IBM Financial Crimes Insight for Alert Triage

Apply advanced analytics and machine learning to AML and sanctions alerts

Highlights

Empowers analysts to make faster and better decisions by:

- Automating data aggregation for AML alert enrichment
- Prioritizing alerts with IBM® Watson® technology

Financial institutions are under immense pressure from regulators to run effective anti-money-laundering (AML) and sanctions programs. Current transaction monitoring and sanctions screening systems rely on expert-drive rules that are based on narrow sets of data and limited scenarios. These limitations pose several challenges:

- A high volume of false-positive alerts
- Too much time spent on false-positive alerts
- Inability to identify links between entities
- Information silos that delay investigations and lower productivity due to lack of context around alerts

AML compliance leaders require better technical capabilities and expertise to institute world-class AML programs while helping to lower compliance costs.

IBM® Financial Crimes Insight for Alert Triage augments legacy AML detection systems with advanced analytics and machine learning capabilities to help financial institutions improve alert triage and investigative efficiencies.

The solution risk scores incoming alerts, aggregates contextual data and highlights exonerating factors and risk. These capabilities help analysts identify false positives and prioritize alerts for investigation based on severity. The solution speeds downstream alert investigation by generating draft narratives for the alert analyst and aggregating relevant case data, eliminating the need for investigators to recreate analysts' work.

Watson machine learning technology enhances existing AML detection systems by learning from historical patterns and analyst feedback to continuously refine the alert prioritization and decisioning, improving alert triage efficiency and reducing risk to your institution.

IBM Financial Crimes Insight for Alert Triage strengthens your existing AML programs in the following ways:

Automate data aggregation for AML alert enrichment

– Streamline aggregation of geographic data, negative news, counterparty data and more from internal and external data sources to enrich money-laundering alerts.

– Enrich alerts with aggravating and exonerating factors drawn from structured and unstructured data sources to precisely determine the money-laundering risk of transactions.

Prioritize alerts with Watson

– Better understand the risk posed by customers and counterparties involved in alerted transactions using entity and network analytics.

– Help analysts see the most relevant information faster with intelligent, policy-based prioritization and filtering tools.

Empower analysts to make faster and better decisions

– Facilitate rapid review and closure of lower-risk alerts using Watson cognitive insights.

– Quickly and accurately confirm true money-laundering transactions with context from draft narratives and evidence.

– Seamlessly integrate with downstream AML case management systems to aid further investigations into suspicious money-laundering transactions.

Drive better AML outcomes

– Minimize the impact of false positives on alert triage and investigation.

– Improve analyst decision-making and productivity by enriching alerts and automating routine tasks.

– Reduce AML compliance costs and risks with the help of automation, machine learning and cognitive capabilities.

– Demonstrate consistent AML risk control to regulators.

– Scale the expertise of your best analysts across the AML function.

Figure 1. Prioritized list of alerts based on the risk factors

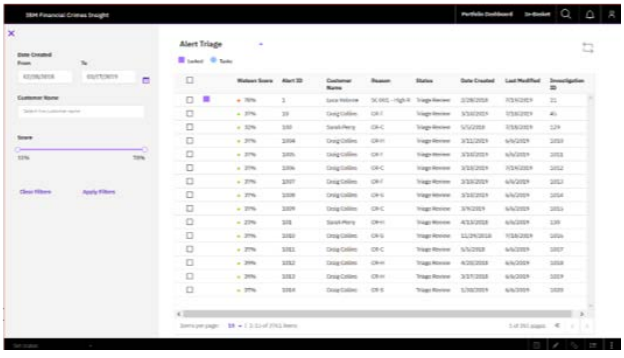


Figure 2. Layers of cognitive capabilities help you accurately score the risk of AML alerts.

