as the ETL layer to draw from several investment and risk data sources to provide central management of operational finance, as well as compliance risk and controls.

The solution increases control and process efficiencies through automation and continuous monitoring by using IBM InfoSphere Information Analyzer. Prolifics established data quality rules to check the health of data fields, thereby ensuring the data is free of quality issues. If a quality exception does arise, IBM BPM automates the workflow, handling, and resolution of the issue.

With data quality assured, DataStage writes the verified information into the central data warehouse, providing a reliable view for of key finance and compliance functions across the organization.

Cognos Analytics was implemented to use this data to automatically analyze key risks and report out the information that mattered the most to the organization. This included value at risk (VaR), business reports, and regulatory reports such as 2052A and money market basis point value (BPV).

Better Data Quality Business-Wide

Prolifics enhanced the customer's risk decision-making by automating the risk assessment process and creating user-friendly reporting. Prolifics also provided a reliable central management of financial, operational, and compliance risk across the organization.

The solution redefines the Company's ability to manage its crucial data, enabling it to produce and parse high-quality data, while also drastically reducing time and labor costs linked to reporting. Where it once took up to a week to produce a report, they are now ready daily. This automation enabled the removal of a full-time position devoted to generating reports, as well as reducing the involvement that five other positions had in supporting report validation. These measures help the Company save over \$100,000 annually in labor.

Most importantly, the Prolifics solution instituted critical data traceability that helps the Company avoid auditing issues and regulatory penalties.

ABOUT PROLIFICS

Prolifics creates a competitive advantage for organizations around the world by implementing customized, end-to-end IT solutions that achieve business success, leveraging leading technologies in a global delivery model. For more than 40 years, the company's technology expertise, industry-specific insights and certified technology accelerators have transformed organizations around the world by solving complex IT challenges. For more information, visit www.prolifics.com.