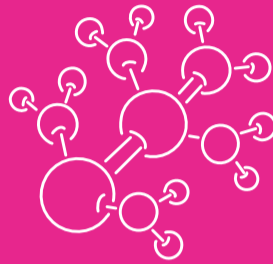# NICE

5
Next Generation Compliance Recording Must-Haves

NICE Communication Compliance Solutions

> " We can help simplify compliance management in this increasingly complex world "

NICE Communication Compliance Solutions

Introduction

If you manage compliance for a financial or energy services firm, you know the world around you is changing at a dizzying pace. Firms have shifted to remote work environments. And most say their regulated employees will continue to work from home even after the pandemic.

In this virtual environment, regulated employees are adopting new ways of communicating, ranging from mobile phones and applications (like WhatsApp and WeChat) to unified communications platforms (like Microsoft Teams, Cisco Jabber and Symphony) that enable voice, video, chat, document sharing and on-line collaboration.

At the same time, global regulations are accelerating and putting even more pressure on firms to ensure that all regulated employee communications (regardless of communication platform or modality) are recorded and retained. What's more, firms must also provide proof of their compliance. All of this is compounded by the inherent challenges of managing compliance across dozens or even hundreds of global locations.

Learn how NTR-X can help simplify compliance management in this increasingly complex world

Trying to cope with these complexities using legacy communication recording technology can cause compliance gaps, drive up compliance and technology costs, and put your firm at risk for fines and reputational damage.

Are you ready for a change?

In this document, you'll learn how NTR-X can help simplify compliance management in this increasingly complex world. We'll also share 5 must-haves to consider for your next compliance recording solution.

Welcome to the Future of Compliance Recording: NTR-X

As everything around you is becoming more complex, NICE has created a solution to simplify compliance: NTR-X. NTR-X is the world's first and only fully-integrated, cloud-ready next-generation omnichannel compliance recording and assurance solution.

Looking for a solution to overcome your communication compliance challenges? Don't overlook the five must-haves in this document.

Content

#1

Omnichannel Recording: Many Communication Platforms and Modalities, One Solution

Must-Have #1

Omnichannel Recording: Many Communication Platforms and Modalities, One Solution

Is your firm relying on different point solutions to capture and record different communication modalities, or simply not able to record them at all? NTR-X offers a single solution for omnichannel recording that's scalable, adaptable, remote-work ready and cost-effective.

The Old Way: Multiple Solutions and Coverage Gaps	The NTR-X Way: Many Communication Platforms and Modalities, One Solution
1. Fragmented solutions, limited integrations = greater recording gaps and risk	1. Omnichannel compliance recording purpose-built for financial services, proven integrations = no coverage gaps
2. Not readily adaptable for remote workforces and alternative communication modalities	2. Readily adaptable and remote work-ready
3. Higher server footprint = higher costs	3. Reduces hardware and TCO by up to 65%

Table 1.1
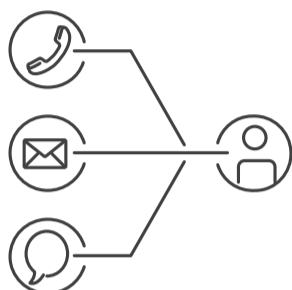
NTR-X: Many Communication Modalities, ONE Solution

The same technological innovations that have altered the way we communicate in our daily lives have now found their way into the workplace. The pandemic (which is accelerating remote work) is fueling this trend too. Consider that in just a few short months during the start of the COVID-19 pandemic, corporations experienced significant increases in their usage of collaboration technologies, such as a 400% increase in unified communication usage, and a 40% increase in mobile application usage for apps such as WhatsApp.

These overall trends are spilling over into financial services for regulated employees as well. No longer tied to offices and turrets, regulated workers are adopting once-forbidden mobile phones and embracing unified communications.

NTR-X offers a single solution for omnichannel recording that's scalable, adaptable, remote-work ready and cost-effective

Corporate usage of unified communications solutions like Microsoft Teams has grown impressively. For example, during the four-day period from March 12 to March 16, 2020, daily minutes of Microsoft Teams usage grew from 560 million to 900 million, and by the end of March 2020 it had exploded to 2.7 billion minutes spent in Teams meetings each day. By July 2020, that number nearly doubled again to 5 billion daily minutes.

The point is – the tools we're using to communicate in our professional lives have changed, and this is true for regulated users in financial services as well.

