



Customer Success Story:

Sumitomo Mitsui Banking Corporation

Overview

Sumitomo Mitsui Banking Corporation offers a broad range of financial services centered on banking. The Bank is also engaged in leasing, securities, credit card, investment, mortgage securitization, venture capital, and other credit related businesses. They are a global organization and one of the largest banks in the world today.

The mission of Sumitomo Mitsui Banking Corporation is to optimize customer value and help their customers achieve growth, while at the same time creating sustainable shareholder value.

Challenge

The Basel II accord is an international code of conduct for banks to disclose information and report credit risks. The Basel II accord allows for three different calculations to be used to calculate credit reserves. As the calculation becomes more complicated the amount a bank must put aside as credit reserves becomes more precise. In order to use the most complicated formula and therefore the most precise, the Bank needed to find a way to consolidate customer exposure on a global level. Although Basel II does not come into effect until January 2007, banks must begin collecting the three years' worth of historical, operational and credit risk data needed now in order to meet the deadline of the new requirements.

The International Banking division of Sumitomo Mitsui Banking Corporation was faced with numerous business and technical challenges. Because they are a large, global organization, business challenges included different organizational structures and responsibilities, different data availability, different languages and time differences, and different regulatory requirements. The technological challenges

Highlights

Financial Services

Processes Enabled:

- New Customer Intake
- Basel II and Patriot Act Compliance

Customer Benefits & Results:

- Single user interface
- Achieved Patriot Act & Basel II compliance
- Improved customer service
- Lowered risk. Improved regulatory compliance

included heterogeneous hardware and software environments in every location and different back end processing systems.

In order to amalgamate customer data, the bank was faced with the challenge of collecting and streamlining their new customer intake process – known within Sumitomo as the Customer Information File process. This process spans Asia, Europe, and North America and involves complying with Know Your Customer regulations in Europe and the US, screening the customer against OFAC, MOFA and other 'do not do business with' lists, getting new customer information into all of the appropriate sub-systems, and creating the customer entry in the Customer Information data warehouse.

The existing system was not scalable to accommodate Sumitomo's needs and to date, this has been a slow, manual process that is prone to error and frustrating to both employees and customers.

Solution

Sumitomo Mitsui Banking Corporation selected Metastorm BPM for its scalability and extensibility, ease of integration with its existing environment, standardization of global processes, ease of use for its end users and speed of development.

The International Banking division of Sumitomo Mitsui Banking Corporation identified customer processing and regulatory compliance as the first targets for Metastorm's BPM technology.

Sumitomo Mitsui is using the Metastorm BPM solution to create a globally accessible system that allows for the specialized requirements of each region while interfacing with multiple systems to decrease manual input and improve data accuracy and

enforce regulatory compliance.

Metastorm BPM has automated and streamlined the Customer Information File process that enables Sumitomo to efficiently process new customer information, automate the Patriot Act/ Know Your Customer screening activity, and get new customer data updated – in a fraction of the time and with more accurate results than their current manual approach. The solution integrates Metastorm BPM with Sumitomo’s existing Patriot Act, Active Directory, and corporate portal systems to provide a seamless process flow across the organization.

Sumitomo Mitsui rolled the Customer Information File solution out to all of the 1,000+ users in their International Banking Division. Following this rollout, Sumitomo plans to tackle another business process – using Metastorm BPM to streamline the provisioning of user IDs and passwords across all of their enterprise systems.

Results

Sumitomo has deployed a single common, user-friendly interface to their users – who were forced to use several disparate systems, each with a different user interface. Data is being collected on a global basis and regulatory and compliance requirements have been integrated into the process – decreasing the burden to the users and helping to enforce compliance and lower corporate risk.

Metastorm BPM has enabled employees to become more educated on the Customer Information File process and empowered to refine and improve the process – ultimately enhancing customer service. In addition, as a result of the efficiency that Metastorm BPM brings to organizational processes, Sumitomo Mitsui expects to realize cost savings and a rapid return on their investment. The scalability of Metastorm will also allow the bank to standardize more global processes.

Ultimately Metastorm BPM will contribute to the Sumitomo Mitsui Banking Group mission by helping to provide an engaging environment for their employees, value to shareholders, and the optimum in customer service.

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