

Launched a multi asset MRM team for a US Asset Manager



7 models documented and tested every 2 months



60% cost savings achieved



Fully offshore operation

Client Challenges

- » The second line of defense (LOD) at the bank had raised concerns about insufficient documentation and testing of 59 models
- » The model owners did not have enough bandwidth to allocate to remediate these concerns
- » The CRO's team came up with a plan to create a team of model owners and validators dedicated solely to complete entire model documentation and testing on behalf of the model owners

Our Solution

Deployed a team of 10 model developers and validators in a span of 3 months from over 40 candidates

Phase 1

- » Conducted a series of interviews to gain an in-depth understanding of each model, its scope and use, inputs and outputs, the workflow, the process, downstream and upstream impacts, model monitoring, etc.
- » Documented each model with periodic reviews and feedback from the model owners

Phase 2

- » Created testing plans and processes for each model through discussions with the model owners taking into account the scope and use of the models
- » Performed tests on models based on the plans and documented the results

Phase 3

- » Submitted the documentation and testing to the second LOD
- » Received ongoing support for the models during the validation process

Impact Delivered

- » Achieved 60% cost savings
- » Successfully met model risk management (MRM) objectives, while consuming a limited bandwidth of model owners
- » Maintained a seamless model validation process
- » Successfully met intermediate periodic milestones for completing the documentation and testing of the planned model list

About Acuity Knowledge Partners

Acuity Knowledge Partners, formerly part of Moody's Corporation, is a leading provider of bespoke research, analytics, staffing and technology solutions to the financial services sector.

Headquartered in London, Acuity Knowledge Partners has nearly two decades of transformation experience in servicing over 300 clients with a specialist workforce of over 2,500 analysts and delivery experts across its global delivery network.

We provide our clients with unique assistance not only to innovate, implement transformation programmes and increase operational efficiency, but also to manage costs and improve their top lines.

These services are supported by our proprietary suite of Business Excellence and Automation Tools (BEAT) that offer domain-specific contextual technology.

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