

Case Study

Automating Compliance Management

CUSTOMER

A leading global financial services firm providing investment banking, securities, wealth management and investment management services.

PROBLEM

The bank relied on manual and expensive legacy processes to ascertain which external and internal rules and regulations applied to which IT assets. These error-prone, manual processes produced multiple blind spots and exposed the bank to multiple risks including audit gaps, violations of corporate compliance, legal issues, and possible punitive fines.

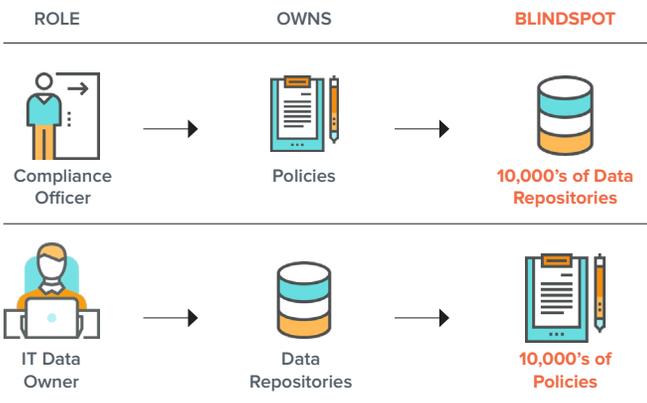


Figure 1: Low visibility and compliance between business policies and processes due to "dark assets"

SOLUTION

To address these risks, the bank decided to apply CognitiveScale's augmented intelligence solution and leverage machine learning to automate and improve compliance processes. CognitiveScale's Compliance Awareness AI Solution uses IT asset metadata to map enterprise concepts, and also cognitively maps applicable enterprise controls to those concepts. This builds a bridge between the massive volume of IT assets and policies that

correspond to those assets. The solution is self-updating and evolves with each new policy that comes online. Importantly, the solution provides human approval as an integral part of the process via a "Suggest and Review" pattern that ensures accurate classification at every step.

