



Standard Chartered 'Crosses the Rubicon' to Transform Finance



Standard Chartered, like other large global banks, has experienced significant growth in both trading volumes and diversity of products. As an 86,000 employee-strong bank with more than 1,025 branches spanning Asia, Africa, and the Middle East, Standard Chartered is a leader with sophisticated analytics to help manage its business.

A continuous flood of new regulations in each country where Standard Chartered does business created ongoing challenges, widening project bandwidth and costs. To meet these challenges head-on, the bank implemented Project Rubicon, which took its name from the ancient river where Julius Caesar passed the point of no return. Standard Chartered “crossed the Rubicon” working closely with Teradata on how to best deliver a flexible analytical solution, including design, architecture, implementation, and ongoing advice throughout the project.

The result is a strategic finance and regulatory analytical solution that enables a bank-wide “golden source” of finance and accounting data. It allows the bank to trace every transaction and simplifies the reconciliation process. Along with generating summarized accounting postings based on accounting rules, it supports detailed analysis and faster month-end general ledger closings.

Now, what was previously a pain point for reconciliation and regulatory reporting is easier with centralized, integrated financial and accounting data. Standard Chartered can use the solution to deploy a sustainable approach to both current and future compliance and reporting needs, and reduce costs through automation.

Aligning Analytics with Financial Transformation

With a large base of international customers, Standard Chartered must comply with different reporting requirements set by agencies and regulators across the globe. These regulators were becoming increasingly stringent and demanding granular levels of balance sheet substantiation and reconciliation.

New regulations required extensive business rules to calculate elements such as Expected Credit Loss (ECL) that are used in operational risk models. When Standard Chartered brought in new processing systems with sophisticated business rules, it led to an increase in accounting operations. It also created additional data requirements for reporting and compliance, which had the potential to lead to silos.

At the same time, the bank works with a portfolio of investment offerings, different currencies, various accounts, and multiple languages across more than 60 countries. This requires a strong foundation for daily reporting that brings together transaction and accounting data, processing up to 1 billion open trades with 80 million transactional processing points in a single day.

Standard Chartered relies on accurate data for nearly every aspect of its business. The Rubicon initiative helped overcome challenges while aligning with the bank’s overall financial transformation (FT) strategy and converged with various FT initiatives. The FT strategy was a multi-year, company-wide program led by the finance department to deliver an efficient, scalable infrastructure. Project Rubicon and the FT resulted in timely, high-quality financial and management information for both internal and external stakeholders.

Better Analytics Lead to Better Outcomes

Facing unprecedented changes in consumer-driven behavior, radically increased competition, and intensified regulatory oversight, successful banks are deploying world-class analytics, artificial intelligence (AI), and an enterprise data architecture. These solutions empower future operating models to grow revenue across digital and traditional channels, and improve efficiency and automation across complex multi-channel business processes.

Financial organizations turn to Teradata for analytical solutions when they need to manage the cost and complexity of meeting organizational and regulatory requirements. The right analytics can speed up and automate consistent, accurate financial and regulatory reporting. This helps banks meet regulators' need for data transparency and lineage across end-to-end processes.

Project Rubicon provided this type of analytical solution. As a result of the project, Standard Chartered has significantly improved transparency and compliance. Regulatory reporting is fully substantiated and auditable, which reduces operational and reputational risks through increased reporting accuracy. Data is available via a next-day process instead of a delay of several days.

The strategic finance and regulatory analytical solution enables Standard Chartered to better address risk through business rules. The solution allows, for instance, alerts to be sent when an employee is making a trade that doesn't comply with the bank's internal rules.

Another benefit focuses on P&L. The solution creates a snapshot of profit and loss changes in every transaction processing system. Standard Chartered can now assign revenue and expenses across business units. The solution identifies the tax implications for each country and prepares an audit trail. These capabilities build trust in the data by producing automated reconciliations as well as substantiation and commentary for regulators.

