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Regulated Communications Management
Strategies and solutions for financial services firms

Overview

Newly implemented regulations, regulatory scrutiny, complexity of managing ever expanding volumes of content, and the rising costs of data storage are driving large financial services companies to improve and streamline the management of regulated information.

With regulatory bodies enforcing self-reporting requirements on electronic and voice communications, and many organizations retaining in excess of a billion communication messages per year, financial services companies are seeing records and archives systems driven to capacity, and emerging eDiscovery challenges and costs rising as a result. In addition, multiple requirements for identifying, capturing, and monitoring regulated communications are made complicated due to a wide array of sources and applications, and as such, many firms are searching for better ways to manage the complexity.

Our solution

Deloitte is uniquely positioned to assist organizations with improving the management of regulated communications. We bring extensive regulatory, technology, and governance experience in helping companies devise a defensible compliance program to meet the rigorous regulatory expectations around data governance, retention, and surveillance of communications.

Our approach serves to develop a holistic program, inclusive of managing regulatory expectations, data governance, and data quality:

- **Regulatory expectations:** Helping to manage the evolving landscape of global regulatory expectations, including electronic communications such as email, text messages, instant message chat, and social media, and voice communications by way of telephone, voicemail, mobile device, or other electronic media.

- **Data governance:** Demonstrating to regulators that communications are being managed in a consistent and rigorous fashion globally among legal, IT, and compliance constituencies.

- **Data quality:** Assisting with maintaining compliance through properly identifying and provisioning covered persons for archiving and surveillance, and retaining messages with appropriate data quality.

Our Regulated Communications Management services can help you identify gaps in your systems, develop a regulated communications program, and improve how you manage your information lifecycle:

Assessment and strategy

A structured approach to managing regulated communications begins with the understanding of current technology and governance, and identifying gaps to address and improve.

- Assess how people, process, and technology are affecting your data quality and compliance requirements

- Develop a comprehensive strategy for managing users, archives, and communication sources

- Recommend improvements across governance, data quality and management of regulatory expectations

Regulated communications program development

Deloitte can help develop a cross-functional operating model, inclusive of organizational processes, procedures and technology.

- Establish a target operating model for archive data quality across the organization
- Define organizational structures that promote improved data quality and reduce risk of data gaps
- Introduce scoring, performance measures and reporting to quantify risk reduction

Data quality validation platform

To establish and maintain an acceptable level of data quality for retained communications, a validation platform can be designed and implemented to evaluate if the archive data is meeting quality requirements. The validation platform can be designed to provide identification of the risks due to archive gaps for a given communication source or data feed.

- Based on Deloitte's Archive Data Quality Validation Framework, develop and customize a set of validation tests that measure the 5 dimensions of data quality
- Develop governance and sustainability processes to accompany the validation platform
- Design, build, implement and deploy validation platform

Archive remediation and rationalization

A critical step in maintaining appropriate data quality and improving performance is to remediate gaps identified as a part of the validation tests. In addition to gap remediation, we can also assist with the disposition of data that no longer needs to be retained, helping to reduce the cost of data preservation and the risks associated with retaining data that can be defensibly disposed.

- Develop and plan approaches aimed at rationalizing legacy archive platforms
- Assist organizations in selecting new platforms and providers for archiving
- Define and implement archive migrations
- Assist organizations with developing and implementing defensible disposition

Our experience

- A large multinational banking and financial services company engaged Deloitte to help improve its electronic communications archiving and supervision functions. In response, Deloitte performed an assessment of the firm's current state capabilities around archive compliance, including people, process, and technology. We then proposed a framework designed to validate the firm's archive compliance based on accuracy, completeness, and timeliness, which ultimately led to recommendations made on how to achieve and maintain archive compliance. The recommendations were organized and prioritized in an

5 Dimensions of Data Quality

- Completeness
- Accuracy
- Timeliness
- Consistency
- Accessibility

actionable roadmap which the client considered in an effort to improve the compliance of its communications archive function. In the end, the client was able to gain insight on its current state performance, limitations, and future state potential for surveillance activities.

- A global financial services firm engaged Deloitte to assist in creating a testing playbook for its voice recording archives in response to new and changing global regulatory requirements. As a result of the initiative, the company will be able to improve its monitoring of regulatory requirements, including Commodity Futures Trading Commission (CFTC) and Dodd-Frank regulations on swaps and derivatives trading. To assist the client in this endeavor, we first developed an understanding of the most representative voice recording systems and processes to identify a basis for the testing playbook. We then created a testing playbook that can be used to evaluate the client's compliance with regulatory requirements. Moreover, the testing playbook provided the client with the means to extend the framework and address the needs of its current and future voice recording solutions on a global scale.

Contacts

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