



Insights Article

Case management: Doing more with less

Introduction

The cost of financial crime operations has steadily climbed due to two main factors: increased volume of alerts and the way operational units are managed. Financial crime analysts and investigators are facing increasing pressure each day as the volume of suspicious activity alerts from a multitude of systems requires their review. Unfortunately, the workload is increasing at a rate that is much faster than staffing levels required to complete the work. First, work items that require review are directly correlated to the increase in transactional volume and new products. Second, most organizations have many operational units and systems, resulting in disparate processes and levels of access to available data. This creates redundancies and inefficiencies that impact overall costs.

Becoming actively aware of these factors presents an opportunity for senior leaders to drive cost transformation by focusing on “doing more with less” while creating more operational efficiency by tackling redundancies to achieve a singular, common holistic view of financial crime risk.

Breaking down financial crime silos

Financial crime-fighting units are generally siloed between different types of risk domains that include fighting fraud, combating money laundering and surveilling for market manipulation. These units are commonly separated to be closer to specific lines of business, their financial products and product channels. Over time, this has created siloed processes with teams accessing a range of data sources, managing investigations and reporting metrics in disparate ways, and filing regulatory reports differently. Overall, the industry has started to recognize that it can address the overlap and the redundancy of processes and systems, as well as build a better machine while reducing or containing costs.

There are three main themes to leverage a central case manager for driving operational excellence and transforming the growing cost equation:

- **Connecting the organization:** Connect people and systems and standardize workflows to achieve a single common view of risk.
- **Empowering people:** Make faster decisions with entity-centric investigations and automation for low value and repetitive tasks.
- **Optimizing teams:** Measure and monitor the operations of each risk domain to fine-tune operations for ensuring quality and consistent results.

Anti-money laundering (AML) and sanctions programs at financial services organizations typically have multiple onboarding and customer due diligence units each with their own systems. These systems tend to reside close to the front-line business, whereas it is more typical to find transaction monitoring systems in the backend at the more corporate-wide level. Though each organization is unique in design, there is no right or wrong here. Due to these setups, it is typical for these operational units to have differing access to customer information, customer history, beneficial ownership information, adverse media and history of suspicious activity report filings, to name a few. This presents an opportunity to strengthen operational excellence.

Connecting the organization is imperative to achieving a common view of financial crime risk. AML teams need to be aware of the customers, accounts and counterparties under investigation, and have access to the information when evaluating news risks. Access to the same information provides transparency, creates optimal collaboration between groups and helps teams make decisions faster.

With a singular case manager, organizations can use existing systems already in place to provide more value. This approach focuses on maximizing the existing systems that were chosen for a specific reason; however, they are generally self-contained with basic functionality. Centralizing their output into one case manager allows the cost of maintaining different generalized case managers to be rationalized into one dedicated for financial crime with an upstream cost reduction—technology maintenance, workflow standardization, simpler cross-training and increased collaboration.

An open architecture, documented application programming interface library, development plug-ins and robotic process automation are just a few of the technologies needed to integrate with other upstream and downstream systems. Each integration technology has its pros and cons, but these options should always be available.

Empowering people is about helping analysts be more effective and efficient at their jobs. Many operational units struggle to retain their analysts. Should that be a surprise? They signed up to fight financial crime and find themselves performing mundane tasks or waiting for information. Case management systems have a variety of tools to help increase the throughput of these operations. Connecting systems and data first helps make a single view of risk a reality. This means analysts can perform entity-centric investigations, where they can review a full picture of customer activity, their interactions, transactional history, and past or current alerts from other units so that their view is not myopic. It is said that the human brain can process visual information 60,000 times faster than textual information. A strong case management system can create a visual story with this wealth of information.

Case management providers should also deliver a variety of tools to automate workflow. Some examples of best practices include the following:

- Identifying bottlenecks
- Work allocation strategies that consider timing, staff skillsets and language
- Gathering information from other internal systems and third-party data sources
- Ensuring steps and approvals are followed
- Providing downstream feedback to other systems such as front-line detection systems, a customer relationship management system or a disputes system

Optimizing teams should be a continuous goal, not just a one-time project. Good governance measures and monitors the effectiveness of teams and continuous improvement should be built into that culture. Case management systems today should provide quality assurance (QA) tools that perform a check and balance between analysts and QA teams. They should also provide modern reporting tools that include visual analytics built on top of the richness of risk data. If one operates in an environment that deals with a lag in current metrics, or a burdensome change control process to review data in an agile way, it could be beneficial to look at the case management system as a potential solution.

Today, risk and compliance programs may be considered cost centers by organizations that have them, but they are an absolute necessity to defend the organization from the criminal networks that seek to use the global financial system to steal, hide and move their illicitly gotten funds. The pressure to do more with less will always be present, but cost transformation projects are not easy and can require many different operational units to work together to succeed. A good place to start is by looking at the tools and activities where the largest operational staff resides—it is likely that the case manager is the common denominator that ties everything together.



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NICE Actimize is the largest and broadest provider of financial crime, risk and compliance solutions for regional and global financial institutions, as well as government regulators. Consistently ranked as number one in the space, NICE Actimize experts apply innovative technology to protect institutions and safeguard consumers and investors assets by identifying financial crime, preventing fraud and providing regulatory compliance.

The company provides real-time, cross-channel fraud prevention, anti-money laundering detection, and trading surveillance solutions that address such concerns as payment fraud, cybercrime, sanctions monitoring, market abuse, customer due diligence and insider trading.

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