But herein lies the complication. In financial services, Dodd Frank, MiFID II, MAR and other regulations require all trade-related communications to be recorded, across all modalities (PBXs, turrets, mobile phones, video, chat, email, unified communication platforms, and so on).

The problem is - most legacy recording systems weren't purpose-built to do this. Nor were they created to support all new and future communication modalities.

Legacy Recording Solutions Not Built for Omnichannel Recording

Today, if you needed to record different communication modalities you'd likely need separate capture solutions for each one. In addition to greatly expanding your firm's server footprint, this would add substantial costs and operational complexities. Additionally, many legacy recording solutions don't support integrations to newer, atypical communications platforms and this can cause compliance gaps, which in turn exposes firms to reputational risk and fines.

NTR-X is Different

NTR-X is, in a word, revolutionary. It's purpose built to address all of these compliance challenges. Readily adaptable and remote-work ready, NTR-X is the only omnichannel recording system capable of capturing and assuring all types of regulated employee communications in a single platform.

Be confident you are complying with all global regulations around record keeping, retention and trade reconstruction, related to regulated user communications

Furthermore, NTR-X's market-proven integrations to leading turrets, mobile phone providers, mobile applications (WhatsApp, WeChat) and unified communications platforms (e.g. Microsoft Teams and Cisco WebEx Teams) ensure seamless recording, archiving, and retention of regulated employee communications (across voice, video, chat, screen sharing, document sharing and more), irrespective of where employees are working or the devices/modalities they're using to communicate.

As a result, with NTR-X, firms can be confident they're complying with all global regulations around record keeping, retention and trade reconstruction, related to regulated user communications, even as those communication modalities continue to evolve.

Finally, NTR-X's omnichannel recording design ensures no recording resources are wasted. With the flexibility to capture multiple communications modalities in a single recording platform, NTR-X can also reduce server footprint and associated costs by up to 65 percent. Firms also get instant, cost-efficient scalability, with the ability to add new communication modalities as they come into use.

#2

Centralized, Global
Management:
Single, Centralized Solution
for Managing Your Entire
Global Recording Estate

Must-Have #2

Centralized, Global Management:
Single, Centralized Solution for Managing Your Entire Global Recording Estate

As financial services firms expand their global footprints, they're looking for compliance solutions that can be deployed anywhere and everywhere but also be managed from one central location. The problem is – most recording and compliance solutions are designed to be deployed and managed locally. This can be cost prohibitive because you need local IT resources with the know-how to maintain and manage these applications.

NTR-X: Global Approach Reduces Regulatory Risk and Keeps Costs in Check

The only solution to offer true centralized global control and oversight for all regions and lines of business

As the only communication recording and compliance assurance solution to offer true centralized global control and oversight for all regions and lines of business, NTR-X reduces regulatory risk and keeps costs in check.

Legacy recording solutions can be prohibitively expensive to maintain because you need local IT resources with the know-how to manage the applications. Additionally, in financial services environments where recording is mandated by regulations, maintenance and upgrades typically need to be handled outside of normal working hours, when systems can be shut down.

| The Old Way: Decentralized Approach Adds Costs, Risks	The NTR-X Way: Single, Centralized Solution for Managing Entire Global Recording Estate
1. Decentralized approach to managing compliance recording	1. Centrally oversee compliance recording for all regions and lines of business from one location
2. Maintenance and upgrades need to be handled locally – more complex, costly and prone to downtime	2. Maintenance and upgrades can be deployed globally from a central location while system is live, maximizing uptime
3. Relies on local IT resources and know-how	3. Minimizes need for local IT resources - significantly reduces TCO
4. User provisioning is manual and managed regionally/locally	4. Centralized, streamlined user provisioning
5. Retention handled regionally/locally increasingly regulatory risk	5. Easily configured to support regional regulations and retention requirements
6. No central view of compliance risk across the organization	6. Central vantagepoint for understanding compliance risk, including system downtime

