

Finance Excellence: Integrated Finance & Risk



Capgemini enables financial institutions to address finance costs, finance efficiency/effectiveness and overall regulatory reform

As the global economy stabilizes and recovers from the financial crisis, lawmakers around the world are instituting new regulations to better manage financial markets. The crisis has brought home the importance of regulations to help banks, insurers and capital markets firms manage the business through difficult times. Finance organizations are facing an unprecedented focus on finance costs, finance effectiveness and new regulations around:

- Performance management
- Process, reporting and controls
- Risk management
- Technology re-implementations
- Decision management

With sweeping changes expected, most financial institutions are rethinking their systems and processes with an eye towards transformation. New financial systems must work together seamlessly to provide flexibility and transparency to adapt to changing regulatory trends.

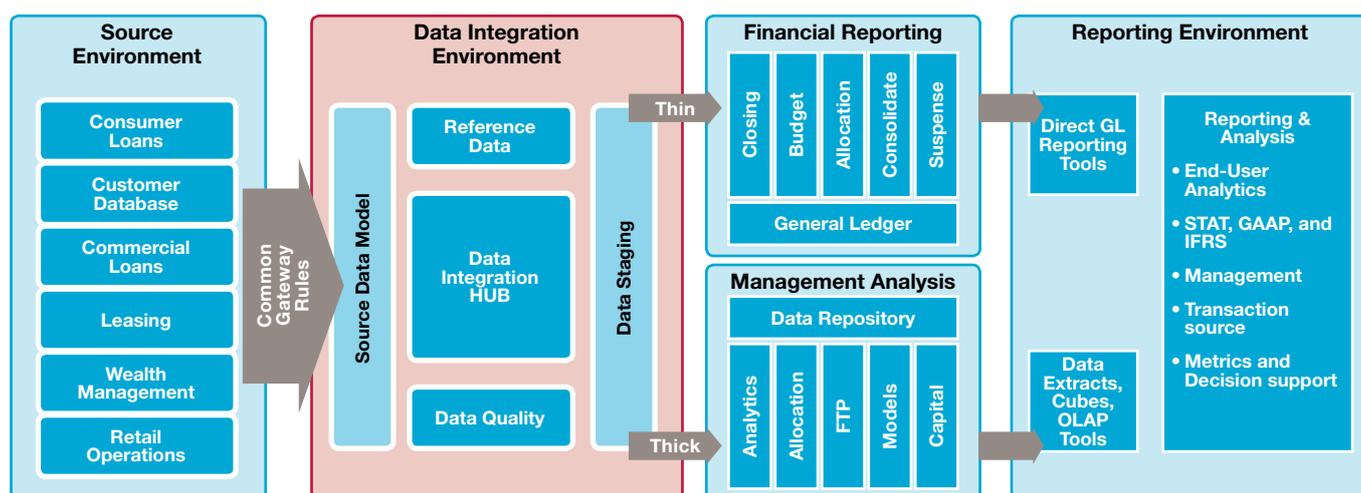
Financial institutions no longer have the luxury of working with non-integrated finance processes

Today most financial institutions have extremely complicated system landscapes with various solutions, multiple general ledgers and data warehouses. These solutions and systems must be integrated, optimized and enhanced especially when business needs change.

Current 'siloesd' solutions can be divided into four core areas:

- Management accounting
- Financial accounting
- Regulatory reporting
- Internal risk

In today's banking environment, many times key activities are performed through separate systems in silos, resulting in a costly environment that is predicated on manual transactions, reconciliations, "rear view" focus and one-off reporting solutions



In the past, these processes were separated with multiple "versions of the truth." Valuation for internal purposes was based on different databases, and data was stored several times in several places. Additionally, calculations were not performed in a consistent manner across the organization so the same key figures in reports of separate departments were not comparable.

The risks inherent in these process and system challenges were brought to light by the financial crisis. Changes in business requirements are forcing financial institutions to invest in solutions and infrastructure that supports consistency, transparency and access to high-quality information across all processes. Financial Institutions need a solution that:

- Provides common, global business processes
- Includes an integrated platform performing for a single source of data for multiple purposes
- Fosters consistency, transparency and regulatory compliance

Capgemini's Approach to Integrated Finance and Risk

Capgemini help financial institutions consolidate regulatory reporting, management accounting, risk management and financial accounting across the whole organization.

Capgemini has experience developing integrated finance and risk architectures and central financial databases to give Financial Institutions:

- Better insight into customer, branch and product profitability
- Multi-GAAP accounting on financial instruments including IFRS
- Credit risk analysis and Basel II/III reporting

Our thought to finish approach goes from strategic design to implementation approach goes from strategic design to implementation.

