

Case Study:

A Top 10 Bank Uses Precisely to Manage Operational Risk

Visibility and On-Demand Reporting Equal an Enterprise in Compliance

Business challenge

A top 10 U.S. commercial bank had implemented Precisely balancing and reconciliation solutions to reconcile 98% of its accounts to the G/L. The bank was able to validate home equity applications, mortgage applications, ATM balances, wholesale banking transactions, and much more. Yet the company struggled viewing operational risks within their enterprise. Back-loaded with open items, management did not have sufficient analytics into their critical transactions in real-time. With no centralized location to store and manage exceptions, distributing data through the company was a manual and laborious process, and managers lacked confidence in their ability to access information on-demand. They knew that upcoming mergers, acquisitions and business growth would cause an exponential increase to transaction tracking and their ability to handle it was growing more and more unstable.

The bank tried managing the situation by utilizing a number of antiquated tools across various lines of business (LOB). While management knew it was critical to tap into each application processing each transaction within each LOB, this was the fundamental issue: disparate tools all trying to get at the same level of detail. The lack of continuity continued with metrics as several lines of business had disparate types of metrics and KPIs that management wanted to track. Microsoft Access databases and Microsoft Excel spreadsheets were used to collect and compare the data. The manual efforts meant a full week to generate a report at the end of each month, which only produced a sampling of the results.

Solution

To solve these problems, the bank reached out to Precisely. With balancing and reconciliation tools running across so many parts of the business, analytics seemed like the logical next step. Precisely implemented a reporting engine to help provide the level of visibility the bank was in desperate need of. With automated rules and analytics, the bank was finally able to set up reporting parameters that pleased all LOBs. For instance, management wanted various executives to receive alerts for transactions that were \$1M or more. This automated process helped financial managers not only view the critical data, but trust it as well.



Client

A Top 10 U.S. Commercial Bank

Industry

Financial Services

Challenges

- Insufficient transparency in viewing and identifying risk
- Mergers and acquisitions compounded risk issues
- Analytics and report generation was slow

Solution

Precisely Solutions

Results

- Reduced costs while increasing productivity
- Increased accuracy of analytics and reporting
- Processed full audit in real-time
- Compliance improved throughout the enterprise, and risk mitigation is greatly enhanced
- Risk indicators are tailored towards each LOB as needed

The organization is now connected with information in areas like GL/Finance, accounts reconciliation, processed checks, Hogan Systems, lockbox, ACH, wires, returns and ATM, among others. They have utilized the expertise of the lines of business contacts to write the rules for the integrated Precisely solutions, to reduce costs and maximize effectiveness.

There are additional benefits that this large bank is now experiencing. Management was able to eliminate many reports and consolidate others to gain one version of the truth.

- The bank has an increased amount of automated reporting capability and can always configure new reporting when necessary.
- More than 1,300 users have read-only access to review critical reports.
- Various users at all levels of management are able to view different types of results, including:
 - How various open items were processed
 - How quickly exceptions were managed
 - Trends of these exceptions
 - How many exceptions were resolved

Benefits

Overall, the Precisely platform provides real-time process monitoring and results on demand. Compliance improved throughout the enterprise, and risk mitigation is greatly enhanced and can be shared across the LOBs. Risk indicators are tailored towards each LOB as needed and there is now a comprehensive audit trail going back several years.

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