



Financial Crimes Compliance Program Optimization

DATA & ANALYTICS



Our Data & Analytics Services

All organizations have a fiduciary duty to protect their assets from the constant threat of criminal activity, from both inside and outside their walls. The Data & Analytics (“D&A”) experts at FTI Consulting assist clients in transforming their financial crime programs by spearheading automation efforts, outlining and implementing optimizations, evaluating 3rd Party solutions, consolidating and streamlining data pipelines, and establishing effective business processes supported by technology driven workflow and case management.

Our D&A team empowers clients to not only harden their defenses and reduce regulatory scrutiny, but also realize more return on investments (“ROI”) and maximize efficiencies. We focus on three main areas of improvement – assessment, automation and augmentation.

Program Assessment & ROI Analysis

Working hand-in-hand with FTI Consulting’s Financial Services experts, D&A plays a critical collaborative role in constructing end-to-end financial crime program assessments and developing roadmaps for a future state operating model.

Once an understanding of the current state is established, D&A can perform ROI analyses for future state solutions (from the implementation of third-party tools to in-house development) to evaluate and compare efficiency and profitability gains across potential investments.

— KEY SERVICES



Understand relevant business processes through discussions with process owners and stakeholders



Identify appropriate relationships between data elements and perform statistical or other analysis



Review technology infrastructure and data sources for suitability



ROI/implementation calculations



Develop a business process model



Prepare the appropriate output to meet the needs of the client



Develop a data acquisition and preservation plan



Due diligence assessment of program



Targeted Automation

FTI Consulting works closely with our clients to manage and mitigate risk, while balancing the need to control costs while optimizing efficiencies through automation.

How We Help:

1. Strategically identify areas within a financial crime end-to-end process to add automation
2. Leverage appropriate machine learning techniques
3. Reconstruct and streamline dataflows and reporting
4. Implement user-friendly tools and dashboards

Model Implementation & Augmentation

While keeping compliance and risk management front-of-mind, FTI Consulting works closely with our clients and external partners to implement advanced analytics solutions to create a cutting-edge approach to identifying, flagging, and eliminating financial crimes.

How We Help:

1. Generate, test, and implement trained data models
2. Add process layering to include continuous data feeds and validations
3. Evaluate and monitor accuracy
4. Produce and operate at scale

— KEY SERVICES



Business Process Mapping and optimization (Gaps & Vulnerability Analysis)



Target operating model proposal and outlining of what it will take to implement



Development of potential transformation pathways



Mine and transform complex datasets for analysis



AI and automation assessments

— KEY SERVICES



Map digital transformation of current state solution to future state product



Derive out-of-the-box and customizable machine learning and statistical models



Advise and implement machine learning and statistical techniques to extract insights in real-time



Construct hyperparameter and feature testing to obtain optimal results



Assist in the deployment of productionized model Scale and reliability testing

Our Approach to Assessment and Development

From project initiation through delivery, FTI Consulting has a well-structured, client-centered approach. We know that effective communication and collaboration with stakeholders throughout a project is key to success.

Positive ROI

Understand Needs & Define the Problem

- Identify stakeholder needs and goals
- Finalize scope and conduct a kickoff meeting
- Request documents and data

Develop Analytical Plan (Client & FTI Consulting)

- Review documents
- Evaluate processes and assess data
- Develop a testing approach

Data Collection, Preparation & Quick Wins

- Obtain relevant data sources
- Clean and transform data
- Conduct exploratory analysis and identify any key findings, insights, or anomalies

Structured Implementation & Analysis

- Apply appropriate techniques (ML, statistical, etc.) to data
- Conduct analyses and deploy implementations
- Interpret results and identify key insights

Delivery Testing

- Communicate findings, proposed next steps, and action items to stakeholders

Continual Program Assessment

- Monitor progress and adjust as needed
- Work with the client to identify any additional needs to be addressed





CASE STUDY

DIGITALLY MODERNIZING AND OPERATIONALIZING A FINANCIAL CRIME MONITORING PLATFORM

Our advisory role helped a law firm client modernize and digitally operationalize their financial crime monitoring platform built by machine learning and graph analytics.

SITUATION

A financial services client was in the process of evaluating advanced analytics solutions to be their strategic platform for entity resolution, transaction monitoring, customer risk scoring and case management. They were using expensive legacy platforms that were not scalable and lacked required emerging intelligence. At that stage, the client required a supporting strategic partner to fill the role of PMO, Vendor Selection and Technology/Analytics Road Mapping.

OUR ROLE

- Implemented a full analysis and validation of the FI's current system capabilities and constraints (functional & technical)
 - Created an in-depth functional and evaluation framework
 - Implemented project management and governance for POC environment and activities, which included coordination with business & IT (application, infrastructure, infosec, supplier management) teams, and product vendors
- Helped identify the target state product
- Created a success criteria and a scorecard
 - Recommended the best fit solution considering both internal financial services client input and our independent assessment/review

- Created the functional target state and architectural blueprint
- Created the business case with details on target state recommendations (functional/technical capabilities matrix, total cost of operations and cost-benefits analysis)
- Created an implementation plan including timeline, sequence, high-level architecture and total cost to help our client operationalize the transformation process

OUR IMPACT

Secured Required Funding

- Client was able to secure the required funding from its board based on the business case created by FTI Consulting

Return on Investment

- \$5.5 M cumulative ROI over next 5 years
- 33% growth of potential AML transactions through 2025

Increased Knowledge Base

- Functional and technical stakeholders gained significant knowledge of the benefits from graph analytics with machine learning.

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