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LIQUIDITY RISK MANAGEMENT
PRE-MIGRATION DATA ASSESSMENT

SOLUTION

- *Successful assessment of data* and business logic requirements for the migration of the liquidity risk management solution to QRM

BANKING AREA

- Treasury and IT Systems

SKILL SETS

- SQL
- SAS
- QRM
- BCBS 239 Expertise

THEMES

- Liquidity Risk Management and Reporting
- BCBS 239
- Data Governance
- Risk Calculator Migration
- Pre-Migration Assessment

INSIGHTS

- Banks must dedicate significant time and effort to accurately and comprehensively unpack years of code and business rules in legacy systems
- Migrations should be flexible enough to avoid delays to avoid initial analysis becoming irrelevant.
- Understand the granularity of source system data as well as business rule attribute requirements before embarking on a system migration to QRM

OVERVIEW

In order to improve the agility and long-term value of their liquidity risk management capabilities, a large retail, corporate and investment bank initiated a project to migrate their in-house risk management solution to a vendor-product solution – QRM.

As part of the migration program, Monocle was tasked with assessing and documenting the various data sources as well as business rules that currently existed in the client-built solution used for their liquidity risk reporting and risk management. We were also tasked with building the initial daily and monthly automated process to source, transform and centralise the datasets that were stored across the organisation.

Monocle included data quality controls that ensured compliance with BCBS 239 principles and built the reconciliations to ensure the dataset was aligned to the bank's balance sheet.

RESULTS

Comprehensive assessment and documentation of existing datasets

Automated process to source, transform and centralise the required liquidity risk data

Compliance with BCBS 239 principles

KEY SKILLS REQUIRED

- Technical expertise to unpack large and convoluted ETL and data preparation code sets
- Automation of data sourcing, conformance and reconciliation with consideration to BCBS 239
- Ability to effectively assist the collaboration between Treasury and IT

TESTIMONIAL

Monocle helped us immensely in identifying the gaps within the current process and recommendations on the optimal system deployment
Head: Modelling and Analysis

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