Table 2.1
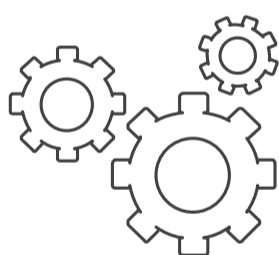
Maintenance and Upgrades

With NTR-X, through a centralized deployment tool, and with the click of a button, an IT professional at your central office location can deploy an upgrade or security patch to recorder resources across all of your global locations, eliminating the need for costly local IT resources. For most security updates this can also be done while the NTR-X system is on-line and operational, providing upgrade flexibility and more importantly, reducing system downtime.
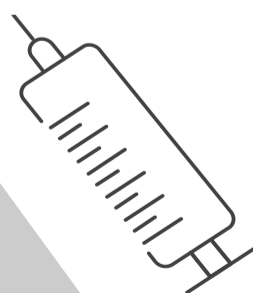
System Health Checks

NTR-X also self-monitors the health of all connected recorders across your global enterprise, providing a centralized, real-time touchpoint to manage compliance risk. If any recorder unexpectedly goes down, the IT administrator with centralized oversight is automatically alerted through the NTR-X dashboard, so issues can be quickly investigated and resolved.

User Provisioning

If your firm has deployed recording systems in far-flung locations across multiple countries, you know that user provisioning can be a big headache too. Remote administrators need to log on to each recorder separately to manually perform moves, adds and changes – which can be extremely time consuming and prone to error. To address this challenge, NTR-X offers a centralized user administration capability with the ability to make moves, adds or changes for all global users and all connected recording systems, from one centralized location. An expanded API also enables NTR-X to automatically synchronize with your golden-source systems for up-to-date information, eliminating errors typically associated with manual data entry.

Configurable Retention

NTR-X's global centralized management also makes it easier for firms to comply with increasingly complex retention requirements dictated by various regional regulations. A centralized web-based portal allows an IT administrator to configure retention periods for different trading desks, lines of business, and regulated user groups (to align with specific global and/or regional regulations).

NTR-X reduces compliance risk and complexity by providing one portal

The bottom line is that NTR-X reduces compliance risk and complexity by providing a single portal for centrally managing many compliance assurance and recording functions for your entire global enterprise. This includes searching and replaying recordings (across all locations, modalities and regulated users); implementing adds, moves or changes; configuring retention periods for asset classes, lines of business, and regulated user groups (based on specific global and/or regional regulations for records retention); and setting up rules for legal holds (up to 6 million holds per day).

#3

Built-in Assurance:
Integrated Compliance
Assurance and Capture in a
Single Platform

Must-Have #3

Built-in Assurance: Integrated Compliance Assurance and Capture in a Single Platform

Financial services firms are drowning under the weight of expanding regulations that require them to record more conversations, for more users, across more modalities, and adhere to strict timetables for responding to regulator requests, while also providing proof of compliance. Relying on manual processes and home-grown solutions to navigate this maze of compliance challenges can introduce risk and drive up compliance costs. By providing built-in compliance assurance and capture in a single platform, NTR-X addresses these challenges.

| The Old Way: Disjointed Systems, Manual, Inefficient Processes	The NTR-X Way: Integrated Compliance Assurance and Capture in a Single Platform
1. Relies on separate solutions for recording and compliance assurance	1. All-in-one solution for recording and compliance assurance
2. Relies on manual, unwieldy processes which add cost, time delays and risk	2. Automates compliance assurance processes around recording checks, reporting, provisioning, bulk call extraction, transcription and more

Table 3.1

NTR-X: Compliance Assurance Powered by Automation

The first and only all-in-one communication recording and compliance assurance solution for complete life-cycle management of data, NTR-X reduces compliance risk and saves time by automating processes around compliance assurance and reporting, and responding to regulatory requests. Additionally, with NTR-X you can prove and ensure that all trade conversations are being captured and retained as required by global regulations.

NTR-X's built in compliance assurance capabilities can help your firm reduce compliance risk, save time and improve responsiveness to regulators by automating the complete life cycle management of data. For example, NTR-X automates many previously manual processes, including:
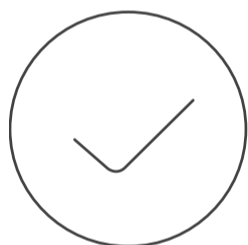
• Recording Checks

Today, most firms rely on random, manual recording checks to ensure that calls are being recorded. For example, recording verification typically involves 'walking the floor' to verify that all endpoints are connected and recording. This practice can become even more complex with remote workforces and the need to utilize different recording systems to capture various communication modalities. Worse still, by the time a problem is detected, either during a random check or routine audit, the damage is already done, and the ramifications are often far worse.

