

AML Transaction Monitoring for a Global Bank

95%reduction in false
positives**20%**

time savings

\$1moperational cost
savings**100%**

timelines achieved

CLIENT CHALLENGES

- A large global bank wanted [Acuity Knowledge Partners](#) to help reduce false positives for its [AML activities](#), including
- Streamlining its transaction monitoring activities, validating and developing new customer segmentation logic
- Developing and validating new and existing scenarios to generate alerts and fine-tuning scenarios for efficiency and higher speed,
- Determining a methodology to set initial thresholds and tuning them to specific scenarios

OUR APPROACH

- Segmentation
 - Applied [data analysis](#) techniques to determine the number and type of customer segmentations
 - Analysed attributes associated with the customer to cluster them
 - Validated the existing segmentation model for different portfolios
- Threshold tuning
 - Derived and validated existing thresholds of tuneable parameters to reduce false positives and ensure that scenario requirements are met
 - Determined the transaction population for each scenario to fine-tune thresholds
- Scenario development and validation
 - Developed new scenarios and fine-tuned existing scenarios for better performance
 - Validated scenarios to confirm the requirement(s) and ensure that alert specifications are met

IMPACT DELIVERED

- Met the timelines provided by regulators
- Identified redundant scenarios and reduced false positives by 95% by tuning the thresholds

- Improved customer segmentation by validating the existing model and modifying based on the requirement
- Deployed a team of statisticians, AML SMEs, and [technology](#) experts to implement a robust transaction monitoring process

About Acuity Knowledge Partners

Acuity Knowledge Partners is a leading provider of high-value research, analytics and business intelligence to the financial services sector. The company supports over 350+ financial institutions and consulting companies through a team of over 3,000+ subject matter experts who work as an extension of the clients' teams based out of various global delivery centres.

We empower our clients to drive revenues higher. We innovate using our proprietary technology and automation solutions. We enable our clients to transform their operating model and cost base.

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contact@acuitykp.com | acuitykp.com

