



# Compliance & Governance at Standard Chartered

Standard Chartered Bank employs 38,000 people in 950 locations in more than 50 countries in the Asia Pacific Region, South Asia, the Middle East, Africa, the United Kingdom and the Americas. Standard Chartered is one of the world's most international banks, with employees representing 80 nationalities.

## The Challenge

The organisation was planning the implementation of a range of compliance initiatives, among them responding to the FSA's Integrated Prudential Sourcebook (IPSB) requirements as part of the Basel II regulatory standard on capital adequacy.

As a first step, the Bank needed a detailed review of its data quality to be assessed to establish compliance, gaps and priorities. Such a review at a global bank involved the education, coordination and rollout of the initiatives as quickly and seamlessly as possible, but without business disruption.

A key challenge was how to get a granular enough set of data from all the relevant parts of the organisation that could be analysed and secondly, how to deploy a system and manage the identification and closure of the gap analysis within a programme of compliance projects. At the same time, the initiative needed to build confidence, encourage collaboration and create legalistic enforcement process.

*"Most enterprise programme management tools are designed purely to track project progress and do not inherently promote collaboration.*

*Our need was to also manage regulatory compliance at a detailed level."*

## The Solution

A web browser based Data Capture and reporting system was brought to life using VEReDATA™, a collaborative portfolio risk analysis tool.

The solution enabled the programme steering group to manage their data quality compliance status by themes and work-streams rather than at detailed levels.

*"What is important is 'one version of the truth', consistent data standards, consistent application, flexible tools and approaches."*

A comprehensive definition of data quality, questions and assessments had been developed in collaboration with an external expert consulting firm. Once it was seen how easy it was to translate these requirements, the Bank devised diagnostics for other areas, such as Credit Risk and Operational Risk.

Data was capable of being analysed in several dimensions – locations, products and business functions. These were visually portrayed as 'heat maps', which indicated the level of compliance at each intersection point of the business.

Each cell of each 'heat map' could be prioritised across any area of the enterprise to provide a relevant view for any stakeholder.

*Nominated by Standard Chartered to the Institute of Financial Services Financial Innovation Awards 2004 and finalist in category of 'Most Innovative Application of Technology, Data Management Solutions'*

## Stakeholder Management

The solution has become critical to managing external regulator and internal governance relationships. Rather than waiting on reports and the enormous costs and people involved, the Bank could provide secured, personal access to stakeholders who could view dashboards and compliance reports in near real time.

The reports generated are available online with drill through and slice and dice capability, and can be stored and emailed as PDF documents.

*"The VEReDATA solution for our IPS/Basel II Compliance Programme provided what we needed - it is highly configurable so we were able to marry our leading edge thinking in compliance management, program management and intelligent collaboration. All regulations and relevant standards are captured in one tool and progress towards compliance across the Group can be readily aggregated and results displayed (in either scorecards or dashboards), which is key to satisfying both internal stakeholders and regulators. The primary benefit is an increased confidence in our ability to deliver the programme successfully, as well as manage relationships with the FSA."*  
Senior Executive Sponsor

## Knowledge Control

The solution also served as a reference set for standards, policies and procedures and definitions across multiple jurisdictions. Integrated collaboration and document repositories enabled expert information and analysis to be quickly delivered and easily assimilated. Rather than using highly structured

approaches to obtaining data quality, the Bank has the ability to modify their questions and groupings dynamically.

## Integrated Governance

Self-assessment is key to empowering business units and managers with the tools to identify and rectify problems they have control of. At the same time, from a corporate position, the ability to highlight inconsistencies in approaches taken by the business facilitates a 360-degree view that enables resources to be directed to the highest priority areas. A thematic approach that crosses organisational boundaries is critical to driving business and regulatory improvements.

*"There are cost savings to the organisation from the reduction of the resources in the programme Management Offices at both Group and business levels."*  
Programmes Director

## Assessment to Integration

The solution platform is able to transition non-compliance situations into structured projects with accountability setting and lifecycles into a Compliance Development Programme that can be tracked and monitored through to compliance resolution using workflow and scorecards.

### Empowered Systems Limited

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