

CORIOS TEMPO

Financial services model factory processes to streamline regulatory compliance

Financial services firms develop a range of analytic models to improve their business performance: marketing, sales, pricing, risk, fraud and recovery. Yet it's not sufficient for financial services firms to develop analytics assets in the lab and call it a day.

Every analytic process that a bank develops must pass rigorous internal and external review to **ensure the right decisions are made with the right information for the right reasons**. If an analytic asset isn't validated, it can't be used to drive the business. Hence, banks are hesitant to move production assets to new platforms. They need a blueprint to deliver reliable, consistent results from the very beginning.

Corios has vast experience in authoring and validating financial services model assets. Corios has **created, deployed and validated hundreds of models** for our financial services clients. We work backwards from a successful validation strategy in order to design, build and deploy these assets.

Corios helps organizations design, implement and chart a course **to proven and profitable business results**. Furthermore, with our guidance, financial services firms can increase their successful compliance reviews in less time, shifting scarce time away from regulatory reporting and back to insights development.

Real world model factory challenges

Demand for seasoned experts

Practitioners with 5+ years of experience are far less available than those with 1-2 years in the field



Still as complex as ever

Issues now include trust, privacy, diagnosis, and preventing real world-driven context and biases (Tech Republic)



Is it productive?

In 2016, out of 150 data scientists surveyed, only 50 had built a model, and 0 had put it into production (Harvard Business Review)

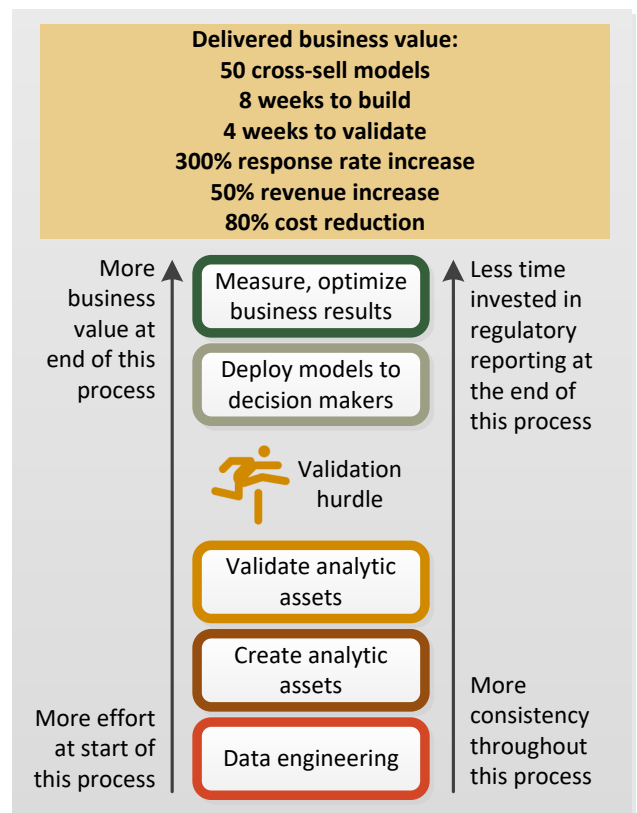


THE CHALLENGE: CONVERT A CRAFT INTO A VALIDATION-READY PROCESS

Solving this problem is not about technology, hiring some really smart people, or gathering some new data. It's all those things combined, focused on **improving a specific measurable business outcome**, managed by a platform based on proven results that offers a competitive payoff, and doing so in a way that is predicated on validating these results before they are ready to be used in driving business performance.

To leverage this platform, you need a blueprint to deliver and implement a **consistent, reliable business process** that reduces the cost and time to build, deploy and validate these assets, and to get the insights out into the field. Our experience shows that greater consistency in this process leads to less time invested in regulatory information gathering and review. In our experience, a properly-design model catalog of 50+ models can get validated in the same time it takes a craft-based approach to get a single model through compliance and model validation.

Corios' research shows that model construction, deployment and validation costs via a model factory are **80% less** than the costs of the traditional method. **Would you want to pay 5 times as much** for the same results?



