EVONSYS
EVOLUTION BY INNOVATION

SIMPLIFYING PAYMENT EXCEPTION HANDLING WITH PEGA SMART INVESTIGATE

A leading North American bank's journey from an outdated legacy system to a cutting-edge payment investigation system, enhancing efficiency and customer satisfaction and slashing operational costs.

www.evonsys.com

About the Customer

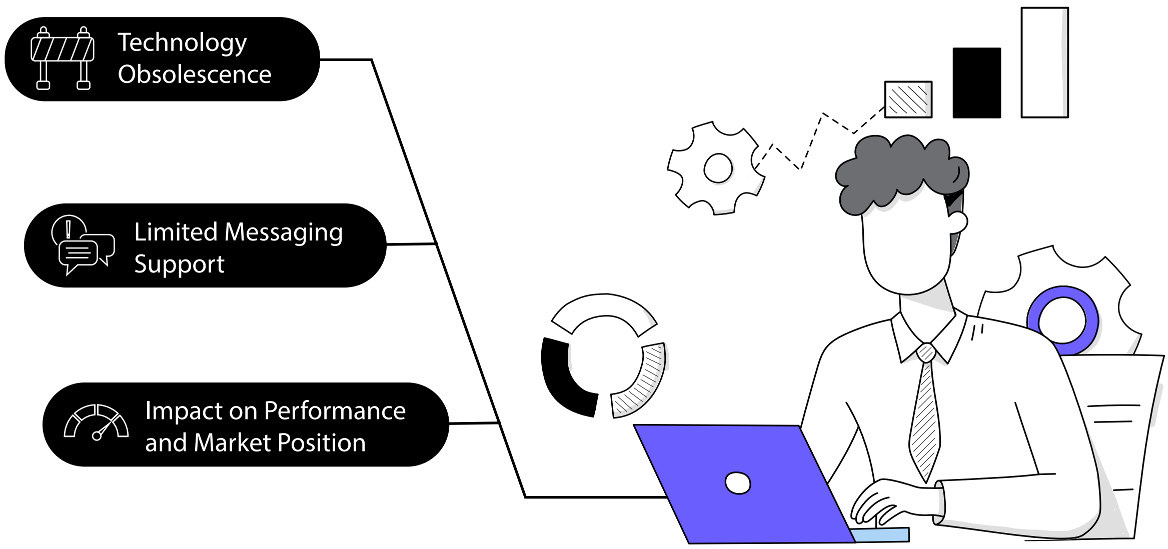
A leading North American financial institution known for its commitment to digital innovation, offering a wide range of services in retail and corporate banking. The bank remains a key player in the Canadian banking landscape, continuously adapting to an evolving economic environment.

Engagement Story

The bank identified a critical need to modernize its payment investigation process within the Retail Business Wealth Management segment. Their legacy system, once foundational, had become outdated and inefficient. This led to a strategic partnership to implement a solution that would enhance operational efficiency and streamline inquiry handling.

Key Business Challenges

The bank faced critical challenges due to the limitations of its existing payment investigation system.



Technology Obsolescence : The legacy system for payment investigation, integral in managing inquiries, was reaching the end of its operational lifecycle. It struggled to meet evolving technology and compliance requirements.

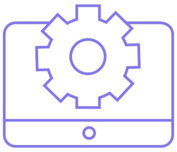
Limited Messaging Support : The system had minimal support for SWIFT MT and no ISO (MX) messaging, which is crucial for modern banking communications, and had no substantial updates in nearly a decade.

Impact on Performance and Market Position : The inefficiencies of the payment exception handling teams, which are critical in resolving investigations within SLAs, are directly correlated with client retention and competitiveness in the market.

These challenges created an imperative for the bank to explore alternative solutions to enhance its operational efficiency and client service capabilities.

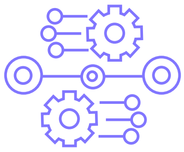
Desired Goals

To address these challenges, the bank defined clear objectives for the new payment investigation system:



Replace Legacy Platform

The primary objective was to replace the current Payment Investigation platform with a new, more innovative solution that could deliver faster outcomes and enhance the bank's capabilities in Swift messaging and the payment ecosystem.