With NTR-X, this process is managed through automated system health checks. With the addition of real-time recording reconciliation, NTR-X even checks for missing or partially recorded calls. If discrepancies are found, stakeholders are automatically notified so they can immediately troubleshoot and remedy underlying issues, and proactively notify regulators.

NTR-X's built in compliance assurance capabilities can help your firm reduce compliance risk, save time and improve responsiveness to regulators
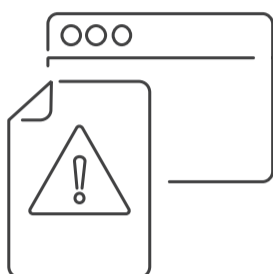
• Compliance Assurance Reporting

NTR-X goes beyond omnichannel recording to provide irrefutable evidence of compliance, a key requirement of MiFID II. With NTR-X's auto-generated reports, firms can confidently audit and document communications recording compliance and provide evidence to regulators that all regulated user communications are being properly recorded, archived and retained as required by global regulations.

Recording Reconciliation Reports

Firms can also automatically generate reports highlighting any discrepancies, and Outage Compliance Reports to document any calls that were not recorded during outages. Compliance managers get an organization-wide view of compliance risk which enables them to proactively verify recorder uptime and identify unrecorded calls. All information is available through a browser-based dashboard, giving compliance managers complete insight across the global enterprise.
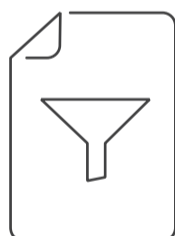
• Bulk Call Extraction, Transcription-as-a-Service

Rapid response to investigative requests (in some cases within 72 hours) is mandated by a host of regulations and standards, including MiFID II, MAR, FX Code of Conduct and Dodd-Frank. Complex regulatory investigations can be a long, tedious process, requiring compliance analysts to jump through hoops to find and extract large volumes of calls. Then there are additional costs and delays when recordings need to be sent to an outside company for transcription.

Trade Communications Transcription

NTR-X's e-Discovery capabilities automate costly and time-consuming manual processes around retrieving, downloading and transcribing trade communications. NTR-X enables bulk download of up to 1.4 million calls per day (from any recorder on the system) to support faster turnaround times for investigations. And with the addition of NTR-X's extremely accurate cloud-based transcription service (available in 44 languages) there's no waiting to send audio recordings out to an external company for manual transcription or waiting days to get transcriptions back.
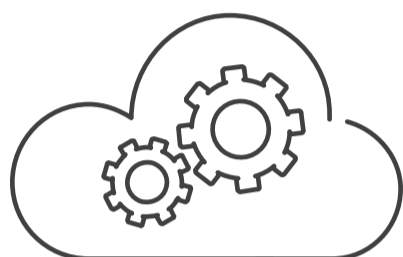
Your firm will benefit from lower costs, highly accurate results and faster investigation turnaround times.

#4
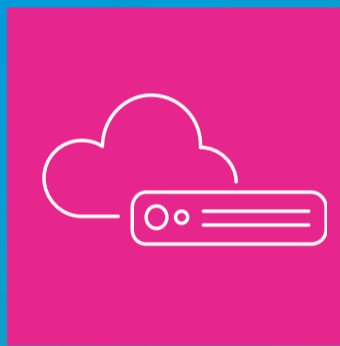
Cloud Enabled:
Cloud-ready, Migrate at Your Own Pace

Must-Have #4

Cloud Enabled: Cloud-ready, Migrate at Your Own Pace

As compliance costs grow and regulated organizations cope with the added complexities of remote work and new communication modalities, financial services firms are turning to the Cloud in growing numbers to power their digital transformation.

With NTR-X you get the benefits of a cloud-ready, modular microservices architecture and the ability to migrate to the Cloud at your own pace.

The Old Way: Expensive, Inflexible On-premise Deployment	The NTR-X Way: Cloud-ready, Modular Microservice Architecture
1. Inflexible on-premise deployments requiring hardware, software, and maintenance	1. Scale recording and compliance assurance quickly, cost effectively and efficiently
2. Limited scalability and business continuity	2. Greater choice of deployment options, business continuity, migrate at your own pace
3. Capital expense budgeting required	3. Predictable budgeting

Table 4.1

NTR-X – Cloud-ready, Modular Microservice Architecture

NTR-X is built on a modern, cloud-ready, microservice architecture design that provides an enterprise-grade, secure and proven foundation for multinational firms to scale their recording and compliance assurance capabilities quickly, cost effectively, and efficiently.

