Control Risks Lurk at Every Step:
Revealing Data and Process Risks in Regulatory Reporting
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Featuring:
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WEBINAR Q&A:

If applicable, what aspects of the AxiomSL products are standard/out-of-the-box (i.e. standard reporting, generic data mapping to forms based on regulator updates, etc.) that are managed/controlled by AxiomSL and received by users for the application/platform? If standard/out-of-the-box functionalities exist, or can be used by an entity, what comfort does AxiomSL provide over its internal control environment to its users?

All AxiomSL products are out of the box solutions, with a high level of transparency and control. This includes standard Regulatory Reporting, calculations such as Regulatory Credit or Liquidity Risk, among others. All our solutions include regulatory updates as part of the maintenance provided by AxiomSL. What makes AxiomSL different is that the level of transparency and control we provide to our clients. Rather than a black box, our clients get visibility into every step of the process, what business rules are applied, how the data looks like after every data processing steps. Additionally, because AxiomSL is able to ingest data ‘as is’ from our client, there is no need to conform to an arbitrary vendor data model, but instead, our client’s own data which they are familiar with can be loaded into AxiomSL’s platform.
Additionally, our clients can create their own control points, such as reconciliations, logic checks, or validation checks without the involvement of AxiomSL, as the entire framework which we use to build our products is also available for our clients to use to build internal control checkpoints.

One real life example I might give would be a client who was undergoing a parallel run on AxiomSL vs a black box solution. The black box solution was producing an incorrect value, and it took the client 3 months of back and forth with the vendor before ultimately giving up because no one could figure out why the value was being produced. With AxiomSL, should an incorrect value be produced, all it took the client was 30 mins to identify the root cause, and had their internal BAs and IT quickly figure out the change required, which was scheduled for the next production release, all resolved without the involvement of AxiomSL.

Because of the unprecedented level of control and transparency our clients receive with the AxiomSL ControllerView platform, our clients have a high level of comfort of their internal control environment.

**Are you using a version control tool as part of the change governance practices to be able to review changes over time?**

AxiomSL’s ControllerView platform has its own built in version control, so we have no need for a version control tool. Version control is built directly into the platform and is able to version control both logic as well as data, both running on separate change and version control cycles, as well have complete auditability and the capability to rollback to any point in time. For example, when an adjustment is done on a report cell in AxiomSL’s ControllerView, rather than overwrite the cell, a new version is created, and timestamped, along with a record of the user who initiated the adjustment. The entire history is saved and can be rolled back to at any time. All this is built into the AxiomSL ControllerView platform, which is why we have no need for any version control tools.

**What are the lessons learned and 2-3 key takeaways for the EDMWebinar participants?**

- Gone are the days of overhauling legacy systems with massive IT implementation projects and longer timelines.
- We are in the age of increasing data collection from regulators like APRA, HKMA, MAS, and the likes. These regulators have upgraded their regulatory data collection and data analytics capabilities and they will demand for increased data scrutiny which is going to increase control...
risk issues. One such example can be seen during COVID-19 where regulators have requested for daily liquidity reports from banks.

- Critical data elements associated with various asset classes
- Visual business rules that can be applied to elements ingested into the system
- Having data lineage can improve your lives