Streamline Investigation Process

The new system aimed to consolidate all department-related investigations within a single, accessible platform, enabling prioritization based on urgency.

Enhanced Functionalities

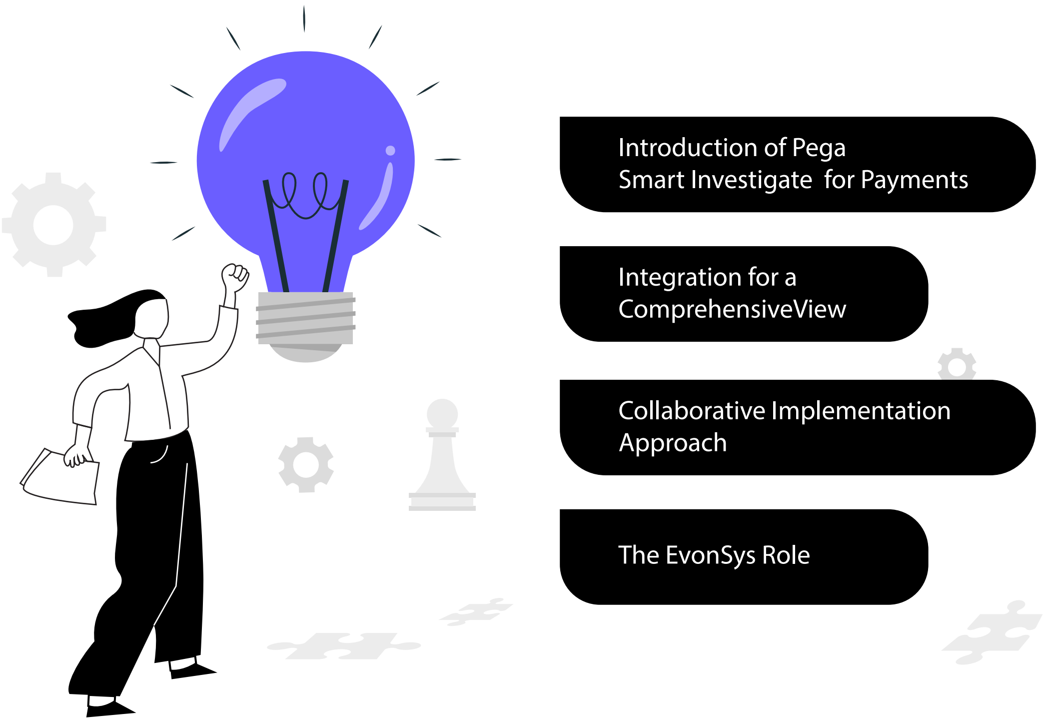
The bank sought a system that could:

- Extract the intent of the exception cause and initiate investigations.
- Enrich investigations with detailed transaction and message data.
- Automatically acknowledge selected exceptions in SWIFT MT/MX format.
- Send communications in SWIFT MT, MX formats, and structured emails to corresponding banks.
- Resolve investigations efficiently.
- Generate operational and management reports.

These goals were centered around modernizing the bank's approach to payment investigations, aiming for an integrated, efficient, and user-friendly system.

Solution

The solution to the bank's challenges involved implementing a cutting-edge system for payment investigation through:



Introduction of Pega Smart Investigate for Payments :

The bank chose Pega Smart Investigate for Payments for its robust features that support its specific use case. This solution consists of an MVP 1, focusing primarily on developing the necessary capabilities for the bank to transition its Payment Investigation processing to Pega.

Integration for a Comprehensive View :

The Pega SI application integrates with the bank's Transaction Source of Record (SOR) and Client Information File (CIF), along with message processing systems.
This integration provides a 360-degree view of investigations and enables collaboration with involved parties using their preferred communication methods, including SWIFT MT, MX, and email.

