Oracle Financial Services Compliance Agent

Optimize performance of your transaction monitoring system and gather empirical evidence to support business decisions. Measure performance along dimensions that matter to discover new insights, opportunities and gaps

The rapidly evolving financial crime threat landscape and increasing expectations from regulators require financial institutions to continuously assess transaction monitoring system performance and robustness. Responding promptly to emerging threats and opportunities requires the ability to swiftly identify, evaluate, and implement modifications to the system. It's necessary to demonstrate to regulators and stakeholders that any changes made are subject to effective challenge and backed by substantial evidence.

Make better decisions with AI powered analytics and insights

Oracle Financial Services Compliance Agent is an AI-powered experimentation platform designed for financial institutions to address the challenges and limitations of evaluating and enhancing transaction monitoring systems.

The application works by deploying an AI money launderer which moves money through a simulated environment where a financial institution's products, customer segments and controls have been recreated.

Compliance Agent, a SaaS application, allows users to:

1) Run experiments at a very low cost to evaluate hypotheses for transaction monitoring system controls and products

2) Evaluate the transaction monitoring system against an AI money launderer to assess robustness

3) Quantify the performance of the system holistically and along specific dimensions using carefully designed metrics

Compliance Agent measures critical aspects of the Anti-Money Laundering (AML) process to help you prioritize investment decisions for your Compliance program. It can identify the scenarios that need to be optimized, as well as recommend thresholds to address identified opportunities or gaps.

Industry Challenges

- Dynamic landscape of evolving financial crimes, fraud, and cybercrimes

- High cost to optimize and maintain transaction monitoring systems

- Difficulty and higher costs involved in conducting experiments to assess multiple scenarios and hypotheses

- Incomplete or inaccurate data to identify and mitigate risks associated with high-risk customer profiles

- Inability to capture holistic system performance and interactions and overlaps between scenarios

Compliance Agent Unique Differentiators

- Conduct "What If" analysis to evaluate any combination of scenarios, thresholds, or controls without using historical data

- Uses metrics that capture the holistic performance of the system

- Capture TMS performance against high risk typologies

- Use an AI virtual money launder to reveal the transaction monitoring system's holistic strength

- Get recommendations on scenarios and thresholds to optimize the system

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Compliance Agent's recommendations are firmly grounded in empirical evidence, derived by analysis of the virtual money launderer's behaviour as funds were moved through the transaction monitoring system.

By running custom experiments, you can evaluate multiple alternatives before choosing an option – whether it is editing a specific threshold set or adding a new scenario. The ability to consider multiple options before converging to one specific choice allows for significantly better decisions.

Reduce costs and mitigate reputational risk

The application supports use cases to help reduce compliance costs and provide significant long-term benefits. Compliance Agent simplifies the process to complete risk assessments for new products (account types, transaction products) and develop new controls, significantly reducing the manual effort required. It can accurately quantify the incremental risk associated with a new product within the existing control framework. If this exceeds the stated risk tolerance, it indicates the user has to make changes to existing controls or introduce new controls to monitor the product.

Compliance Agent highlights potential gaps or overlaps in controls for products and provides recommendations to address them, so you can proactively address any risks or take actions to eliminate redundancies.

Compliance Agent provides advanced mechanisms to assess the effectiveness of controls against high-risk typologies, including human trafficking. This empowers the implementation of adequate safeguards and protection against potential reputational damage that may arise from exposure to these risks.

Compliance Agent can also provide estimates of alert volumes resulting from any changes to the transaction monitoring system without running expensive simulations on historical data.

Minimize compliance risks with empirical evidence

Most financial institutions consider AML scenarios and controls as Tier I models which are subject to the highest levels of scrutiny by model risk teams and regulators. Model risk teams are expected to provide effective challenge to model owners. Compliance Agent provides an objective basis for making comparisons between different threshold sets, scenarios and other controls.

Compliance Agent's powerful "What-if" analysis functionality easily evaluates and compares various threshold sets, controls, or scenarios, and selects the best choice. By evaluating the performance of any threshold setting against a virtual money launderer, it provides the empirical evidence needed to fulfil obligations to model risk teams and regulators. This objective evidence goes beyond relying on subjective explanations from subject-matter experts, providing a rigorous and reliable approach to making important decisions related to AML scenarios and controls.

Key Features

- Configurable, simulation environment for transaction monitoring systems
- Leverages AI to evaluate TMS scenarios, identify gaps and recommend fixes
- Flexible framework allows creation and modification of scenarios, thresholds, and controls
- Flexible and friendly user interface
- Easy set up with only limited data requirements
- No technical dependencies on Oracle tools or products

Key Benefits

- Quickly and inexpensively assess the impact of changes to a scenario without historical data
- Quantify holistic performance of the transaction monitoring system
- Identify low performing scenarios, vulnerable accounts, or channels
- Get recommendations on thresholds, scenarios to address gaps and improve system performance
- Use empirical evidence to substantiate the choice of specific thresholds or decisions with model risk teams and regulators
- Identify overlaps and redundancies in controls

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About Oracle Financial Crime and Compliance Management

Oracle Financial Services Financial Crime and Compliance Management (FCCM) is a comprehensive solution suite designed to address the most demanding compliance needs of financial institutions. It covers transaction monitoring (AML, Fraud), Know Your Customer, Sanctions, Transaction Filtering and Customer Screening, Enterprise Case Management and Regulatory Reporting across different jurisdictions. These offerings incorporate advanced technologies – some of which have come directly from Oracle Labs, including machine learning, graph analytics, natural language processes and more. Oracle continues to expand the use of these technologies across applications to enhance multi-dimensional risk scoring, money laundering detection, and investigations with a pragmatic lens of enterprise adoption and scale.

With over 25 years of experience in providing crime and compliance management technology solutions to over 180 global banks, Oracle FCCM enables financial institutions to effectively eliminate financial crime while still ensuring operational efficiency.

Why Oracle?

- 25+ years of fighting financial crime; working with180+ global FIs
- Category Leader for AML in Chartis RiskTech100® 2024, 2023, 2022, 2021, 2020
- Category Leader in Chartis' Entity Management & Analytics Solutions, 2022
- Technology Leader for AML in Quadrant SPARK™ Matrix 2022, 2021
- Comprehensive Analytics toolkit to rapidly discover and model emerging risks and financial crime patterns
- Faster, Smarter and proactive approach to AML Compliance

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