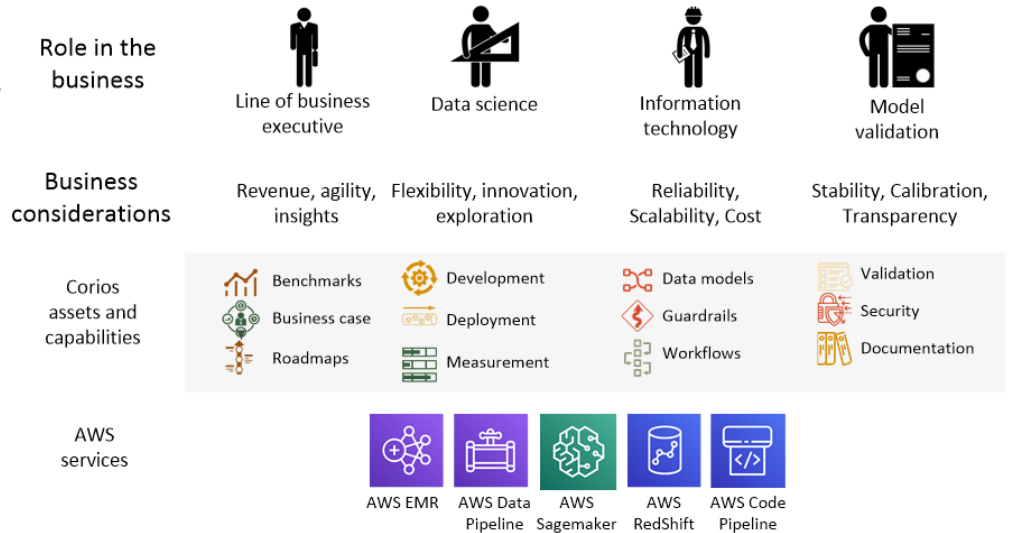
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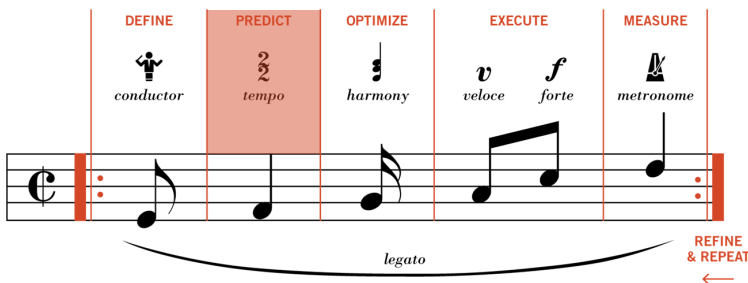
The **Corios Tempo methodology** and our intellectual assets, implemented on the Amazon Web Services (AWS) platform, helps our clients to drive speed, measurable financial growth, governance, validation and alignment. We do this by developing a analytic data platform, reduce the time required to build, deploy and validate analytic models, and convert these models into sustainable business assets.

By designing this process on AWS services, we've removed the risk and time required to experiment. Furthermore, Corios will help you reduce the time required to pass regulatory scrutiny, shifting your time back to enhancing your business results.

Corios Tempo: addressing regulatory model validation



CORIOS SOLUTIONS



CORIOS DATA SCIENCE PLATFORM CASES

Banking treasury management cross-sell model factory
50 models built in 8 weeks

Auto lending pricing optimization engine reduced cycle
time from 15 minutes per scenario to 1000 in 5 seconds

Property & casualty insurance model factory
Deployment cycle reduced from 18 months to 3 months

DELIVERABLES

When you engage in a Corios Tempo model factory engagement, you'll receive the following deliverables.

- Line of business executives:** Analytics maturity benchmarks, business case, and roadmaps.
- Information technology executives:** Analytic data models and security models, data development GuardRails, and analytics/IT workflows.
- Compliance stakeholders:** Design patterns and toolsets for analytic model validation, platform security, and model and data documentation.
- Data science managers and analysts:** Design patterns, practices and training on analytics development, deployment and performance measurement.

**THE ORGANIZATIONAL ABILITY TO CREATE
MORE MODELS FASTER**

**Get started on your own validation-ready model factory initiative with Corios,
by contacting a Corios Client Strategist at 503-295-1685.**