Phase 1: Strategic Design

The strategic design phase can be completed in 6-12 weeks and is business processes driven. The future state business processes provide the foundation for the transformation. Capgemini combines four key elements in creating the future state design.

- Global Best Practices
- Software Solutions
- Benchmarks
- Capgemini Experience

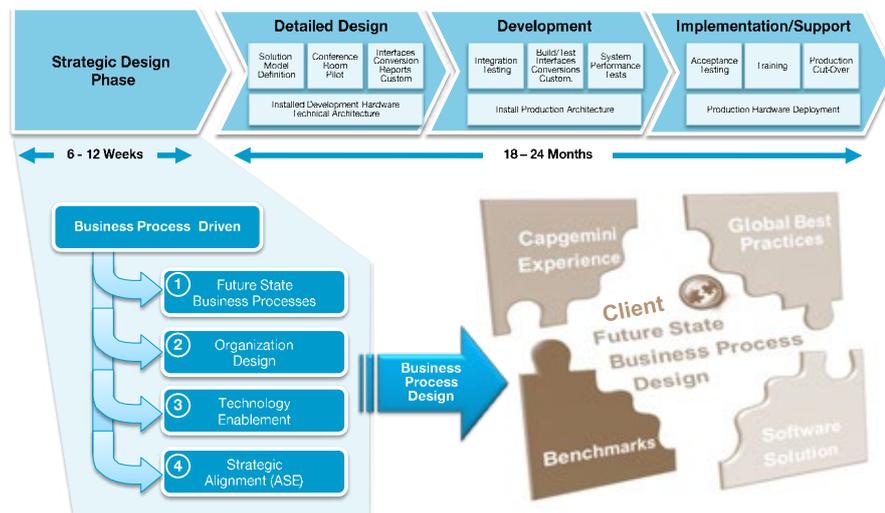
By combing the best elements of these four design inputs, we create the foundation to build the finance organization of the future.

To jump start this crucial stage, Capgemini has created a MODEL OFFICE™. The model office is a working environment where financial institutions can model their transactions and business models in the future state.

Phase 2: Detailed Design

During the detailed design phase, we define the solution model, install the development hardware and technical architecture, and build the interfaces and conversions. In this phase we showcase industry benchmarks and best practices to the business user communities in continued use of the model office.

With our methodology, Capgemini can help you simplify and consolidate your finance processes



Phase 3: Development

Once all design is complete through signoff of the business users accessing the solution through the model office, development begins. Capgemini installs the production architecture, performs system performance and integration testing, and builds and tests all conversion interfaces.

Phase 4: Implementation & Support

After deploying all production hardware and software, Capgemini performs acceptance testing and completes the production cut-over. We provide training for your staff to ensure continuity and support. We can also take on maintenance or support for the implementation.

The Benefits

Capgemini's clients have achieved significant cost savings and efficiencies through Capgemini-enabled finance transformation. In many cases, finance costs have decreased by over 25% through elimination of manual activities, redundant activities, and non-value added work.

Equally important to the quantitative benefits are the qualitative benefits. The qualitative aspects of an enabled finance transformation program allow financial institutions to implement an integrated financial and risk architecture to meet regulatory reporting requirements, but also allow finance to focus the majority of its time and resources on management insight and business analytics. This enables finance to become a "partner to the business" regarding key management aspects of the running of the financial institution.

Solution Benefits

Quantitative	Qualitative
<ul style="list-style-type: none"> • Reduce financial transaction processing costs • Reduce inefficient and costly data exchanges and manipulations • Shift resources from transaction processing to forward-looking business support activities • Provide real-time financial and operational information to support management decisions • Support a centralized/ shared services finance organization 	<ul style="list-style-type: none"> • Leading edge financial services architecture • Single source for both financial and risk management • Flexible, adaptable finance organization and technology • Address compliance regulatory requirements • Support focused and relevant business analysis • Provide information to react to economic issues • Combine cost cutting efforts with effectiveness efforts • Create a partnering model between finance and business users

For more information, visit us at www.capgemini.com/financialservices or contact us at financialservices@capgemini.com.



About Capgemini

With more than 130,000 people in 44 countries, Capgemini is one of the world's foremost providers of consulting, technology and outsourcing services. The Group reported 2013 global revenues of EUR 10.1 billion.

Together with its clients, Capgemini creates and delivers business and technology solutions that fit their needs and drive the results they want.

A deeply multicultural organization, Capgemini has developed its own way of working, the Collaborative Business Experience™, and draws on Rightshore®, its worldwide delivery model.

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