

IBM Customer Lifecycle Management with Fenergo

Highlights

- End-to-end platform for customer lifecycle management
 - Streamlined regulatory compliance and counterparty data management
 - Holistic single client view with all associations and hierarchies
 - Automated and rules-driven modules allow a lifetime view of the client
 - Regulatory compliance and enhanced client experience
 - Out-of-the-box integration
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Digitize the end-to-end customer lifecycle management, from onboarding to KYC and AML compliance and reviews

IBM Customer Lifecycle Management with Fenergo is an end-to-end platform for Financial Institutions that allows them to transform how they manage clients – from initial onboarding, to regulatory compliance across multiple jurisdictions and industry segments, to client data management, ongoing due diligence and reviews – all infused with IBM’s advanced analytic insights to identify and reduce risks throughout every step of the customer lifecycle.

Current state of the market

In 2019 alone, more than [\\$10 billion in global fines and penalties](#) were doled out to companies and financial institutions for non-compliance with Anti-Money Laundering (AML), Know your Customer (KYC) and sanctions regulations. [Financial](#) institutions must comply with myriad regulations, involving strict rules governing both financial transactions and data protection, making it difficult for many institutions to balance customer experience, risk reduction, and compliance. While there are many solutions available, few can help provide an end-to-end customer lifecycle management that scales across front office, compliance, credit, legal technology and operations while delivering best in class analytic insights.

The IBM solution

IBM Customer Lifecycle Management (CLM) with Fenergo will help IBM clients reduce costs and achieve operational efficiencies all while better understanding the risk of every

entity and associated party they encounter from the first time they see them to the last. Our combined solution will deliver a seamless customer onboarding experience while leveraging IBM Watson technology to more accurately root out the real financial crimes risks from money laundering, fraud, human trafficking, terrorist financing, sanctions and more throughout the customer lifecycle.

IBM Customer Lifecycle Management with Fenergo will enable your business to:

Onboard customers faster and improve time to revenue - IBM CLM with Fenergo is able to reduce friction in customer onboarding while providing a better apparatus for understanding and adapting to change. The workflow engine provides an end-to-end orchestration management tool that manages all sub-processes and workflows that need to be executed to bring a client from initial take-on through to all the various stages of approvals and requests for information, and perform data refreshes, and conduct ongoing due diligence on customers. A single integrated platform allows financial institutions to quickly and efficiently onboard new clients and products, reducing onboarding time up to 82%.*

Increase the rate of STP in onboarding - IBM CLM with Fenergo improves straight through processing (STP) by automating workflow rules to eliminate data entry or human errors by re-using data, streamlining key lifecycle processes, saving time and human effort, while expediting the onboarding process. Our advanced analytics also enable a more efficient and accurate review process by aggregating and analyzing transactional, internal and external data to reduce manual case work.

Leverage cutting edge analytics to improve risk ratings and reduce unnecessary reviews - IBM CLM with Fenergo can be complemented with IBM's Financial Crimes Insights analytics to infuse a deeper understanding about customers into the entire lifecycle. Better entity risk insights for things like segmentation, networks, channel, and geographic risks can help focus time on the right entities and provide better data to defend risk-based decisions.

Reduce the cost of compliance, audit, and regulatory update while improving overall regulatory surety - IBM CLM with Fenergo gives financial institutions the ability to efficiently onboard new clients and products with regulatory compliance built-in. The solution allows customers to build upon a community-generated library of geographic and industry-specific regulatory rulesets across over 70 jurisdictions globally, spanning global and local rules and regulations around AML and KYC, tax (FATCA, CRS, 871M), OTC Derivative Rules, MIFID II rules and data privacy regulations such as GDPR. With this embedded domain knowledge customers can trust in customer lifecycle management process while relying on artificial intelligence and automation to streamline identification of anomalies. The solution can help customers achieve a significant savings on audit cost with out of the box functionality through automated rules enforcement.

Streamline ongoing due diligence - IBM CLM with Fenergo can enhance and accelerate the customer due diligence processes and ongoing screening requirements using Watson-powered intelligent automation to pre-populate key information and extract insights. "Evergreen KYC" requires reviews on fewer customers by monitoring external sources for material changes, automating entity research, and using artificial intelligence (AI) to intelligently segment customers based on behavior and help uncover hidden relationships.

Improved customer experience - IBM CLM with Fenergo enables financial institutions to provide a single, connected client journey from initial interaction, via any digital channel, through to compliant client, investor or fund onboarding and lifecycle events. Digital Client Orchestration is built upon the core Fenergo Client Lifecycle Management building blocks including KYC compliance, AML screening, global derivatives reform rules, tax compliance, client risk assessment and client master data. Customers want to be able to interact on their mobile devices, across a range of browsers and platforms, and to have the flexibility to self-serve at their convenience, without relying on office hours, emails or appointments.

Reduce the cost of operations, compliance and IT - As the markets and regulatory regimes in which the business operates evolves over time, organizations often find themselves continuing to change costly workflows which are built on business process management tools by in-house teams. IBM CLM with Fenergo provides an end-to-end solution with a lower cost of ownership than either integrating multiple point solutions and/or maintaining such indefinitely changing workflows.

About IBM Financial Crimes Insight

By resolving relationships and scrutinizing behaviors to identify high-risk entities before they commit financial crimes, IBM Financial Crimes Insight empowers institutions to increase both the efficiency and the effectiveness of their payment fraud detection, anti-money laundering compliance, know-your-customer, conduct surveillance, and insurance claims investigation programs. Only IBM uses the broadest set of market-leading AI, IBM cognitive services, big data and automation technologies, driven by input from leading regulatory experts to minimize the financial and regulatory burden of compliance while reducing reputational risk.

* Fenergo Resources, Case Studies: "Streamlined Onboarding for Regulatory Certainty & Optimized Customer Experiences."

<https://www.fenergo.com/resources/case-studies/streamlined-onboarding-for-regulatory-certainty-and-optimized-customer-experiences.html>

Why IBM?

IBM Customer Lifecycle Management with Fenergo transforms the customer onboarding and ongoing due diligence experience by providing an end-to-end, scalable platform that spans the digital and traditional front office, operations, regulatory compliance, IT, audit, and financial controls management. It delivers on the clear and present need in the marketplace for an integrated end-to-end solution that provides a positive customer experience, faster time to revenue, comprehensive compliance, reduced costs across all departments that touch a customer, with advanced analytics at every point in the lifecycle to pinpoint the real risks of financial crime.

About IBM Watson

IBM is working with organizations across the financial services industry to use IBM Cloud, cognitive, big data, RegTech and block chain technology to address their business challenges. IBM Watson merges the cognitive capabilities of Watson, the expertise of Promontory Financial Group, and the delivery capabilities of IBM Global Business Services to help risk and compliance professionals make better informed decisions to manage risk and compliance processes. These processes range from regulatory change management to specific compliance processes, such as anti-money laundering, know your customer, conduct surveillance and stress testing.

Next steps

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