Planning and Implementing a Transaction Monitoring System

Problem

A foreign bank doing business in the U.S. has an outdated transaction monitoring system that cannot meet regulatory standards.

Solution

A senior Alacer team working with the bank's compliance team to install an Actimize system working with customized Alacer tools.

Results

Clean, timely data is managed and processed with efficient workflow, 40% reduction in false alerts, 25% faster than similar systems at peer banks.

Overview

As part of a larger AML remediation program, Alacer managed procurement and implementation of an Actimize Transaction Monitoring and Watch List Filtering system for a foreign bank operating in the U.S. Alacer senior consultants worked with the bank's technology and business team to manage the entire lifecycle of the project from defining requirements to building custom data solutions to testing and training activities.

Challenges

The bank's obsolete transaction monitoring system lacked essential features such as a robust set of detection scenarios, consistent data, effective case workflow and reporting, leading to unproductive alerts and audit issues, both regulatory and internal. Working closely with the bank's compliance team, Alacer defined and detailed business requirements, conducted an RFI to select solutions meeting the requirements and created a framework to manage the implementation project. Alacer provided project management, built the data mapping and data load (ETL work), coordinated testing and training and managed vendor relationships. In order for Actimize to optimally produce alerts, the bank's transaction data required cleansing. Alacer's technology team customized its proprietary data extraction tool to ensure correct geographical data for Actimize's multiple geo-related detection rules to work effectively. Alacer's team provided a workflow-enabled data reconciliation system to ensure source data were being correctly ingested and processed into the Actimize system.

Results

The bank implemented a system that met its requirements with Alacer's effective project management and the tools and framework for proper system operation. Once implemented with Alacer's tools, the new system delivered a 40% reduction in false alerts with project solutions deployed 25% quicker compared to similar projects at peer banks. The project passed internal audit review with flying colors given the quality and rigor applied by the project team.