The EvonSys Role :

As a strategic partner, EvonSys led the transformation by leveraging its expertise in Pega Smart Investigate to implement the first-ever Pega SI solution on Pega Cloud. EvonSys utilized its proprietary Smart Investigate Accelerator, cutting the implementation timeline by 6-8 weeks compared to the standard cycle, demonstrating its ability to deliver innovative solutions efficiently.

Collaborative Implementation Approach :

EvonSys conducted a 3-day in-person gap analysis workshop, leading to a mutually agreed-upon MVP1 scope. The close collaboration maintained throughout the implementation was critical to the project's success.

This solution addressed the bank's need for an innovative, efficient system to handle payment investigations, ensuring enhanced operational capabilities and improved client services.

EvonSys utilized its proprietary Smart Investigate Accelerator, cutting the implementation timeline by 6-8 weeks compared to the standard cycle, demonstrating its ability to deliver innovative solutions efficiently.

Key Activities Involved

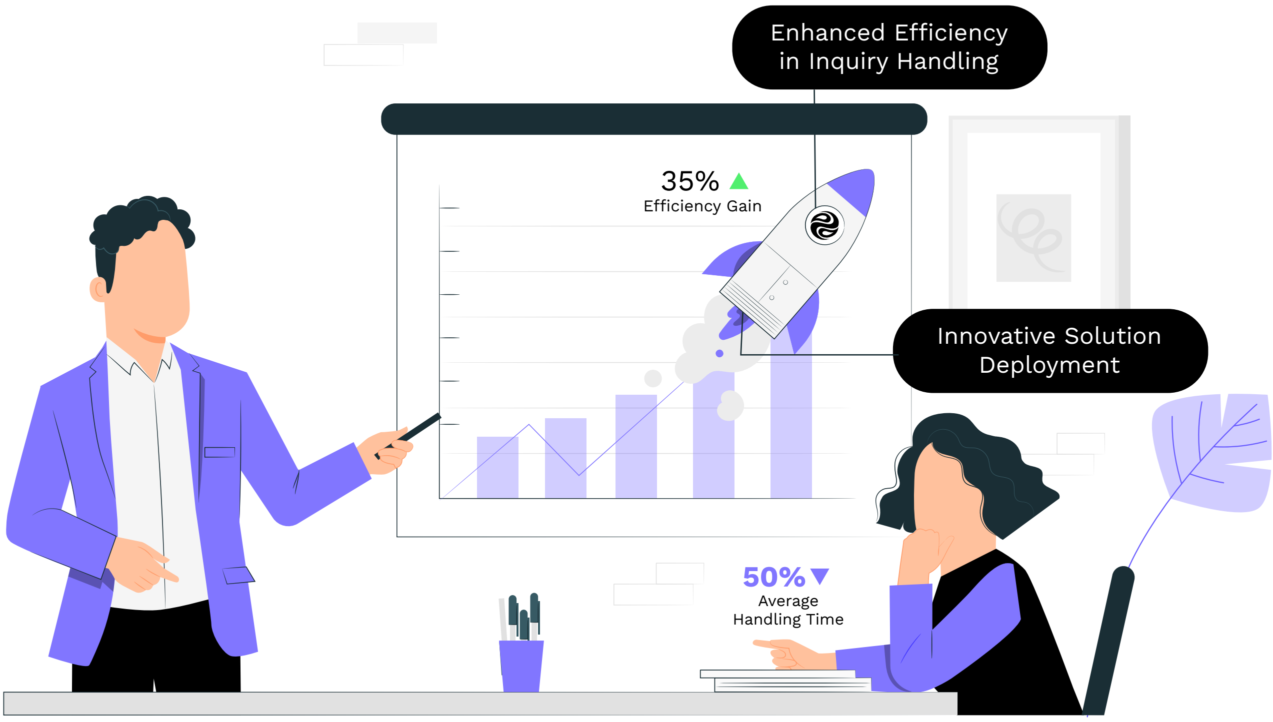
The implementation of Pega Smart Investigate for Payments at the bank involved several crucial activities:

EvonSys leveraged its expertise with Pega Smart Investigate and its proprietary Smart Investigate Accelerator to significantly reduce the implementation timeline.

