



Transforming Surveillance

with Centralized Case
Management

eBook

Collaboration leads to better risk detection

Historically, financial crime teams have worked in silos. When your analysts don't have access to all the same information, investigations are often slow and tedious. Decisions don't arrive quickly, and true positive alerts may be missed.

When you add in the prevalence of remote work in today's world, the risk only grows. With the increase in distributed workers who handle non-public information with access to client data, plus the higher use of unauthorized communication devices or channels, it's more important than ever to monitor regulated employees' communications.

Conduct Starts at the Top

To set the tone of a culture of compliance, the actions must come from the top. While misconduct can be difficult to spot, and firms are still struggling with measuring conduct, firms will be held liable for things that go wrong on their watch, unless they can show they led by example and had appropriate monitoring tools and procedures in place.

The onus is on the regulated firm to prove that its conduct or the conduct of its employees protects its customers, and the integrity of the markets.

It's not enough to simply have written procedures.

41% of firms ranked global roll out of conduct risk controls as a high priority.¹

20% of firms said surveillance will cover all employees by 2023.²

82% of firms said conduct risk is now given the same priority as financial risk inside businesses.¹

“Regulators have made clear their intentions to target misconduct and score firms on culture.”

— 1LoD Survey, 2020

Fragmented investigations mean a disjointed view of risk

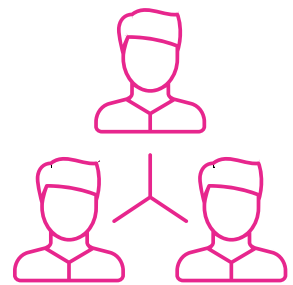
When it comes to investigations, the disconnect exists across trading desks and asset classes, financial crime silos such as AML and market surveillance, and individual business lines. This means redundant investigation platforms, more alert volumes, inconsistent processes and uninformed decision making.

Organizations need solutions that can connect different data sets to increase efficiency and fight financial crime. This means:



Complete Information

Centralize financial crime data on a single platform to quickly access intelligence and available evidence from other risk units.



Cross-Unit Collaboration

Allows analysts to easily connect with each other to review history of suspicious activity and identify schemes across business lines.



Consistency

With standard policies, procedures and information sources, as well as centralized reporting, teams are more efficient and improve the quality of regulatory filings.

A Market Abuse Story

Information sharing helps a regional bank spot insider trading faster

In a recent client example, a trader was informed by their customer that they wanted to go all in on a specific stock. It just happened to be days before a major public announcement.

In this scenario, the bank investigator reviewed details of the account and confirmed that the trader executed the trade prior to the announcement.

However, this doesn't necessarily show insider trading.

But when the team collaborated with the AML investigators, they were able to see the account history and owner information.

The account owner had previously been flagged as a high risk customer. Due to this information, the investigator could see that the client was likely privy to insider information.

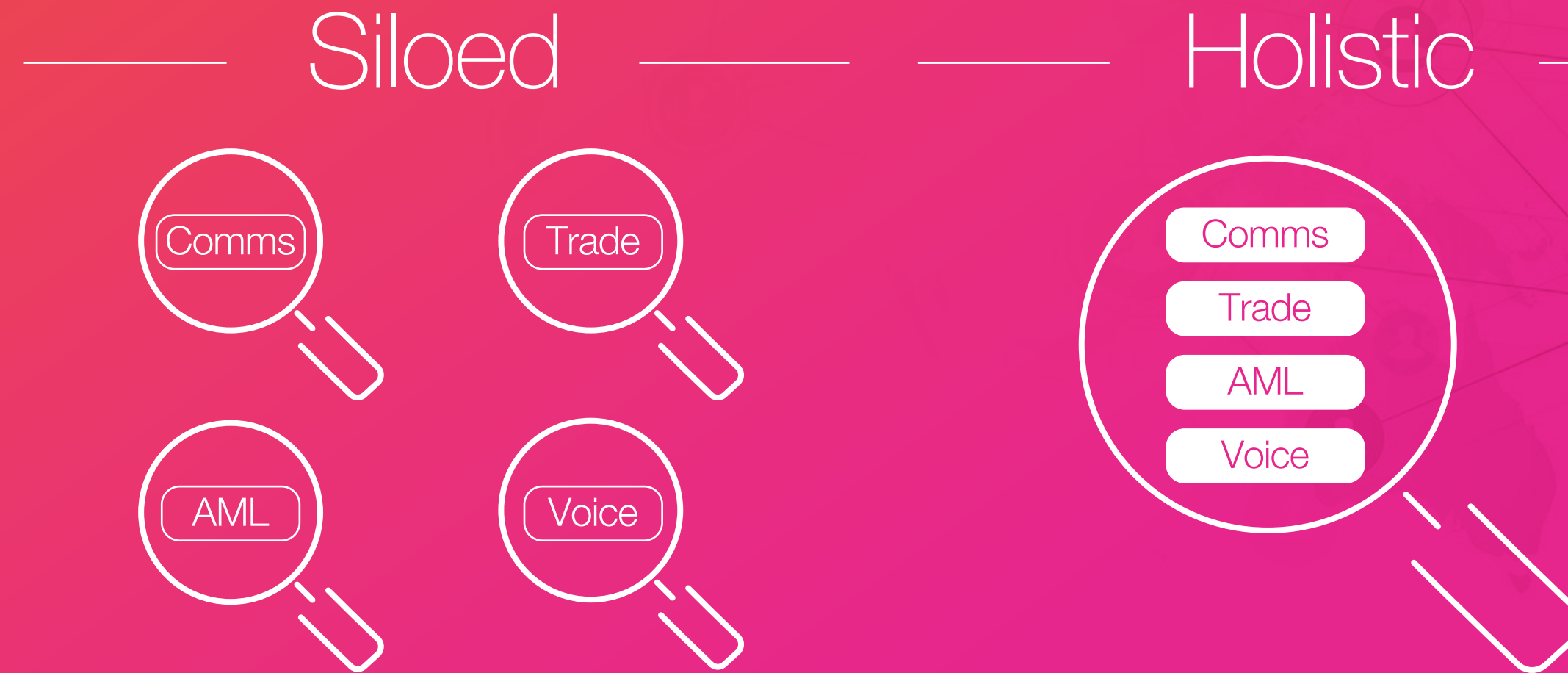
In this scenario, the surveillance investigator escalated this to their manager and they could inform the appropriate regulator of the suspicious activity.

This then triggered a new AML alert for the CDD team to investigate as well. They can then update this client to a higher risk rating, and overall reconsider their relationship.

Because of the collaboration between surveillance and AML, this connected team was able to make fast, informed decisions with a high level of confidence that illegal activity had taken place.

Connecting the dots to transform surveillance

While organizations are all at different places in their program journey, the destination should be holistic:



With advanced machine learning, AI and natural language processing, firms can drive risk-based detection as well as detect the ‘intent’ of actions.

By focusing on breaking down traditional data siloes and identifying risks using communications, trades, and financial transaction data, a holistic surveillance solution can lower the total cost of ownership and improve detection for faster investigations.

56% of firms surveyed plan to increase the amount of collaboration between AML and trade surveillance functions in the next 12 months.

A true holistic solution

NICE Actimize's SURVEIL-X offers a holistic conduct surveillance platform that analyzes and correlates all trade and behavior-related data.

Get Started



¹ 1LoD Market Survey

² NICE Actimize survey, July 2020

About NICE Actimize

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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