- **On-Premise**
- **Hybrid Cloud**
- **Customer Cloud**
- **Public Cloud (Saas)**

Firms can deploy NTR-X in any configuration – as an on-premise, a hybrid Cloud, customer Cloud, or a public Cloud (Saas) solution for added versatility and lower TCO. With NTR-X, firms have the flexibility to migrate to the Cloud at their own pace, as their unique needs dictate. NTR-X leverages the Microsoft Azure Cloud, which has successfully served enterprise customers for over three decades and is trusted by more than 95 percent of Fortune 500 companies.

The combination of NTR-X and the Microsoft Azure Cloud provides financial services firms with a comprehensive, scalable, secure solution for capturing, storing and safeguarding regulated employee communications essential for regulatory compliance.
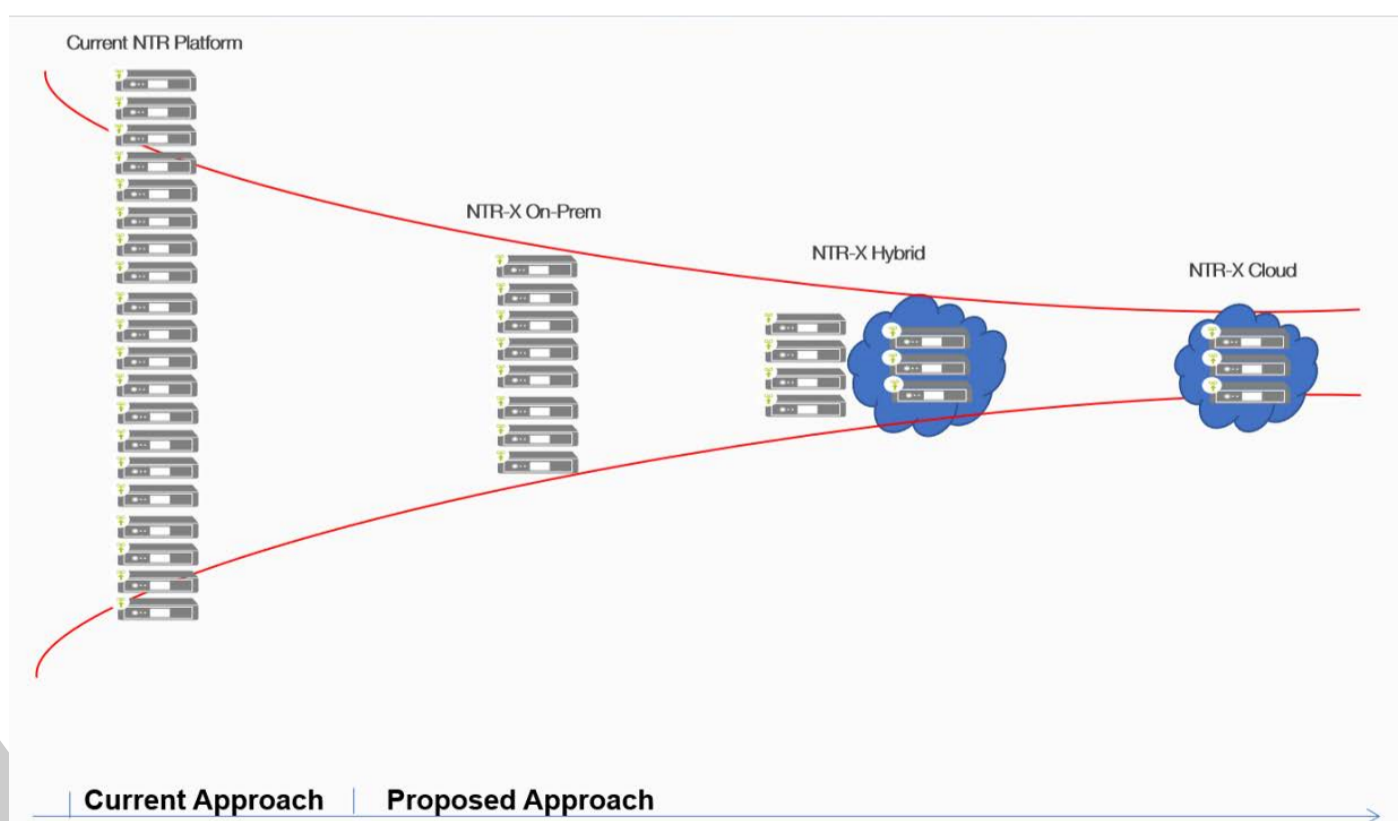
Secure

