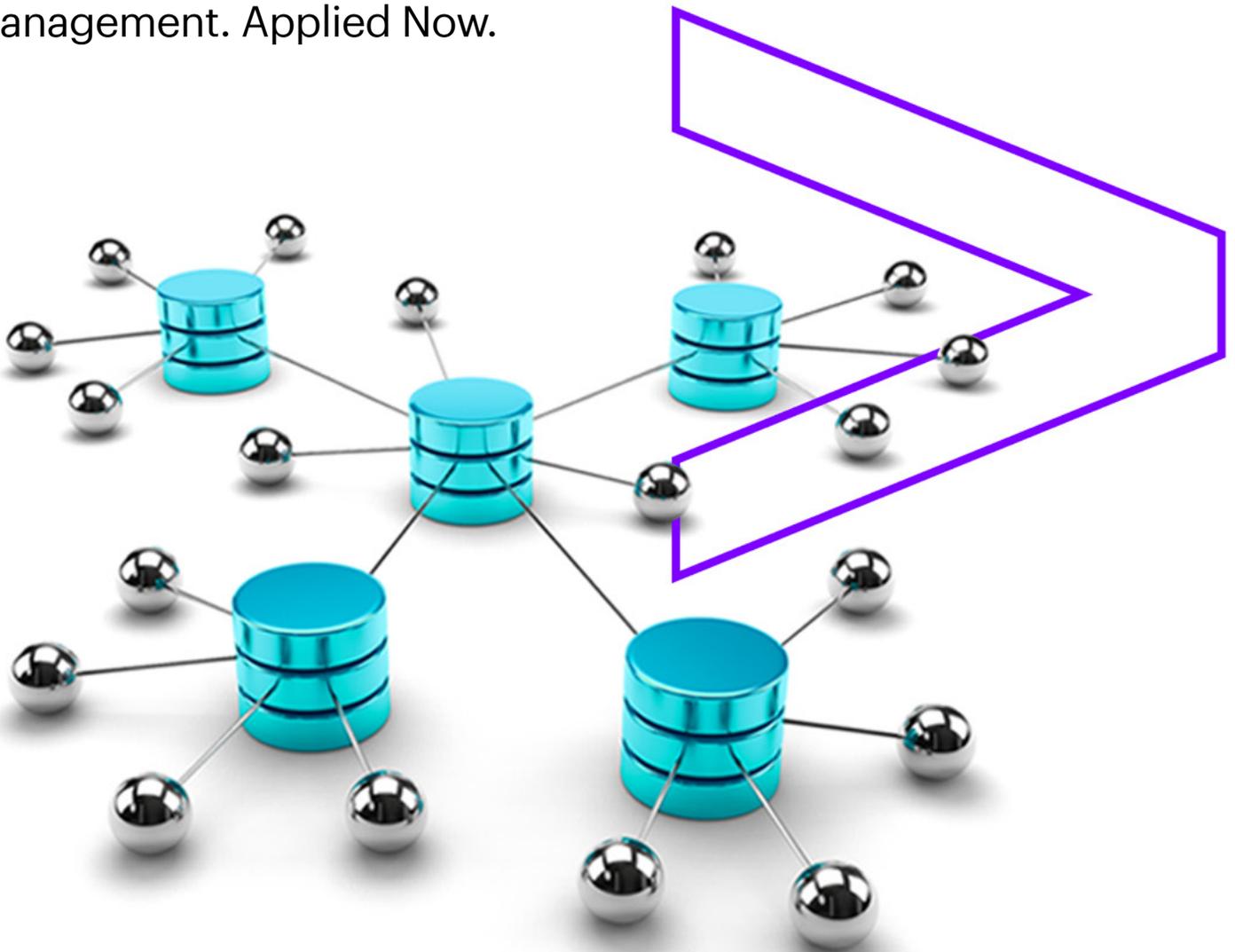




# FINANCIAL CRIME ANALYTICS UTILITY