IBM cognitive layers	Draft narrative generation	Draft initial prose summarizing insights
	Ensembles	Find combinations of features and models
	Graph analytics	Spot hidden patterns
	Unstructured data mining	Automate data gathering and find links
	Anomaly detection	Identify atypical events
	Supervised learning	Use historical data to predict new risk
	Clustering and segmentation	Automatically find peer groups
	Resolve relationships	Find out who knows who
	Resolve identities	Find out who is who
Legacy systems	Expert driven rules	Encode what we already know
	Expert driven profiles	Accumulate data about what is normal

Figure 3. Watson insight score for the alert based on the aggravating factors identified

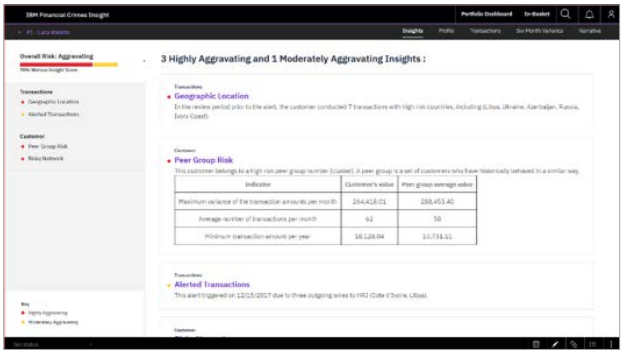
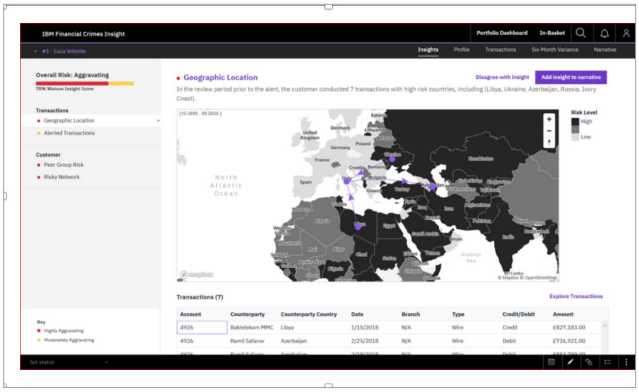


Figure 4. Adding geographic location information to auto-generated narrative during investigation



Why IBM?

IBM Financial Crimes Insight for Alert Triage can help your AML analysts quickly eliminate false positives, prioritize high-risk alerts and make better decisions by automatically aggregating data and presenting rich evidences. By leveraging the unparalleled regulatory expertise of Promontory Financial Group, an IBM company, you can modernize your AML compliance operations. At the same time, you can take advantage of Watson machine learning and behavioral analysis to spot abnormalities and suspicious activities that are often missed by legacy detection systems using rule-based models. As a result, you can quickly adapt to emerging financial crimes patterns and realize quicker time to value by augmenting legacy systems instead of replacing them.

A platform built for change

IBM Financial Crimes Insight runs on IBM Cloud Pak for Data, providing financial institutions an advanced data science tool kit to build and govern models as well as a flexible, containerized deployment architecture. IBM Cloud Pak for Data manages the entire AI lifecycle, from preparing data for AI use to model creation, deployment and governance. In addition, Red Hat OpenShift offers the ability to deploy IBM Financial Crimes Insight anywhere, as well as access management and audit capabilities. These capabilities enable IBM Financial Crimes Insight to meet your organization's financial crime challenges today as well as adapt to your changing infrastructure and business needs.

Your partner for success

To maximize the impact and value of IBM Financial Crime Insight (FCI), IBM offers a full range of services, from conceptualizing future state design to data preparation and integration to establishing a framework for model validation and governance. The IBM Global Business Services (GBS) team has the unique knowledge of FCI implementation and data requirements as well as experience and best practices gained from working with some of the most complex financial institutions in the world.

For more information

To learn more about IBM Financial Crimes Insight for Alert Triage, please contact your IBM representative, IBM Business Partner or visit ibm.com/marketplace/ibm-financial-crimes-alerts-insight.

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