



Financial Intelligence

Bank Compliance Risk

Background

A global, US-based, investment bank engaged Sovereign Intelligence to develop a risk monitoring dashboard to make sense of emerging compliance risks. Typically a holistic endeavor in today's compliance departments, the bank understood that tracking emerging risks could be automated with the help of Sovereign's artificial intelligence algorithms and processes. It worked with Sovereign to configure its platform to pull in anything from regulator speeches, state attorney general offices, social media and internal communications and fed them into an interactive charting engine. The result was a radically new, analytics-driven approach to a practice area typically oriented around manual effort.

Challenge

Two major issues arose once Sovereign's began configuring its platform for the needs of the bank. First, a handful of data sources required subscription access or did not provide programmatic access via API or RSS/XML feeds to easily retrieve source data. We were able to address this by periodically downloading new content. The second was working closely with the bank to develop a charting style, with the right level of abstraction, that made sense for the team interacting with it on a regular basis. Easily customizable and flexible, we worked to tune the application to uncover the right emerging threats from the underlying data sets.

Result

Managing global compliance risk in these modern times has grown increasingly more difficult for today's risk agents. Not only are there simply more sources to cover, but the scrutiny from various governing bodies has never been higher. More than ever before, risk analysts need a reliable computer-based, decision-support system that relies on AI and algorithms to assist risk agents to make (or predict) recommendations. In collaboration with the bank's risk analysts, we ingested all of the relevant, real-time data, then plotted on an interactive chart by risk type, recency and threat level. The results was a real-time engine constantly making decisions and displaying real-time emerging risks for further dissemination by the compliance risk team - saving thousands of manual hours to achieve the same goal, while shining a brighter light on areas that can severely impact the firm.

Insight

Compliance risk teams often have to translate a complex, holistic process into one that is more analytical in nature. Quantifying potential risks with the Sovereign platform does that while enabling a more thoughtful way for management to make sense of real or perceived threats to its business.

Sovereign Intelligence
1775 Tysons Blvd. 5th Floor
McLean, VA 22102
sovereign.ai