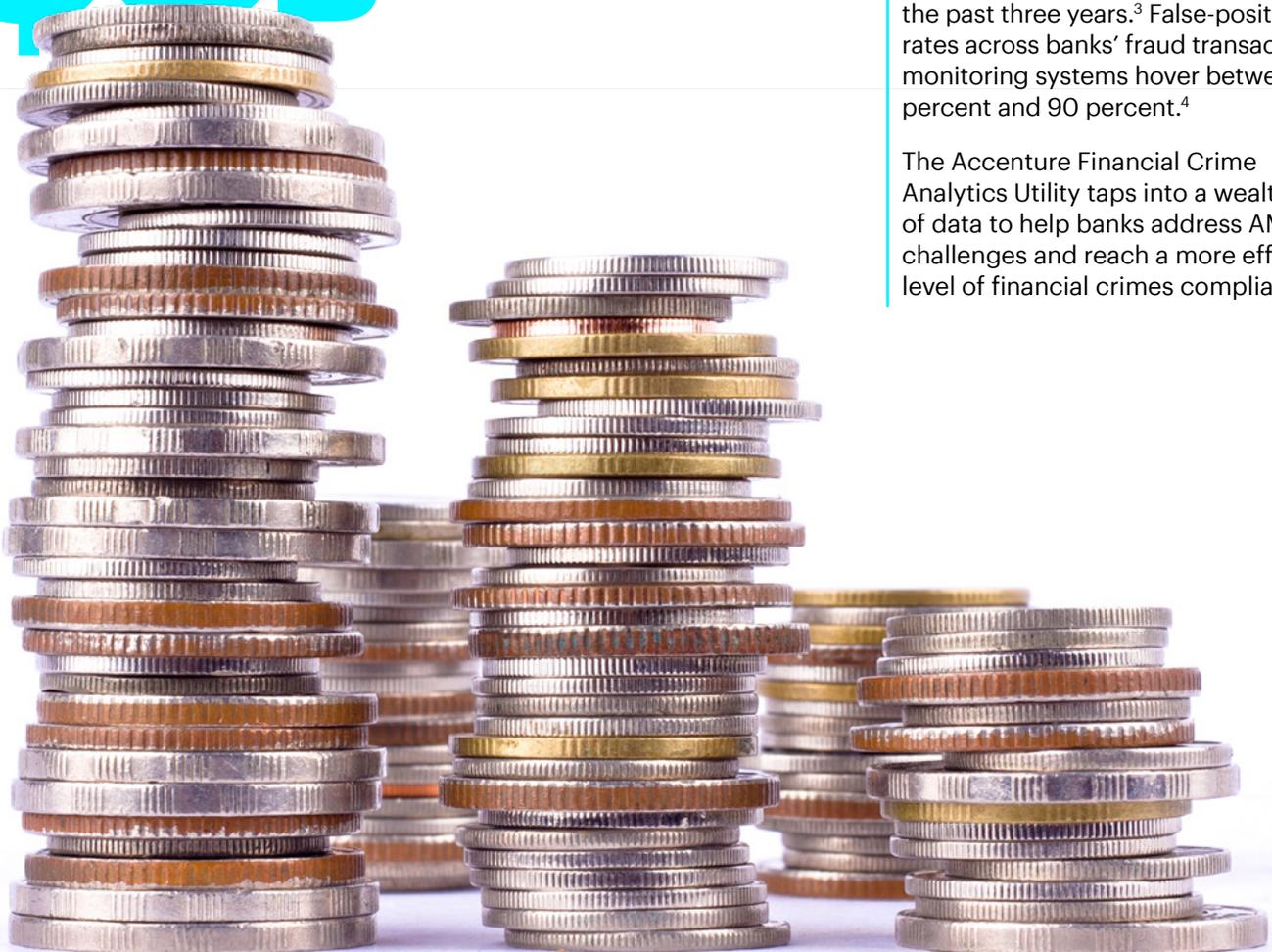
## POWER TOGETHER

Innovative risk and compliance  
management. Applied Now.