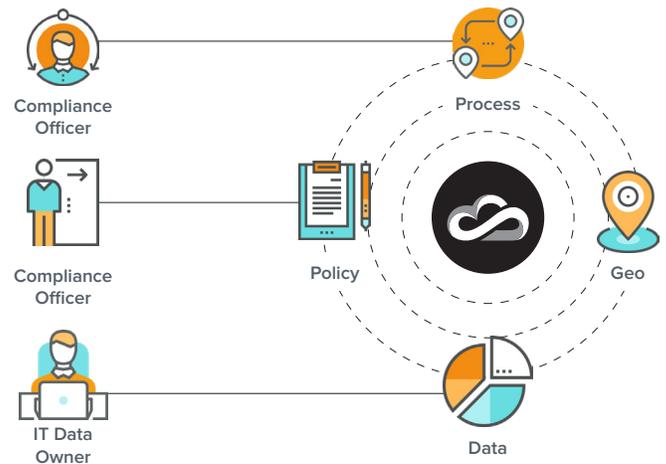


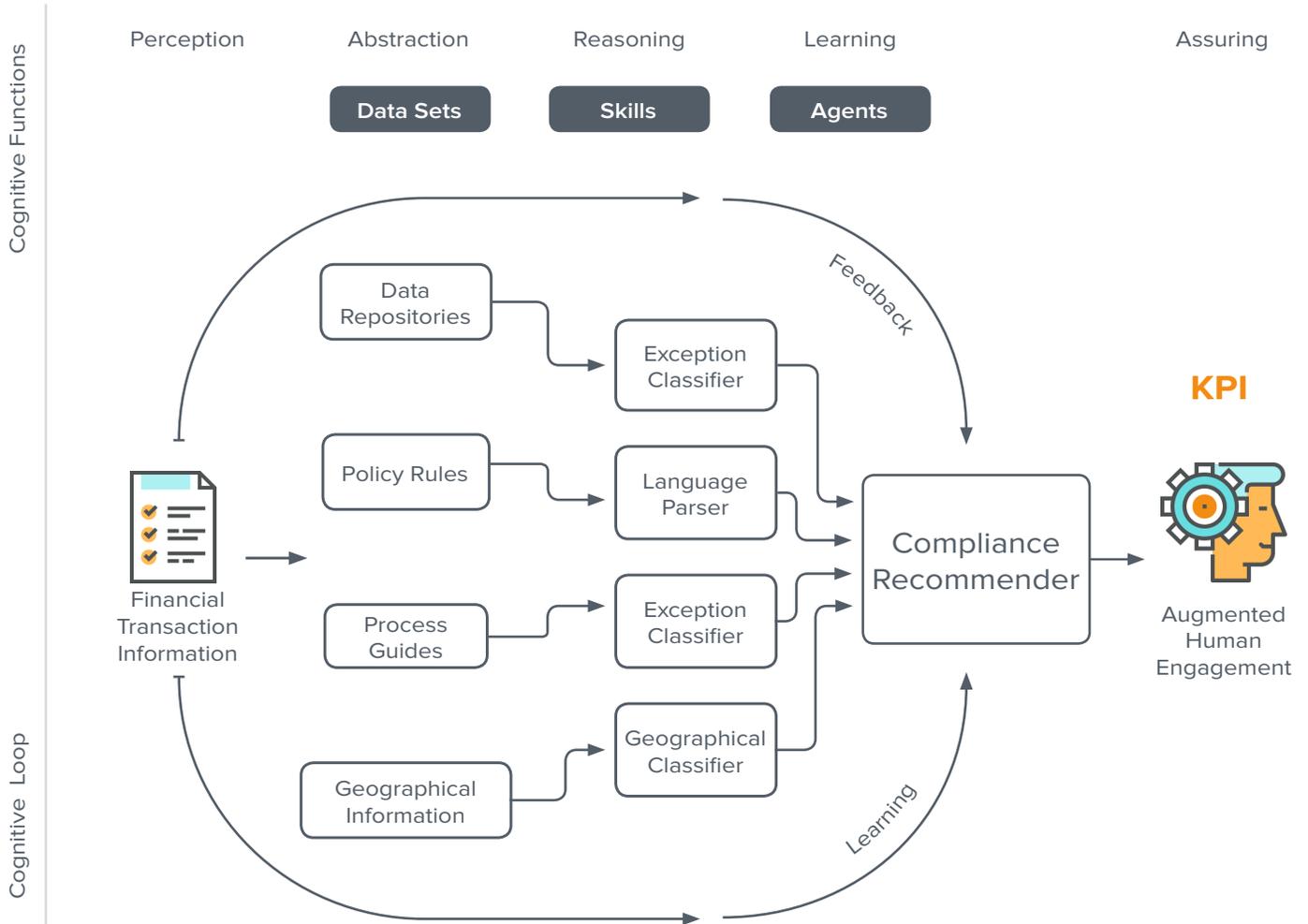
Figure 2: Increased visibility of relationships between policies, process, and information to more effectively track "dark assets"

IMPACT

The compliance team now obtains automated and unprecedented visibility into IT assets across the firm, and IT asset owners get automated assurance of compliance. The result is reduced risk of compliance violations and lower exposure to fines as well as significant operational cost reduction. The compliance solution also retains a very clear log and audit trail, which not only improves the process, but makes it easier to show regulators that mandated regulations are followed.

- Improved visibility for compliance and IT stakeholders
- Continuously improves by learning from user's expertise
- Easily extensible beyond IT repositories to other enterprise processes, products, and assets

Automating Compliance Management Agent Anatomy



SEE

financial transactions flowing through banking systems

KNOW

the which databases are associated with which policies, process guides, and geographical relevance

ASSIST

by alerting you of possible compliance issues, suggesting a course of action, and providing supporting rationale for the recommendation.

LEARN

from new data entering the system as well as ongoing feedback on the insights and recommendations provided

OPTIMIZE

by constantly monitoring and ranking all of the insights, prioritizing only the ones you care about based on these learnings

BUILD TRUST

by providing concrete evidence supporting these recommendations and insights so you understand the rationale

About CognitiveScale

CognitiveScale builds industry-specific augmented intelligence software for financial services, healthcare, and digital commerce markets. Built on its Cortex augmented intelligence platform, the company's products help enterprises leverage AI and Blockchain technology to increase user engagement, improve decision-making, and deploy self-learning and self-assuring business processes. The company's clients include multiple Global 500 organizations around the world and they have formed strategic go-to-market and technology partnerships with IBM, Microsoft, and Deloitte. The company has been named among AI leaders in prominent research and publications including Fortune's Top 50 companies leading the AI Revolution, CB Insights AI 100 and Gartner Cool Vendor.

Headquartered in Austin, Texas, CognitiveScale has offices in New York, London, and Hyderabad, India, and is funded by Norwest Venture Partners, Intel Capital, IBM Watson, Microsoft Ventures, USAA and The Westly Group.

Learn More About Augmented Intelligence for Financial Services:

Contact a product specialist: [at cognitivescale.com/contact](http://cognitivescale.com/contact)