Other benefits also became apparent. Eliminating manual processes reduced staff workloads, freeing employees for more valuable analytical tasks, and enabled greater operational efficiencies.

When banks deploy a sustainable analytical approach like Project Rubicon for regulatory compliance and financial reporting, they realize cost reductions and a closer alignment to regulators' objectives.

Banking on Rubicon

Project Rubicon uses the Teradata® IntelliFlex® platform for production, testing, development, and disaster recovery. Standard Chartered integrates 600 source systems with financial data onto the Teradata IntelliFlex platform that allows reconciliation in just 60 minutes. The data is trustworthy, timely, and substantiated. This allows Standard Chartered to complete compliance reporting requirements with greater speed and confidence.

A Bank that's 'Here for Good'

Standard Chartered serves people and companies by driving investment, trade, and wealth creation across Asia, Africa, and the Middle East. The bank's success is the result of being obsessed with banking basics—balancing the pursuit of growth with the disciplined management of costs and risks while keeping a firm grip on liquidity and capital.

Through its international network and expertise, the bank facilitates trades across markets, enables multinational clients to conduct complex business transactions, and serves the needs of an increasingly international customer base. With a brand promise to be "Here for good," Standard Chartered uncovers opportunities and insights to help customers reach their financial goals. The bank has:



\$147B in risk-weighted assets



1B trades daily



86,000 employees from 125 countries



1,026 branches in 63 markets

Global reports are now built on a platform that matches the data sent to regulators. The bank also benefits from a single view for monitoring all balance sheet assets. Aggregating transactions can be automated, making the process fast and efficient.

In addition, new product controls improve bank processes that reconcile with the general ledger. Centralizing controls has streamlined and automated business processes, resulting in significantly improved operations.

A Growing Need for World-Class Analytics

Implementing world-class capabilities that can meet the needs of large organizations to operationalize the underlying analytics in a robust, flexible, and cost-effective way has never been more critical to growing profitability.

Bank-Changing Capabilities

The Standard Chartered strategic finance and regulatory analytical solution, built on the successful deployment and adoption of the Rubicon Strategic Financial Markets Data Warehouse and Trade Sub-Ledger, covers data and sources beyond the financial markets domain. The solution improves and accelerates the way the bank:

- Generates accounting records.
- Performs allocations of revenue and expenses.
- Retains detailed records.
- Reports to regulators for compliance.
- Calculates metrics for operational risk.
- Manages internal product control processes.
- Integrates acquired businesses.
- Drills down and drills across data for granular insights.
- Reconciles and reports quickly in every country the bank operates.
- Asks what-if questions for more insights into risk.

Operationalizing analytics into day-to-day processes can help solve some of the greatest challenges facing banks.

Using a strategic finance and regulatory analytical solution that enables world-class analytics helps Standard Chartered comply with core financial and compliance reporting. Equally as important, the bank can use the same environment to deliver against new regulations as they are introduced and to support other aspects of its business, which leads to better operational risk mitigation.

The strategic finance and regulatory analytical solution delivers better insights into profitability and other key risk metrics. Thanks to the solution, more than 400 million daily accounting records are generated, complete with automated reconciliation from the transaction system

through the General Ledger, replacing legacy posting processes. Automating processes has decommissioned more than 30 local desktop end-user computing solutions and eliminated over 200 tactical tools.

For More Information

Teradata Corporation is the world's most successful and experienced company at handling large, complex, business critical data and analytics. We can do what other technologies cannot achieve. We understand the major issues facing the banking industry, and we understand the scale and pace of technology-enabled innovation and the value this can deliver.

Teradata empowers companies to achieve high-impact business outcomes. Our focus on business solutions for analytics, coupled with our industry-leading technology and architecture expertise, can unleash the potential of great companies. For more information, visit Teradata.com.

Confidence, Compliance and Constantly Changing Regulations



A golden source of financial data helps Standard Chartered build confidence, compliance, and speed in reporting for constantly changing regulations. Watch the **video** and read the **blog**.

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