**A WealthInsight report<sup>1</sup> estimates that global AML spending will exceed**

**\$8B**



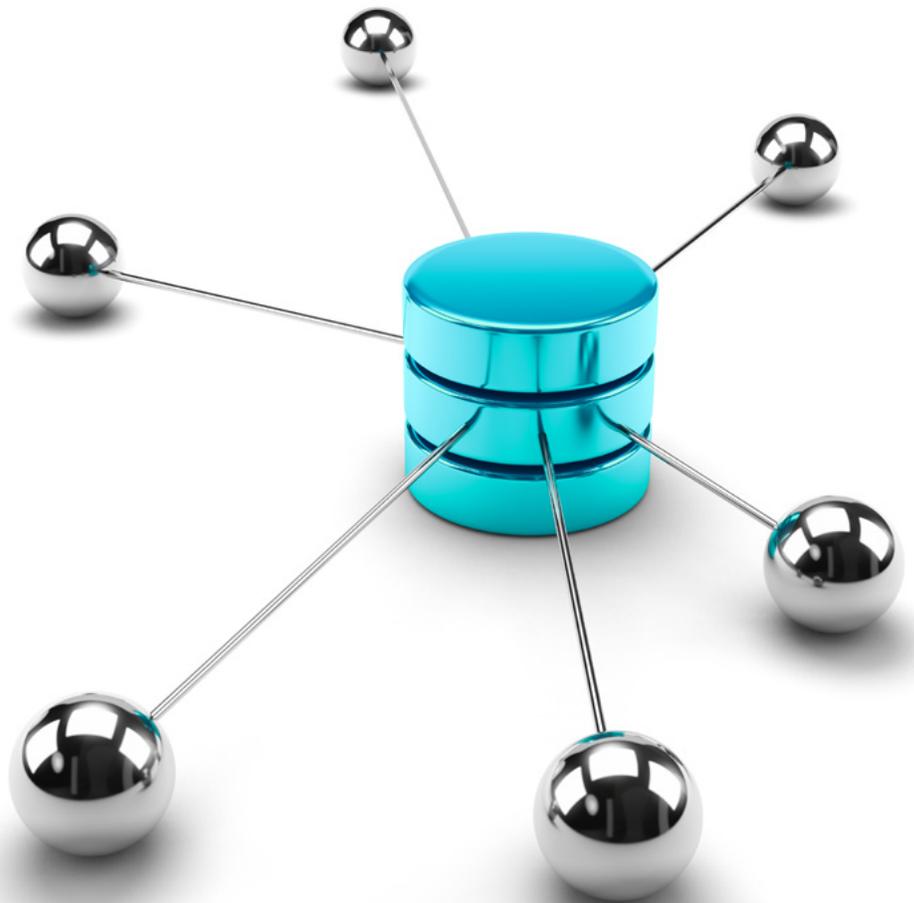
**Banks continue to face rising costs and complexities in addressing financial crimes compliance.** For example, Anti-Money Laundering (AML) spending globally was projected to exceed \$8 billion in 2017.<sup>1</sup> AML compliance-related costs increased more than 50 percent over the past three years.<sup>2</sup> Suspicious Activity Report volumes increased 55 percent over the past three years.<sup>3</sup> False-positive rates across banks' fraud transaction monitoring systems hover between 75 percent and 90 percent.<sup>4</sup>

The Accenture Financial Crime Analytics Utility taps into a wealth of data to help banks address AML challenges and reach a more efficient level of financial crimes compliance.

# COLLABORATIVE, DATA-DRIVEN APPROACH TO FINANCIAL CRIMES COMPLIANCE

The first release of the Accenture Banking Analytics Platform Utility focuses on Financial Crime Analytics. The Utility is a secure, standardized, data analytics-as-a-service solution, developed in partnership with the Mid-Size Bank Coalition of America (MBCA) industry consortium of over 80 financial institutions in the United States. The cloud-based, subscription solution turns terabytes of data into financial intelligence. The solution was designed to allow banks to unlock the power of their data and decide how to collaborate on emerging risks. They can use enhanced coalition insight to gauge their AML program risks, improve their overall risk management framework and respond more effectively to regulatory mandates—all as a collective unit rather than going solo.

Through the Utility, banks can join forces with their regulators and the end-user law enforcement community to lead in defining the industry's data standards around financial crime detection, prevention and compliance. They can cost-effectively share the right intelligence to make informed decisions and develop new applications to support BSA/AML challenges quickly and flexibly.



