



## Branch Risk Analytics Tools (BRAT)

Branches and agencies of financial institutions still serve as the primary channel and touch point for customer services today. With a large and wide-spread branch network, how does a bank identify and manage branch risks in an effective and efficient manner?

In embracing big data, our smart solution utilises advanced analytics techniques to provide greater insight on a bank's branch risk.

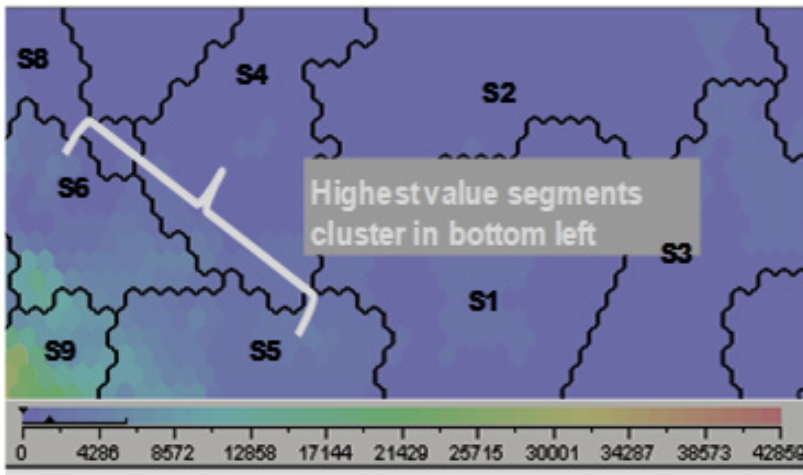
Deloitte's Branch Risk Analytics Tools (BRAT) provides a scalable solution for banks to better understand their branch network. Our solution enables banks to systematically identify systemic and localised branch risks for better risk management and monitoring.

Using an analytics-driven approach, each branch will be assigned a Branch Risk Profile indicating the level of operational satisfaction from a wide range of assessment criteria including branch governance, operations, internal controls, branch security, trainings and customer experiences.

By assigning a risk profile to each branch, the control functions of a bank (e.g. Internal Audit, Risk, Compliance, and Branch Monitoring Unit) can be better equipped to manage pressing issues and mitigate potential risk, thereby successfully improving branch operations.

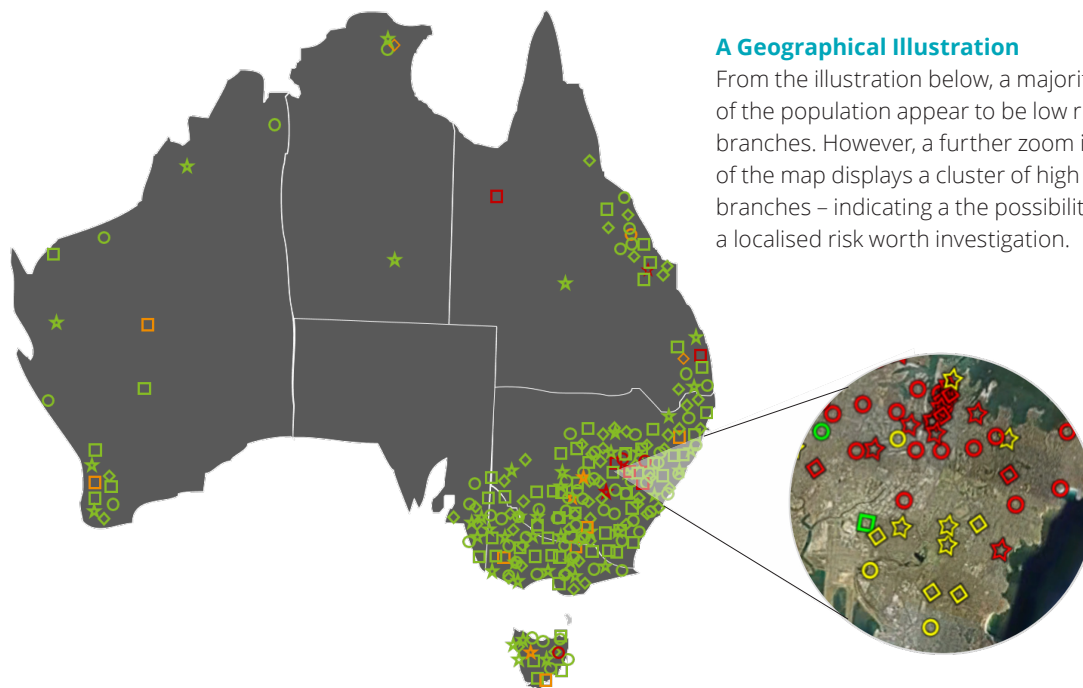
### Illustrations of Branch Risk Profiling

<b>Primary</b> Low risk branches with relatively satisfactory performance	Audit		Staff		Credit	
	Operations		Training		Customer	
	Regulatory		Security		Profit	
<b>Secondary</b> Medium risk branches with several areas requiring further improvement	Audit		Staff		Credit	
	Operations		Training		Customer	
	Regulatory		Security		Profit	
<b>Tertiary</b> High risk branches requiring immediate attention	Audit		Staff		Credit	
	Operations		Training		Customer	
	Regulatory		Security		Profit	



BRAT utilises the **Self Organising Map (SOM)** analytic technique for segmentation. SOM is an artificial intelligence technique that uses all relevant organisation data to provide an unbiased view of segmentation.

Analysis of branch data will highlight behavioural outliers, and help direct supervision activity.



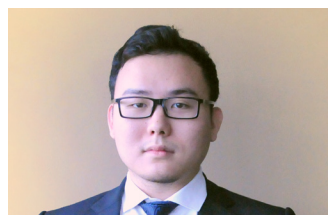
### A Geographical Illustration

From the illustration below, a majority of the population appear to be low risk branches. However, a further zoom in of the map displays a cluster of high risk branches – indicating a the possibility of a localised risk worth investigation.

## Contact us



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