Easing the Burden of Regulatory Reporting Demands

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Moving Beyond Regulatory Requirements

The cost and resource burden of regulatory reporting has soared in recent years, and financial firms seek ways to meet deepening data requirements more efficiently and accurately while strategically evolving data architecture to improve performance and drive growth. To address these issues, financial services organizations are rethinking regulatory reporting and compliance as a holistic process and seeking end-to-end automation and governance—from data capture and analysis to reporting, including final mile submission to regulators.
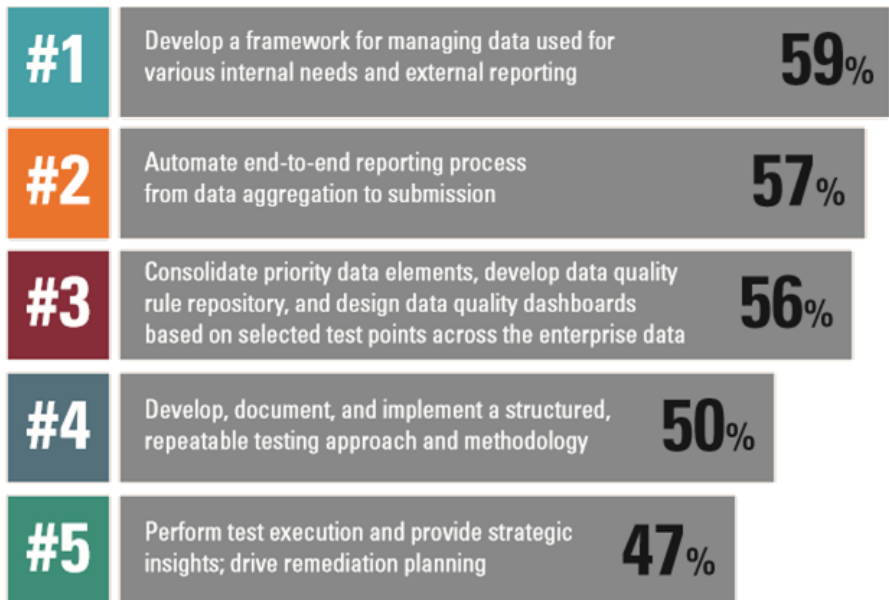
To help financial institutions address this changing environment Oracle Financial Services Analytical Applications (OFSAA) has partnered with Lombard Risk to create the Oracle Financial Services Regulatory Reporting Solution that automates reporting from data input for various jurisdictions including the US Federal Reserve, European Banking Authority, and the Reserve Bank of India, and empowers financial services organizations to manage and execute regulatory reporting in a single integrated environment.

Introduction

How can banks improve Regulatory Reporting?

In order to improve regulatory reporting capabilities, institutions say they first need to develop an integrated environment and framework for managing data, and then start to automate end-to-end reporting processes.

What are your top priorities for improving your regulatory reporting capabilities?

#1	Develop a framework for managing data used for various internal needs and external reporting	**59**%
#2	Automate end-to-end reporting process from data aggregation to submission	**57**%
#3	Consolidate priority data elements, develop data quality rule repository, and design data quality dashboards based on selected test points across the enterprise data	**56**%
#4	Develop, document, and implement a structured, repeatable testing approach and methodology	**50**%
#5	Perform test execution and provide strategic insights; drive remediation planning	**47**%

*Percentage of respondents who rated the priority a 4 or 5 on a scale of 1-5, where 1 was "not a priority" and 5 was a "critical priority"

Introduction

Automate reporting from data input through regulatory submission

Financial services organizations are wasting a lot of time and resources preparing regulatory reports. Without an automated system that is performing data quality checks and eliminating data silos, the bank cannot have confidence in what is being submitted and must therefore spend countless hours reviewing the regulatory reports. Banks must consider regulatory compliance as a holistic process and seek end-to-end automation throughout with an integrated environment that includes:

- Staging Area

- Processing Environment

- Results Production

- Governance Layer

> **>50%** of time is spent on preparing regulatory reports [1]

[1] "Setting the Pace of Change: Bank Regulatory Reporting Survey," Ernst & Young, 2015

Tackling the Data

As banks start to move away from the siloed approach for reporting to a more unified strategy, they will require a solution that leverages a data approach to address all regulatory reporting requirements, not just a handful of reports. Data quality and integrity are of utmost importance, especially when bringing together data from disparate systems; and data quality is no longer just a request of the regulators. CEOs and CFOs are demanding this in order to maximize their risk-weighted returns.

