

## BALANCING BOTH SIDES

By building efficient critical processes, Wipro helped a leading financial institution reconcile with its customers faster.



## INDUSTRY LANDSCAPE

The global financial crisis and the resultant meltdown brought forth several new challenges for banks and financial institutions. In the past few years, banks faced delinquencies in asset-based products, putting the spotlight back on profitability and enhancing shareholder value. Investment banks are facing a huge pressure to reduce costs and bring in greater operational efficiencies, especially in the area of global reconciliations. Verifying consistencies and helping resolve exceptions at the earliest have assumed high levels of criticality in the global banking scenario.

## CLIENT BACKGROUND

The client is a leading global financial institution operating in three global divisions - private banking, investment banking and asset management, all supported by shared services.

## THE OPPORTUNITY

The client's reconciliation process across business groups was a highly complex and time consuming exercise, given the substantial manual interventions that it required. Since the bank was not using a universal reconciliation product, the level of automation and the process for auto-matching of rates varied across groups. The bank's biggest challenge was to harmonize the processes and bring in greater efficiency related gains to the verticals.

The client sought an automated solution that could support a global recon infrastructure and help them streamline processes involving reconciled data. Other priorities of the recon service that required support included:

- Streamlining the end-to-end development cycle of business-as-usual reconciliations
- Enhancing the existing reconciliations and suggestions for solutions to errors
- Supporting lengthwise strategic initiative on core (cash and stock) reconciliation
- Supporting the standardization and integration of reconciliation development across the bank

**Wipro's solution helped automate the critical reconciliation processes of the bank, resulting in greater control efficiency and consequently 25% reduction in total cost of ownership.**

## SOLUTION

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Wipro engaged with the bank to provide an integrated solution that covered all aspects of the reconciliation lifecycle including analysis, development, quality assurance and release. Wipro worked closely with the customer's Recon Group to plan and deliver the solution, and followed it up with on-going support.

The partnership helped enhance the compliance levels vis-a-vis internal control measures by delivering reconciliations in the critical areas of cash, securities and other internal systems.

As more reconciliations came within the purview of the centralized recon group, Wipro's enhanced support helped the businesses achieve higher levels of automation.

## BUSINESS IMPACT

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Wipro enabled the automation of various critical and high profile reconciliations for the bank, resulting in cost savings through increased efficiencies. Other benefits include:

- Increased efficiency and scalability of reconciliation process
- Improved flexibility and reduced costs by adopting the global delivery model
- Simplified accounts reconciliation process and enhanced control to business users through automation of manual reconciliations

- Reduced the duration of the recon delivery schedule by utilizing the 'Follow-the-Sun' model
- Five-fold increase in the number of releases using the new global delivery and release model
- Achieved a 25% reduction in Total Cost of Ownership improved the level of control efficiency in the reconciliation process

## ENGAGEMENT HIGHLIGHTS

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- Introducing and streamlining a global delivery model for development of new reconciliations
- Creating and maintaining quality documents with traceability for all phases from requirements to delivery
- Review processes in each phase to maintain high standards of quality in documents and delivery
- Initiating regular artifacts review/verification, control charts and software quality audits for better delivery controls in the program

During the four-year engagement, the client's business groups significantly increased the auto match rates to 98% by reducing the level of manual interventions. With the engagement transforming into a utility-focused model based on a pricing catalogue that leveraged a recon complexity matrix, the total cost of ownership (TCO) came down by at least 25%. This resulted in a marked increase in control efficiency of the business.

## Wipro Banking and Financial Services

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Wipro's Banking Practice has partnered with over 50 of the world's leading banks including 4 of the top 5 banks worldwide as well as leading banks in the Asia Pacific. Our expertise across retail banking, enterprise banking, investment banking, regulatory risk and compliance, mobile banking, channels, payments, lending & mortgages and wealth management address transformational changes for our customers. Our solutions on cloud, mobile, social computing and analytics enable our customers to build a bankable future.

For more information, please visit [www.wipro.com](http://www.wipro.com) or mail [info@wipro.com](mailto:info@wipro.com)

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