

Teradata Financial Services Industry Data Model



INDUSTRY SOLUTIONS / BANKING, INVESTMENTS, CAPITAL MARKETS, CREDIT CARDS, INSURANCE

A Blueprint for Growth and Profitability

Building any structure, whether it is a better house or a better business, requires a plan—a blueprint. The same is true for building a data warehouse: you must start with a blueprint to lay the foundation for better analysis. Why? Because analytical power has never been more vital in the financial services business. Basel III risk management, IAS, the pressure on revenue and costs, and increased risk of doing business make it mandatory that you have an integrated view of your business's performance.

Plus, mergers and acquisitions, the continued convergence of banks and insurance companies, the rise of new technologies and, most importantly, changing customer needs and demands combine to create a marketplace where knowledge—especially customer knowledge—gives you a true competitive advantage. In fact, customer knowledge is the very foundation of your business. It is the basis for identifying, acquiring, retaining, and growing high-value customers that sustain growth and profitability.

Can you answer these questions?

- How can I measure and analyze potential high-risk activities?
- Who are my most or least valuable or profitable customers?
- Who should I target for a new product or service?
- What is the G/L and sub ledger breakdown of all accounts receivable?
- What has been the trend of the number of accounts having invoices past due or in dispute?
- What percentage of cardholders use ATMs for deposits?
- What were the average settlement costs and times for claims last month, by adjuster, by coverage?
- What is my credit risk exposure?
- What is my company's total employee benefit liability, and how has it changed over time?

These are the kinds of critical business questions successful companies are asking every day. And they are finding the answers through the Teradata® Financial Services Industry Data Model. Actually, the data model is more than a roadmap; it is a foundation for an enterprise-wide view of data. It is a comprehensive, flexible blueprint of how data is organized within a Teradata system. And it provides the structure that allows you to address the key questions needed to manage relationships with customers and employees, close your books in a timelier, accurate manner, and mitigate risk—across multiple business areas.

A Single Source View

The Teradata Financial Services Industry Data Model subject areas provide a single-source view into financial and risk management data that can help deliver cost savings across your business, in areas such as reporting, external audit fees, improved product pricing, improved campaign ROI, and risk exposure. It's an integrated, cross-functional model for banks and insurance companies that addresses your unique business questions to help you better understand and perform Customer

The Teradata Financial Services Industry Data Model can save weeks or months of valuable data warehouse development time, as well as considerable human and financial resources.

By leveraging our vast experience with top financial services and insurance companies, Teradata has developed a data model that contains flexible structures and that supports Banking, Credit Card, and Brokerage/Investment/Capital Markets lines of business, as well as Life and Property Casualty insurance companies.

The model is easily extended as business grows by adding entities, or sets of attributes. Its structures enable Teradata customers to avoid costly redesigns that plague many data warehouses today.

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Management, Human Capital Management, Operations Management, Risk Management, Finance and Performance Management, and Claims Management. In addition, the Financial Services Industry Data Model is an integral part of your data management plans.

The Teradata Financial Services Industry Data Model takes critical customer and counterparty information—every event and concept from account or policy to specific product usage—and creates common understanding across all business functions. Think of it as your own corporate dictionary, a collection of data terms and references clearly defined for everyone in your organization. The result: a shared business vocabulary for your entire enterprise.

The Teradata Financial Services Industry Data Model lets you build faster and smarter. You will save vital development time—and development dollars—while you minimize the risks associated with implementing a data warehouse. And because the Teradata logical/physical model is in third normal form, you only have to enter data once. That significantly reduces data redundancy and means you do not have to reorganize the entire model every time you want to ask a new business question or add a new data source.

Use it as a framework for business intelligence, as your first step towards building the foundation for a powerful, flexible Teradata system, a foundation that will:

- Provide the critical data and data relationship structure to make smarter, faster decisions.
- Help avoid costly redesigns by using a flexible data model that can adapt to business changes over time.
- Help reduce development time by providing a jump start into your data modeling activity.
- Provide discipline and structure to the complexities of a data warehouse implementation.
- Facilitate communication between business users and IT analysts.

Focused Solutions: Focused Results

The Teradata Financial Services Industry Data Model has been designed specifically for the financial services industry. It is the only data model available that supports retail and commercial banking, brokerage, investment, capital markets, charge card, and insurance in one, integrated model. It integrates operational information about accounts, policies, products, customers, campaigns, ledgers, channels, and events into one data warehouse—and sets the stage for a single view of your customers.

Ask the Right Questions

Here is one more critical point: the more questions you can ask of your data warehouse, the more valuable it is to your business. And the Teradata Financial Services Industry Data Model begins with the ability to support hundreds of business questions—basic questions, such as “who are my most valuable customers?” that can be answered through dependent data marts, and more complex queries that are cross-functional and difficult to answer with disparate data sources.