Oracle Financial Services Regulatory Reporting Solution works with the suite of OFSAA products to solve the data challenges throughout the entire lifecycle from staging all the way through to reporting. With the Oracle Financial Services Data Foundation the operational data is loaded from different systems, standardized, quality checked and transformed into an efficient, common format for reporting.

Data

Implementation Success

Embarking on a journey towards an adaptive and automated regulatory reporting framework [one that helps you focus on analytics rather than data] is transformational. The OFSAA Consulting team is best positioned to help you in the transformation through:

1. **Solution Architecture and Design:** Design a scalable and flexible integrated solution adaptive to support present and future compliance requirements

2. **Data Architecture and Sourcing Strategy:** Define and build the data architecture and sourcing strategy to ensure data accuracy, integrity and quality.

3. **Program Management:** Plan, manage,

govern, mitigate risks and help exploit the complete value of the solution through best practices and reusable assets aligned with the future road map of the product

4. **Training and Enablement:** Define the Knowledge/Enablement Strategy aimed at customer self-sufficiency and enabled through training and integrated knowledge transfer.

5. **Post-implementation Support:** Simplify the ongoing management of your Regulatory Reporting Solution through post-deployment services to help with solution maintenance and operations management.

Lombard Risk AgileREPORTER

The inclusion of the Lombard Risk AgileREPORTER in the Oracle Financial Services Regulatory Reporting Solution gives financial institutions the comfort to know their data and reporting is being handled by the best in the industry with a fully automated, scalable and configurable solution.

The Lombard Risk AgileREPORTER generates all the information outputs the business and regulators need. AgileREPORTER makes regulatory reporting information a valuable tool in your business rather than just another administrative headache and with full data lineage and transparency, the demands of all stakeholders are met.

Partnership

Leveraging Data Beyond Regulatory Reporting

Regulatory compliance is a big burden for banks, and is a big money spender for them as well; but the opportunity to turn this data and information collected into a business benefit is **huge**. It is imperative for financial institutions to make regulatory reporting information a valuable tool in the business rather than just another administrative headache. The OFSAA solution empowers financial services organizations to manage and execute regulatory reporting in a single integrated environment.

Oracle Financial Services Regulatory Reporting Solution collects and stores the necessary data for regulatory requirements, but banks can leverage this data to enable their managerial decisions as well. With the OFSAA suite of products in the background of the solution, the data is prepared and stored and holds a vast amount of information for the bank that can help drive success in other areas. It's time banks turn the complicated regulatory requirements around and view them as an opportunity to grow.

"To succeed in this environment, financial services institutions must tackle regulatory compliance as a complete process and seek an integrated risk and finance data foundation to enable end-to-end automation from data input to data governance to analysis and through regulatory submission. Oracle Financial Services Regulatory Reporting Solution is purpose-built to tackle this imperative."

Daniel Mayo, Chief Analyst, Financial Services Technology
Ovum

Growing challenges, evolving technology

The landscape has changed quickly and continues to evolve with no end in sight. Regulatory requirements have increased dramatically while management continues to add to the miles long list.

As challenges on both sides have grown, forward-looking organizations will see an upside to this new regulatory reality – an opportunity to leverage rapidly expanding data stores to drive new business insight. Oracle Financial Services Regulatory Reporting Solution empowers firms to confront each of these challenges head on and secure a course for profitable growth.

thank you

contact information

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