As importantly, NICE's cloud expertise takes the worry out of cloud compliance recording. Our cloud platform is fully managed by our ISO27001 certified SOC II NICE Cloud Team. And with 12-plus years of cloud experience, over 3,000 cloud customers deployed, more than one million cloud users, and in excess of 20 billion interactions recorded in the Cloud annually, NICE's impressive operational track record speaks for itself.
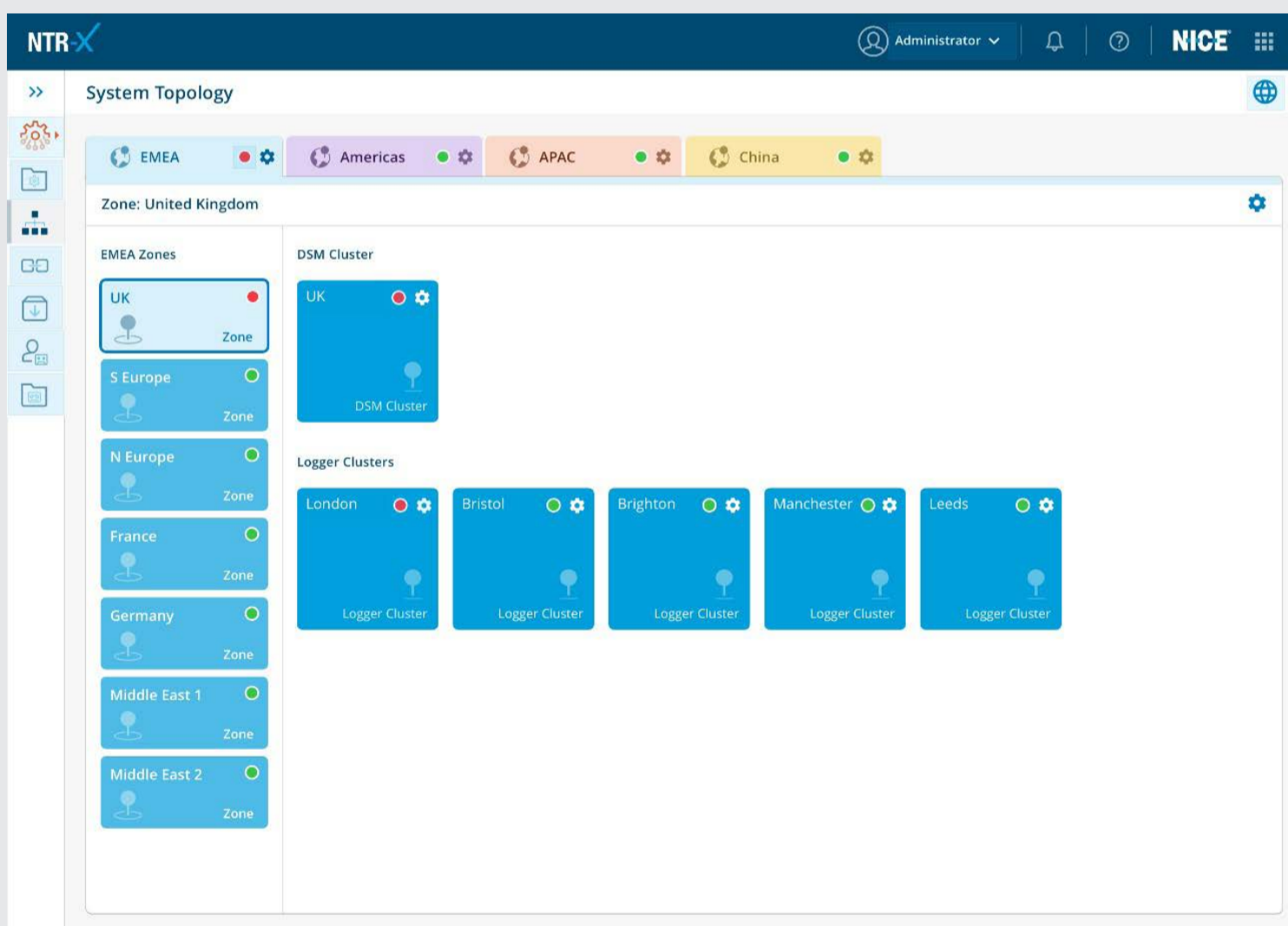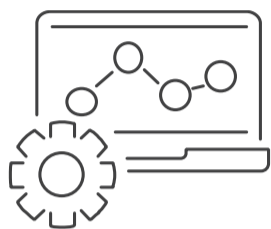

