VERITAS™

The truth in information.

How a major bank reduced risk and enabled intelligent compliance.

OVERVIEW

Leveraging the Full Power of Veritas Enterprise Vault Compliance Accelerator Produces Big Wins

Financial services firms face a wide range of regulatory requirements. Compliance requires banks to institute appropriate policies and then to ensure that employees adhere to those policies. One large multinational bank leveraged Veritas Enterprise Vault™ Compliance Accelerator to streamline the process of reviewing employee communications for compliance violations. Its initial implementation of the solution created review sets so large that compliance reviewers around the world struggled to keep up. The firm centralized communication review processes and worked with Veritas to improve efficiency. As a result of these efforts, four bank employees now find 300 percent more risky communications than 60 found previously.

BANK COMPLIANCE REQUIRES PROCESS EFFICIENCY

Businesses today face a perpetually tightening regulatory environment. No company is free from compliance concerns, but few face the level of scrutiny imposed on large financial institutions. Banks regularly transmit highly sensitive data that requires careful protection. They are under fiduciary duty to clients, whose interests they must transparently represent. They are also responsible for making sure transactions comply with anti-money laundering (AML) and Know Your Customer (KYC) rules designed to prevent financial crimes.

In each of these areas, banks must not only establish policies for compliance, but also ensure that employees adhere to those policies. In many cases, they are responsible for reporting compliance issues to regulators, as well.

ORGANIZATION PROFILE
Industry: Financial Services
Employees: 80,000+

KEY CHALLENGES
A large multinational bank needed to streamline compliance reviews of employees' electronic communications because staff were struggling to keep up with the high review-set volume.

SOLUTION
The compliance team worked closely with Veritas to improve their use of Enterprise Vault™ Compliance Accelerator, finding more selective hot words and better leveraging advanced features such as Intelligent Review.

BENEFITS

- Over 80% reduction in volume of messages flagged, from a weekly average of 80,000–100,000 to 10,000–15,000

- Nightly compliance searches complete by 2 a.m., vs. 8 a.m. previously

- 56 of 60 compliance-review staff members redirected to more value-added activities

- 300% increase in number of risky messages identified

- Ability to identify compliance issues firmwide, initiate employee re-education where needed

These are the challenges facing a large multinational financial institution. The bank has more than 15 million customers and tens of thousands of employees worldwide. To ensure compliance with myriad regulations around the world, the firm must efficiently monitor employee communications and identify potential regulatory violations. Eight years ago, the bank deployed Veritas Enterprise Vault Compliance Accelerator for that purpose.

Compliance Accelerator facilitates supervisory review of communications in an Enterprise Vault repository. The solution compares emails and attachments, instant messages, social media, and similar communications against predefined criteria, such as sender or recipient characteristics, and inclusion or exclusion of specific words or phrases. Messages identified as meeting these criteria are flagged for review by a human compliance supervisor.

> "We aren't just monitoring at the message level; we're also looking at compliance at the firm level. Being able to identify broader compliance issues is one of the big wins of this initiative."
>
> *Business Operational Administrator, Compliance Team, Large Multinational Bank*

MULTISTEP INITIATIVE TO STREAMLINE COMPLIANCE REVIEWS

The bank initially rolled out Compliance Accelerator to 30 sites; each had two supervisors to review flagged communications. Every day, the solution performed random-sample searches and "hot word" searches. The weekly volume of flagged messages companywide typically hovered between 80,000 and 100,000, once spiking to 180,000. The 60 people reviewing these messages struggled to keep up.

"At first, we weren't very sophisticated with our hot words and weren't doing a great job of leveraging the system," says a business operational administrator (BOA) on the bank's compliance team. "We were hearing from the supervisors in the field that they were getting crushed by the volume of messages in their review sets."

The firm embarked on a multipronged effort to reduce the size of review sets—while continuing to flag every communication that poses a risk. The compliance team worked closely with Veritas to understand the Compliance Accelerator feature set. They also began moving toward a centralized model for the review process.

