Protect your brand and information during digital transformation

Strengthen your governance framework to build customer trust and reduce risk

73% of participants in a KPMG survey predicted that the level of focus on compliance, particularly in relation to regulatory expectations and scrutiny, will rise.[1]

Industry backdrop

Global financial institutions (FIs) continue to evolve, financial products are proliferating, and banking operations are becoming more digitized and globalized. This exposes FIs to increased business, compliance, and regulatory risk. To stay competitive, they must focus on transforming customer engagement and meeting demand for modern experiences, embracing services such as open banking.

Unfortunately, malicious actors have taken note, with cybersecurity threats jeopardizing customer data and financial transactions. Since the 2007 financial crisis, FIs have invested enormous resources to improve internal controls. Even with these improvements, failures to monitor, assess, investigate, and remediate risk have repeatedly led to security breaches, reputational damage, and decreased customer trust.

This paper outlines how an information management framework can fortify governance and improve transparency, providing a 360-degree view of the customer and operations to mitigate business, compliance, and regulatory risks throughout digital transformation.

1 KPMG, *Managing the risk of regulatory changes*

The OpenText vision

Information is at the heart of operations at FIs, especially those tied to digital transformation projects. With stretched budgets and information often managed in silos, poor data and information management leads to poor visibility, lack of data control, risk exposure, and non-compliance. OpenText delivers solutions to help FIs accelerate digital transformation with smarter information and comprehensive risk mitigation by providing:

Enterprise-wide information management

FIs can simplify and accelerate control and management throughout the information lifecycle, from creation to disposition. This includes enabling a centralized method to store, maintain, report, and remove information. FIs can gain multi-repository records control and tracking through policy-based document and records management, enabling effective retention, archiving, and defensible deletion of data from various systems.

Automation

Investments have already been made in risk management, internal controls, auditing, and reporting capabilities. OpenText can further assist in streamlining and automating critical processes and program activities. Manual data privacy and risk management processes can be automated to support highly efficient and cost-effective risk assessment and remediation across the enterprise.

Improved communication

Personalizing communications to individual customers is vital for improved experiences at each stage of their journey. OpenText can help FIs develop a secure communications and distribution platform where all assets can be stored centrally. Campaigns targeting specific groups and individuals can be created and distributed through the preferred channels. OpenText can deploy AI to monitor customer behavior and feedback on different communication channels and respond appropriately.

Data privacy management

Since the General Data Protection Regulation (GDPR) went into effect, FIs have invested heavily in global data privacy reforms with enhanced customer rights. OpenText can help FIs centrally manage and automate privacy processes, including fulfillment of subject rights or consumer requests. By automating error-prone manual tasks that increase the risk of non-compliance, FIs can build the trust needed for customers to share their personal data. Advanced AI-driven file analysis and text mining can be used to identify, classify, and remediate sensitive and personal data in unstructured environments.

Enhanced data security

A key element of any data management strategy is complying with information security requirements related to access, distribution, and use, as well as early detection and timely response to security incidents to prevent data breaches. As FIs move to the cloud and adopt mobile-first services, achieving this level of effective information security becomes even more critical. OpenText can ensure that FIs' network perimeter and endpoints—whether on premises or in the cloud—are continuously monitored and fully protected from cyberattacks and insider threats.

Improved identity access management

With customers, employees, and ecosystem partners accessing corporate systems, the bank requires strict controls over who has access to data and how they use it. OpenText can help FIs manage employee identities within the organization and the identities of others across the extended ecosystem of customers and partners. New identities can be automatically provisioned, and existing identities immediately disabled once they are no longer required.

Outcome-driven information governance

As FIs advance digital transformation initiatives, dynamic, enterprise-wide information governance is needed. Without appropriate governance, enterprise information is fragmented, reducing the speed, quality, and responsiveness of key business processes. It significantly impairs institutions' ability to gain full value and critical insights from data.

Implementing data management initiatives underpinned by information governance will enable FIs to:

• Build customer trust: Secure data access and best-in-class data stewardship provides customers with fast, real-time insights into information.

• Improve content management: Robust content management gives the right staff the right information and provides the right channel for the right purpose.

• Ensure defensible records management: Centralized information management and classification reduce the risk of over-retention and redundant, out-of-date information

• Operationalize eDiscovery: End-to-end capabilities enable data-driven insights to support multi-matter management and data reuse to expedite case reviews and reduce costs for litigation, investigations, and regulatory compliance.

• Increase business agility: Automated processes can be quickly amended to meet constantly changing regulatory requirements, providing faster decision-making capabilities for successful acquisition of new markets.

• Boost productivity: Rigorous data management helps establish and automate where and when data is integrated into digital workflows, allowing the creation of information KPIs to drive growth and innovation.

• Streamline external communications: The ability to share information between banks, customers, and other industry players facilitates and expedites open banking initiatives.

• Improve regulator relationships: Robust information sharing and reporting between the bank and regulators increases transparency and reduces the time and cost of compliance validation and auditing activities.

It was estimated that financial institutions would spend US$34.7 billion on financial crime compliance technology and US $155.3 billion on operations in 2024.[2]

61% of firms expect the cost of senior compliance staff to increase significantly in the coming years, according to Thomson Reuters.[3]

Realizing tangible benefits

An enterprise-wide information management framework underpinned by information governance will allow FIs to streamline their operations, enhance data accuracy and integrity, improve regulatory compliance, mitigate risks, and make informed business decisions. These benefits are driven by the ability to:

- Create a transparent and auditable 360-degree view of the customer, products/ services, and business operations.

- Deliver a deeper, richer, information-driven customer experience.

- Build trust in information through improved management and centralized governance of information.

- Consistently apply and enforce data retention in line with corporate and regulatory requirements.

- Assess and remediate personal and sensitive data.

- Build automated, editable processes to meet changing regulatory requirements.

- Gather data-driven insights for early case assessment and investigation activities.

- Streamline communications with customers, other Fis, and industry players.

- Respond to regulatory and discovery requests with rapid data-driven insights while ensuring data integrity and defensibility.

3 Thomson Reuters, *2023 Cost of Compliance*

Proposed next steps

Together, we can identify how an enterprise-wide information governance framework can deliver exceptional customer experiences while reducing compliance, legal, and regulatory risk. Below are suggested next steps to ensure your digital transformation and risk management are in lock step with your information management journey.

Introductory meeting

Bring together your OpenText Global Account Director or Senior Account Representative with your organization's Business Unit legal, compliance, internal audit, and risk positions.

Joint roadmap exchange

A one-half to full-day information exchange with information security and information management leaders at your organization and OpenText. OpenText will gather insight into your organization's information governance, information management and risk management initiatives, current approaches, and obstacles, and provide information on technologies and best practices that support those initiatives.

Business Value Consulting workshops

The OpenText Business Value Consulting team will engage with relevant teams and supporting lines of business to assess the current state and quantify the business impact of potential OpenText solutions along your information and data management journey.

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