Built-In Benefits

The Teradata Financial Services Industry Data Model is the only integrated data model that supports retail and commercial banking, brokerage, investment, capital markets, charge card, and insurance. It offers many benefits, including:

- A single source of information based on detailed data that enables detailed analysis.
- Smarter, faster decisions from deeper analysis of financial performance across all channels of your business.
- Support for back office and institutional investment contracts that can affect risk exposure.
- Support for capital markets and investment banking.
- A holistic view into financial and risk management data that can help improve practices and free up reserves for investment opportunities.
- Enhanced information around the financial management sub ledgers in addition to the general ledger.
- New enhancements to support human capital management.
- Enhanced structures to support anti-money laundering and enterprise risk management for insurance.
- Helps support risk management initiatives, including specific information for the Basel II Capital Accord.
- Enhanced data modeling by ensuring you've covered all necessary areas before implementing your data warehouse.
- Insight into cross-channel activities, such as integrating web activities with other channel activity.

Teradata Data Integration Roadmap: Your Route to Success

The connection between technology and business objectives can sometimes be blurred. Yet it's essential to clearly understand how your technology supports your business goals and strategies. What questions do you want your data warehouse to answer? And what are the metrics behind these questions?

The Teradata Data Integration Roadmaps for Financial Services and Insurance are business planning models that help create a shared vision of data integration value. The roadmaps capture information needed, for your data warehouse, to answer business questions and metrics based on your business requirements. These roadmaps can be used to graphically show what information has been currently sourced into the data warehouse and, more important, what information is still needed to meet your business requirements. The data integration roadmap is a tool you can use to develop a phased plan for moving from traditional data files to an enterprise resource. The Teradata Data Integration Roadmap captures 30 years of Teradata best practices in designing and implementing data models and planning warehouses for companies like yours.

You can use the Teradata Financial Services or Insurance Data Integration Roadmap to:

- Determine what subject areas to add.
- Prioritize data sources to be loaded into the data warehouse.
- Build a business case for the value of your data warehouse.

That's because it puts a business context around your Data Model, linking specific attributes to business questions and KPIs so you can see how data relates to the way you operate your business. The Teradata Data Integration Roadmaps for Financial Services and Insurance also spotlight the importance of Teradata's "load once, use many times" approach to data warehousing. It shows you how the same data can be used to address multiple business improvement opportunities (BIOs) across different areas of your business.

With these Data Integration Roadmaps, you can quickly see which data supports a specific BIO. You can see which business questions are the most important to answer based on your goals. That prioritization allows you to allocate resources better—and develop more effective plans. Most importantly, with the Data Integration Roadmap, you can easily share how the data warehouse provides value to your business stakeholders through specific objective statements, required analyses, necessary actions, and the corresponding results.

Those questions help create a single view of your data that you can use to understand the key metrics needed to manage your business better. They also enable cross-divisional analysis for a more in-depth look at the relationships of events, a major breakthrough for more effective operations.

The Teradata Financial Services Industry Data Model is the backbone of the Data Integration Roadmap planning model. The Data Integration Roadmap is a high-level visual planning model that is used to determine the data that will be placed into the data warehouse for the next phase of implementation. The data is linked to the company Goals and Strategic Objectives via BIOs, Business Questions, and business metrics (Key Performance Indicators or KPIs). This helps assure increased business value for the data warehouse.

Take an Active Role

Making sure you provide the right product and service at the right time to the right location takes tremendous planning capabilities. That is why Teradata focuses modeling on Active Enterprise Intelligence, which allows you to take a more proactive role.

Reacting to significant unusual customer behavior – identify significantly large and out of the ordinary transactions, such as deposits, withdrawals or charges, and notify the customer with the correct message through the best channel for that customer.

Active decision making at point of contact – when a customer calls your call center to add coverage to an insurance policy, suggest an individualized best offer for the best coverage at the best price based on their needs and risk level.

Proven Leadership You Can Trust

Why choose Teradata? Because Teradata offers a blend of technology and experience unavailable from any other source. We have been providing innovative, best-in-class business solutions and technologies to some of the world's most successful data warehouses for more than 30 years. We understand the problems and critical success factors associated with data warehouses better than anyone else in the industry. Through data warehousing, customer management, financial management, risk management, and other applications, Teradata can help you drive revenue and increase customer loyalty.

We also deliver the right people, products, and services that can help you make your data warehouse solution even stronger. Teradata Services consultants, for example, guide your data model development and help you plan and develop applications that will support your business

needs. They can work with you to prioritize and translate your business issues and direction into an effective data warehouse strategy that delivers the strongest ROI. And Teradata has a built-in foundation of industry knowledge, consulting expertise, global customer support services, and world-leading hardware technology—a combination of strengths unmatched in the industry.

Teradata brings you the power to proactively manage your business. And Teradata solutions help provide analysis to expedite fast, accurate, and consistent decision making across your enterprise. We can help you integrate data from every corner of your organization.

For More Information

To learn more about the Teradata Financial Services Industry Data Model, contact your Teradata representative or visit **Teradata.com**.

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