First, they leveraged white-list capabilities in Compliance Accelerator to automatically exclude certain messages. "We provided a list of specific domains that we didn't need to include in compliance reviews, such as messages from our expense report vendor," the BOA explains. "That was our first step in the right direction."

Next, the bank established rules that exclude incoming emails sent to broad distribution lists. "We began to exclude everything that has language around 'unsubscribe' or 'manage your subscription,'" the BOA says. "That change alone reduced our review sets by around 20 percent." The compliance team also significantly reduced the proportion of its searches that are based on random sampling and shifted random-sampling searches from daily to weekly. This move ensures that random-sampling searches are performed only on communications not flagged in hot-word searches.

Another crucial step was to begin a quarterly review of the financial institution's compliance hot words. "Now we're constantly adjusting and evolving our hot words," the BOA says. "Every quarter, we look at all our hot words by volume of 'hits.' For those in the top quartile, we review whether the hot word should remain intact or should be replaced by a series of phrases, to further reduce the noise. So, for example, we may be looking to identify customer complaints, but we can avoid disclaimers that include the word 'complaint' or people 'complaining' about football games or something similar."

Finally, the bank implemented the Compliance Accelerator Intelligent Review feature, which uses machine learning to sort messages by relevance. "We consider conversations between two or more people to be relevant," the BOA reports. "One-way emails to distribution lists, daily updates, and automated replies are irrelevant. We began manually classifying messages, and the system learned from us very quickly." Communications deemed relevant that are flagged in hot-word searches receive the most attention from the compliance team. Messages pulled in through random sampling and identified as irrelevant are excluded from the review set. With this change, "Compliance Accelerator Intelligent Review was having a very positive impact on the size of our review sets within just a few weeks," the BOA says.

93% SMALLER COMPLIANCE TEAM FINDS THREE TIMES AS MANY RISKS

By leveraging all these capabilities within Compliance Accelerator, the bank reduced the volume of communications requiring human review by more than 80 percent, to around 15,000 per week. Rather than 60 supervisors around the world, four highly trained individuals now triage all the flagged messages. Those that pose a risk go to field supervisors for action. Nightly compliance searches now complete by 2 a.m., compared with 8 a.m. previously.

Despite the reduction in review set volume, the compliance team has increased the number of risky communications they identify by 300 percent. They are efficiently finding messages communicating sensitive information without using proper encryption, "internal use only" messages that are sent externally, employees moving forward with private securities transactions that are not approved, client complaints, and many other communications that create compliance risks for the bank.

These processes increase confidence within the bank that it is meeting all regulatory requirements. Even better, they are clarifying for the compliance team which employees need additional education on policies, and they deter risky employee behaviors.

"We aren't just monitoring at the message level; we're also looking at compliance at the firm level," says the BOA. "For example, out of the gate, we found a lot of encryption violations. We ended up doing a massive re-education of employees regarding our encryption requirements. Being able to identify broader compliance issues is one of the big wins of this initiative."

> "We began manually classifying messages, and the system learned from us very quickly. Compliance Accelerator Intelligent Review was having a very positive impact on the size of our review sets within just a few weeks."
>
> *Business Operational Administrator, Compliance Team, Large Multinational Bank*

FOR MORE INFORMATION

Please contact your local Veritas Sales Representative or Business Partner, or visit
[Veritas Enterprise Vault Compliance Accelerator](#)

ABOUT VERITAS TECHNOLOGIES LLC

Veritas Technologies is a global leader in enterprise data management – our software and solutions help organizations protect their mission-critical data. Tens of thousands of businesses, including 97% of Fortune 100 companies, rely on us every day to back up and recover their data, keep it secure and available, to guard against failure and achieve regulatory compliance. In today's digital economy, Veritas delivers technology that helps organizations reduce risks and capitalize on their most important digital asset – their data. Learn more at **www.veritas.com** or follow us on Twitter at **@veritastechllc**.

Veritas Technologies LLC
2625 Augustine Drive
Santa Clara, CA 95054 USA
+1 (866) 837 4827
veritas.com

For specific country offices and contact numbers,
please visit our website.
veritas.com/company/contact

VERITAS™

The truth in information.

V0982 12/19