

A wide-angle photograph of a salt flat under a blue sky with scattered clouds. Several SUVs are parked in a line across the flat, which perfectly reflects the vehicles and the sky. In the background, there are low mountains.

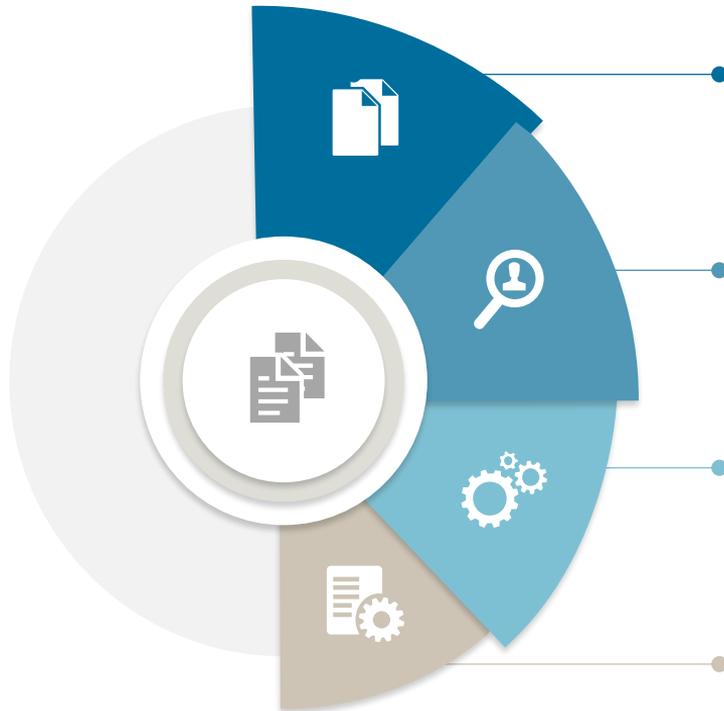
*Temporary  
co-driver*

Efficiency Increase in Regulatory Reporting Processes

Reducing Effort, Increasing Efficiency, Promoting Good Decisions

## Regulatory Reporting Processes

Inefficient processes and a lack of recipient-oriented regulatory reports generate high expenses and impede good decisions



### Chief Risk Officers receive several reports daily

- \_ Usually, several areas generate regular reports: In particular **risk management, compliance, anti-money laundering** are actively involved
- \_ The report creators address several recipients, each of whom has a **different demand of information**

### Insufficient receiver orientation

- \_ Lack of exchange between creators (departments) and recipients (**Chief Risk Officer / Board**) of reports
- \_ Lack of **alignment of report content** with the requirements and demand for information of decision makers

### Lack of consolidation and development

- \_ In many cases reporting is conducted without a **holistic approach to risks**
- \_ The **dynamics** of the **regulatory requirements** result in a reduced or missing analysis of the actual requirements of individual reports - **consolidation, replacement** and further **development** of reports is not carried out

### Lack of standardization and automation

- \_ Large variety of **data sources** used and a **heterogenous system environment**
- \_ High proportion of **manual labor** for the **preparation** of reports
- \_ Numerous different **reporting formats** depending on report and control unit

## Regulatory Reporting Processes

A complete inventory of all reports created and a detailed analysis enable an increase of efficiency



### Step 1: Inventory

- \_ **Complete compilation** of all reports of the control units
- \_ **Workshops** with responsible managers for each report on the **creation process**
- \_ Workshops **with decision-makers** on their **information requirements** and on relevant key risk indicators
- \_ Definition of the **minimum regulatory requirements**



### Step 2: Analysis of Reports

All existing reports are subjected to an analysis along the following categories (excerpt)

- \_ **Client** and **recipient** of reports
- \_ **Objective** and **achievement** of the report
- \_ **Legal** requirements, if necessary
- \_ **Frequency** and **effort** of report generation
- \_ Used **datasets** and **systems**
- \_ Impact of the abolition
- \_ Potentials of **automation**



### Step 3: Optimization of processes

- \_ **Reduction** of generated reports to a **regulatory** and **strategic minimum**
- \_ Reconciliation within the enterprise on the **legal framework** for internal reports
- \_ Separation of **data preparation** and **content annotation** of reports
- \_ **Harmonization** of **report creation** processes and formats in the control units
- \_ **Unification** of data sources
- \_ Realization of **automation**

## Regulatory Reporting Processes

The optimization of reporting processes leads both to a relief for employees in the creation process as well as to a better information basis for decision makers



### Benefits for employees in the creation process

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- \_ **Reduced workload** by reducing the number of required reports and simplified process steps
- \_ **Motivational effect** for employees - only reports with **regulatory** and **corporate strategy relevance** are processed and created
- \_ No time-consuming editing of reports "for filing
- \_ Foundation for the **intensive cooperation** between the employees of **the control units** (risk management, compliance, anti-money laundering & anti-fraud)



### Benefits for Chief Risk Officer / Boards

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- \_ Reduction of the transmitted reports to **important and essential** contents, aligned with the information requirements
- \_ Better and quicker **decision-making** through lesser and significant reports
- \_ Standardization of **reporting requirements** simplifies the comparability and assessment of the **risk situation**
- \_ A holistic approach to the **overall risk situation** from all control functions involves (risk management, compliance, anti-money laundering & anti fraud)
- \_ Optimization creates the foundation for further **harmonization** of processes in the control functions and a valid basis for **automation decisions**

Your point of contact

For any further question, we are gladly at your disposal.



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# Driving Transformation