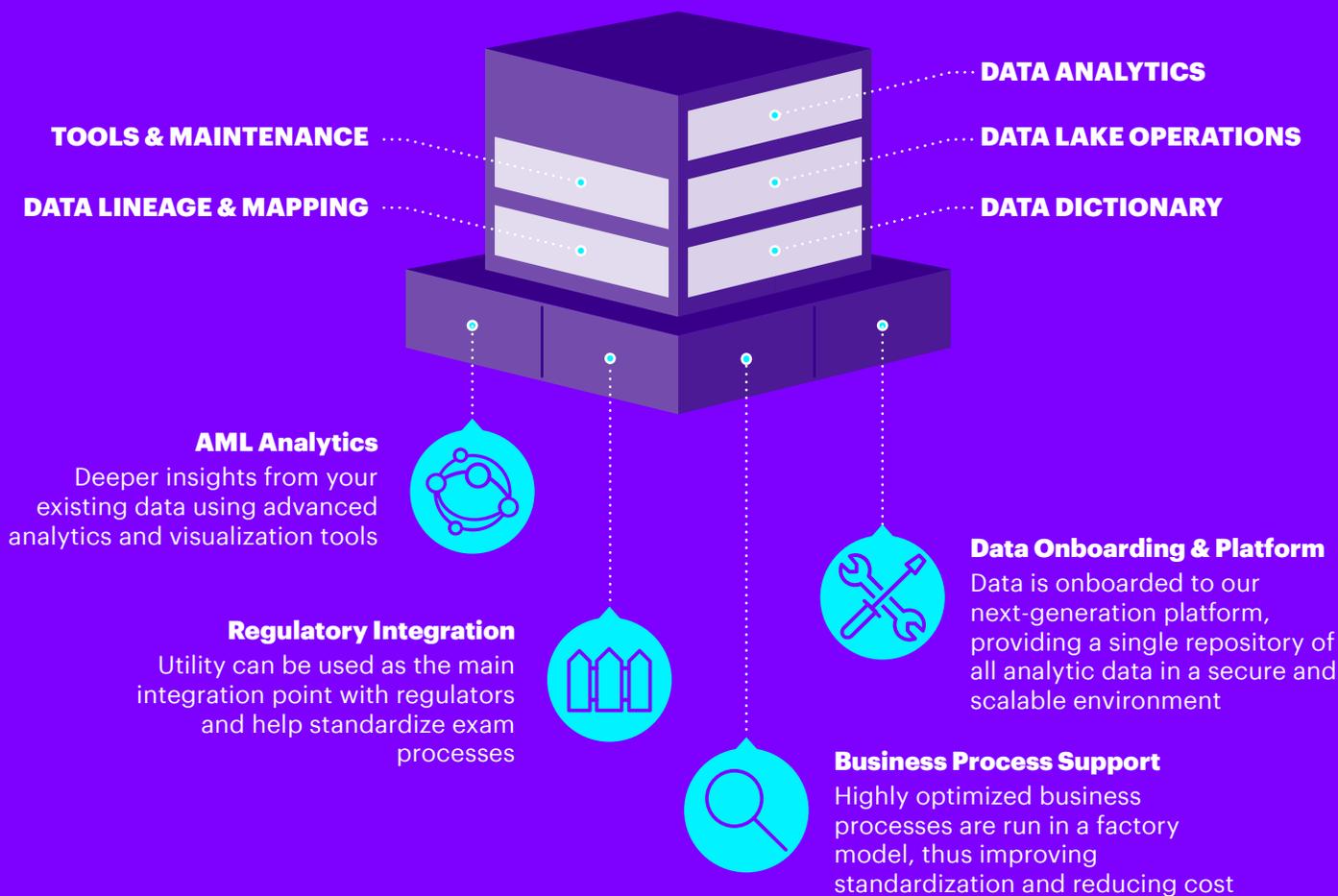
# UTILITY SOLUTION FOR FINANCIAL CRIMES COMPLIANCE

**FIGURE 1.**  
The Accenture Financial Crime Analytics Utility

Source: Accenture

The Accenture Financial Crime Analytics Utility is built on our Accenture Insights Platform (AIP) which is hosted on Amazon Web Services (AWS) and uses the best-in-class Big Data, analytics and machine learning technologies.

