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NextWave's Model Risk Management Solution

The Challenge.

Financial risk models are fundamental to how financial firms drive business critical processes such as credit decisioning, fraud detection, market risk, customer targeting, pricing and capital provision. Model governance has become increasingly more regulated within the international financial services market, as these models require frequent and active management throughout their lifecycle.

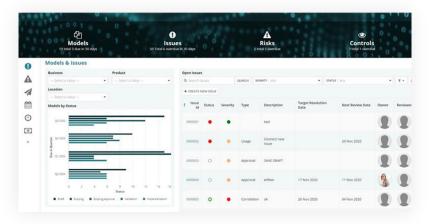Typical challenges with risk model management are:

- **Data Ambiguity Due to Siloed Systems** resulting in a lack of oversight.

- **Audit Trail Ambiguity** resulting in lack of accountability.

- **Non-Compliant Submissions** resulting in deferred realization of the expected economic benefits.

- **Reactive Problem Solving** instead of proactive engagement resulting in increased risks.

- **Time Consuming Manual Tasks** increasing chances of human error and reducing productivity.

- **Incorrect and Unapproved Outputs** increasing reputational and sanction exposure.

This has a real cost for organizations:

2019 Prosper Model Risk output failure	2012 JP Morgan - London Whale
$3 Million Fine	**$6 Billion Loss + $1 Billion Fine**

The Solution.

NextWave's Model Risk Management solution provides the most robust, end-to-end workflow to automate the model life-cycle governance process by effectively addressing issues, risks and controls throughout a model's life-cycle (ideation, build, validation and deployment).

Benefits

- **Automated Governance** real-time insights into your risk model repository including issues and risks, automated tasks and escalation for late approvals or updates.

- **Proactive model management** detect use of unapproved or obsolete models to minimize disruption.

- **Centralised Data Repository** of model information, key information such as geography, business areas, sources of data and uses configured to the business needs.

- **Quality Regulatory Submissions** quality assurance over the data packs sent to regulators.

- **Mobile enabled** access data on all devices, even offline to ensure easy adoption.

Solution Delivers	Impact
Automation of Model Life-cycle	Real-time, detailed insights and audit trail for improved efficacy of business outcomes
Intuitive and Centralized Data Capture	Quickly access relevant model data in one place
Issues and Risk Management	Ensure timely and accountable issue and risk remediation
Proactive Monitoring	Enhanced productivity in capturing and tracking model usage, parameters, dependencies and outcome assessment
Regulatory Submission Check-Lists	Improve time to value for regulatory submissions
Multi-platform access	Accessible 24/7 for quick, real-time decision making
Bottleneck Prevention	Early alerts to proactively interject and remediate process delays between stages
Easy Integration with Existing Assets	The Appian low-code platform allows quicker deployment

NextWave's Model Risk Management Solution Solves This Better.

NextWave has leveraged their extensive expertise in model risk oversight and paired it with the Appian Low-Code Platform to create a unique and impactful end-to-end governance solution that solves these problems better by:

- **Built by Experts:** NextWave's extensive experience in managing the risk model process helps ensure that this solution is designed to address all aspects of the process.

- **Tackles Relevant Process Needs:** Highlights the most pressing risk model process needs.

- **Intuitive Design:** Interface reduces need for staff training and provides real functional needs by user role.

- **Real-Time Analytics:** Dashboard provides users real time data visibility, no more partial or siloed views.

- **Flexibility:** Nimbleness and speed to deploy, adapt and integrate the risk model workflow to the solution.

Contact us to learn more today mrmsolution@nwave.co.uk

NextWave Consulting bring a compelling combination of deep finance industry expertise combined with extensive technical experience in the Appian solution set. Our leadership team each have 20+ years of experience in Financial Services performing senior leadership and transformation roles, with both business and IT perspectives, ensuring the focus is on rapid delivery of excellent business outcomes. Our Appian practice is staffed with re-engineering experts, with 10+ years in business process re-engineering, and a team of engineers who have repeatedly delivered successful Appian based solutions for clients.

Appian helps organizations build apps and workflows rapidly, with a low-code automation platform. Combining people, technologies, and data in a single workflow, Appian can help companies maximize their resources and improve business results. Many of the world's largest organizations use Appian applications to improve customer experience, achieve operational excellence, and simplify global risk management and compliance. For more information visit **appian.com**.