NTR-X Screen: Global System Topology overview

#5
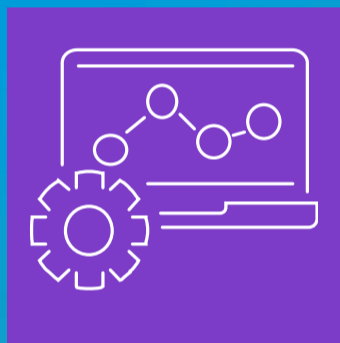
Modern Architecture:
Flexible and Open

Must-Have #5

Modern Architecture: Flexible and Open

NTR-X's open APIs and modern database approach let you take control of your destiny and data.

The Old Way: Closed Systems, Limited Value-add	The NTR-X Way: Flexible and Open
1. Monolith application with no external access points	1. Flexible data storage – Bring your own storage device
2. Closed systems with private APIs limits ways to leverage data for added value	2. Open APIs add value by connecting to upstream and downstream applications

Table 5.1.

NTR-X: Flexible and Open

Open Data Storage

Data storage can be expensive, but with NTR-X you don't need to double up. Instead of using a dedicated, mandated storage device, now you can leverage the excess storage you already have to store your firm's captured interactions and metadata, secure that data with your own encryption keys, and manage it more efficiently.

As the gatekeeper of your own data, you can also use NTR-X's open APIs to make that data accessible to others in your organization who can extract intelligence from it.

Open APIs NTR-X's open APIs also provide the flexibility for NTR-X to connect to other upstream applications (for example, new communications platforms) or downstream applications (e.g., analytics platforms or external case management solutions). This means you can provide instant access to billions of communication records which can be leveraged by your organization for real-time alerting and business intelligence.

NTR-X Screens: System Health overview & Downloads

CASE STUDY

NTR-X Enables Significant Cost Savings for large European Financial Services Firm

Challenges

A large European financial services firm was looking to upgrade its existing NTR (NICE Trading Recording) solution to a next-generation solution that would facilitate recording of new communication modalities and provide a pathway for future cloud migration, while enabling cost reductions and better global control over its entire 20,000 user estate.

Solution

The firm upgraded from NTR to NTR-X, NICE's next-generation, cloud-based omnichannel recording solution.

Results

Through a simple upgrade process, the firm was able to achieve the following benefits and results:

- NTR-X's omnichannel recording and NICE's tried and proven integrations now enable the firm to record all regulated user communications, including Microsoft Teams, in a single platform
- Significantly cut operational TCO by reducing recording footprint by 85% and automating manual tasks
- Global approach has simplified compliance management and reduced regulator risk
- Reduced recording budget by $10+ million annually
- Planning to leverage other communication platforms, including Symphony, through future certified integrations

NICE ®

About NICE

NICE (NASDAQ: NICE) is the worldwide leader of soft¬ware solutions that deliver strategic insights by capturing and analyzing mass quantities of structured and unstructured data in real time from multiple sources, including, phone calls, mobile apps, emails, chat, social media, and video. NICE solutions enable organizations to take the Next-Best-Action to improve customer experience and business results, ensure compliance, fight financial crime, and safeguard people and assets. NICE solutions are used by over 25,000 organizations in more than 150 countries, including over 80 of the Fortune 100 companies.
www.nice.com

NICE Communication Compliance Solutions

The NICE Compliance Solutions are serving more than 90 percent of the largest financial services organization globally. Used by most of the world's leading banks and investment firms, among various others, NICE can record communications from turrets, desk phones, mobile phones, and Unified Communications platforms, including Microsoft Teams, Symphony and Cisco Jabber.™ As the industry's only 'all-in-one' recording and assurance platform, firms can leverage their existing recording platform and certified integrations to ensure optimal cost reduction benefits without introducing new risk.
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NTR-X

The Next Generation Communication Recording and Compliance Assurance
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