## AML UTILITY PLATFORM FOUNDATION



## The Utility's solution provides

1. Common data dictionary conforms each bank's data to a **standardized definition**, allowing publication of new applications, APIs, regulatory reports and models that can be used by all—one build, cost spread among the participant banks.
2. **Best-in-class data engineering, model and reporting toolset**, best-in-class data engineering, model validation and analytics, integrating data from source to target and providing data audit trail—meets regulatory requirements for data transparency.
3. **Open source platform** that allows banks that subscribe to add new applications, reports and models to the community for reuse—collaboratively reduces cost-to-serve.
4. **Shared, multi-tenant infrastructure** that provides each bank with a leading data lake—drives technology run costs down and creates opportunities for collaboration.
5. **Supplemental services to support business processes** across the AML lifecycle including vendor integration and AML execution services—reduce cost-to-serve and align resources to value-added efforts.
6. Analytics that provide **performance, optimization, and benchmarking analysis that typically takes weeks/ months to deliver will only take minutes**—increases delivery speed and reduces effort.

The aim of the Utility is to build synthetic scale and operational efficiencies. Accenture has committed to continue to invest in the Utility to address member banks' top concerns, innovate through capabilities such as machine learning (to minimize or eliminate false positives and automate manual tasks) and stay ahead of the compliance curve. In addition, an innovation forum will be in place to allow subscribed institutions to contribute to innovation additions and allow for promotion of self-developed analytics, models and reporting into the Utility.

THE UTILITY  
AIMS TO  
**UNTRAP**  
THE POWER  
OF DATA AT  
SCALE TO BUILD  
OPERATIONAL  
EFFICIENCIES

# POWER TOGETHER

As more banks onboard, the power of driving insights through collaboration and fighting financial crime with data increases exponentially. With deeper, actionable intelligence and defensible statistics, banks can fine-tune their policies, standards, processes and procedures to best monitor and control the risks associated with financial crime. Similarly, law enforcers gain clearer visibility into the spectrum of illicit activity, helping to strengthen national security.

Our innovation lab has already built and tested machine learning algorithms which we look to deploy to the solution in 2018. This will provide enhanced capabilities to identify patterns within bank data beyond rules providing banks with the opportunity to work together to design the future of responsive AML technology.

## THE JOURNEY TO INTELLIGENT, COLLABORATIVE CRIMES COMPLIANCE BEGINS NOW

Interested institutions can engage with the Accenture Financial Crime Analytics Utility now. Accenture works with each member bank to analyze their data ecosystem and develop a fit for purpose onboarding strategy.

We believe the platform provides a unique opportunity for banks to collaboratively increase the power of fighting financial crimes with data and defend against growing external threats while driving down their overall operating costs.

# BENEFITS REALIZED TO DATE

By proactively identifying risks, reducing false positives in transaction monitoring processes and redeploying scarce resources, the first bank has already improved its operational efficiency by 35 percent, reduced its direct labor cost by 30 percent, lowered its model validation costs by 85 percent and is speeding up its adaptation to regulatory changes.

We believe there are higher benefits to be realized in future phases with the addition of machine learning, artificial intelligence technologies and natural language generation.

## INITIAL MEMBER BANK RESULTS



**85%**

Reduction in model validation costs with increased control over platforms



**25%**

Reduction in false positives



**30%**

Reduction in annual labor costs

## NOTES

<sup>1</sup> WealthInsights, “2020 Foresight: The Impact of Anti-Money Laundering Regulations on Wealth Management”, July 2013.

<sup>2</sup> The Clearing House, “Unintended Consequences of AML Policies,” 2016.

<sup>3</sup> U.S. Department of Treasury, FinCEN Suspicious Activity Report Statistics.

<sup>4</sup> Celent, “Robots Offer Helping Hand to Fraud Investigators,” May 22, 2017.

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## ABOUT ACCENTURE

Accenture is a leading global professional services company, providing a broad range of services and solutions in strategy, consulting, digital, technology and operations. Combining unmatched experience and specialized skills across more than 40 industries and all business functions—underpinned by the world’s largest delivery network—Accenture works at the intersection of business and technology to help clients improve their performance and create sustainable value for their stakeholders. With more than 469,000 people serving clients in more than 120 countries, Accenture drives innovation to improve the way the world works and lives. Visit us at [www.accenture.com](http://www.accenture.com).

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