

Client Centricity for Basel II Compliance

The EMC Client Centricity capability enables our clients to rapidly define and deploy platforms that provide consistent processing and storage of client information, regardless of the entry point or channel. Our solution assets include process models and service definitions supported by a client information repository model that provides for centralized data management and streamlined workflows.

Challenge

International standards developed under the Basel II accord are intended to align a bank's capital requirements to its market, credit, and operational risks. While designed to protect the banking system from the impact of individual bank failure, Basel II compliance is expected to enable banks to adapt more readily to innovation. To comply with standards, banks are adopting more sophisticated and more complex risk management and measurement processes. The implementation of these processes and required information systems places an additional strain on the business and IT resources of the bank.

As part of its Basel II implementation plan, one large global bank was exploring ways to integrate commercial loan information to better manage its credit risk. The bank's clients included multi-national corporations with numerous parent-subsidary entities, partnerships, alliances, and vendor relationships. To meet the risk management standards, the bank had to aggregate commercial customer information across multiple business applications. The bank turned to EMC® Consulting, to help ensure that its plan would meet the Basel II requirements.

Solution

The bank's plan included rolling out a new Commercial Loan Origination application and implementing a Customer Data Integration Hub to serve as a vehicle for customer data standardization, enrichment, and consolidation.

EMC Evaluation

- Rapid assessment of the current Commercial Lending Lifecycle business requirements
- Prioritization of Customer Data Integration Hub requirements across lines of business and Basel II needs
- Review and refinement of the solution architecture
- Evaluation of project development processes against EMC and industry best practices

EMC Action Planning

- Identified gaps and prioritized key areas requiring remediation
- Developed a target state business and technical solution architecture
- Identified project development process improvements
- Provided focused recommendations for a plan of action
- Assisted with implementation of improved program management, business requirements, and quality assurance processes

Result

The EMC team's extensive experience in banking, customer data integration, and technology management allowed us to jumpstart the project. We did a rapid evaluation, created a target state architecture, developed an action plan, and implemented new program management, business requirements, and QA processes, which enabled the successful completion of the Basel II compliance project.



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Take the next step

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