- **Developing MVP 1 Capabilities :** The initial phase focused on creating the essential features required for transitioning the Payment Investigation process to Pega. This step was crucial to lay the foundation for the new system.
- **System Integration :** The Pega SI application was integrated with the bank's existing Transaction SOR and Client Information File (CIF), along with message processing systems. This integration was designed to offer a comprehensive view of investigations, facilitating effective collaboration and communication across different platforms.
- **Utilizing EvonSys Expertise :** EvonSys's extensive experience with Pega Smart Investigate was a key asset. They used the 'Evonsys Smart Investigate Accelerator' to expedite the implementation process, reducing the timeline significantly.
- **Collaborative Approach to Implementation :** A 3-day in-person gap analysis workshop led to an agreed scope for MVP 1. This collaborative effort between EvonSys and the bank was critical for aligning the project's goals with the bank's operational needs.

These activities collectively contributed to the successful implementation of a more efficient and effective payment investigation system at the bank.

Business Outcomes



Enhanced Efficiency in Inquiry Handling

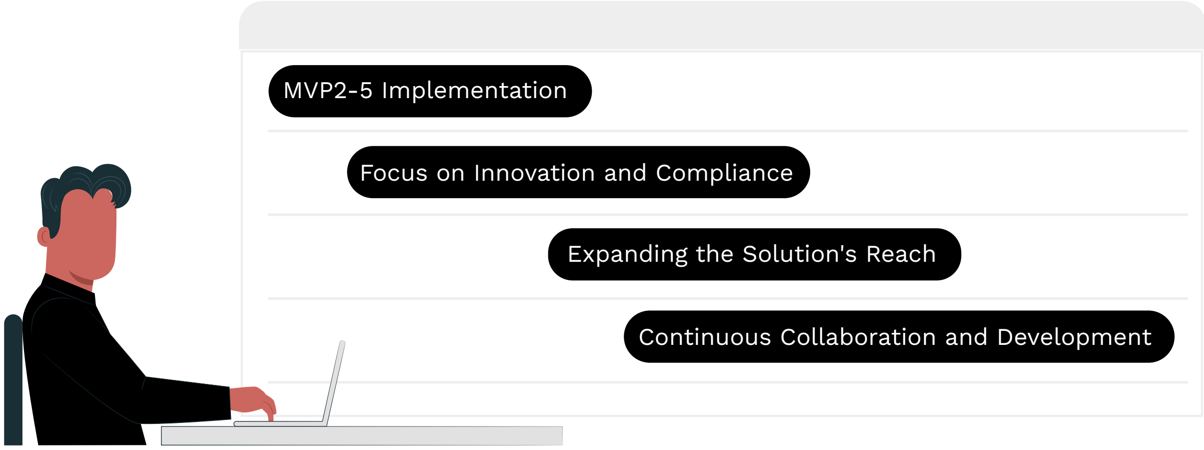
The bank has achieved a 34-35% efficiency gain with the Pega Smart Investigate implementation, alongside a 50% reduction in Average Time to Investigation Resolution. The innovation journey continues, with upcoming enhancements for straight-through processing expected to drive further efficiency gains.

Innovative Solution Deployment

The successful implementation of the first Pega SI solution on Pega Cloud is expected to set a precedent for future digital transformations within the bank, paving the way for further innovation and efficiency in other banking segments.

Engagement Roadmap

Looking forward, the bank and its technology partner have outlined a comprehensive plan for further enhancing the payment investigation system:



MVP2-5 Implementation

The next phase involves adding new features, supporting compliance updates, and maintaining the system. This phase is aimed at continuously improving the solution's functionality and ensuring it stays current with evolving banking standards and regulations.

Focus on Innovation and Compliance

The roadmap includes integrating advanced technological capabilities to keep pace with the rapidly changing financial landscape. This includes staying ahead of compliance requirements and enhancing security features.

Expanding the Solution's Reach

Plans are in place to extend the system's capabilities to other segments within the bank, leveraging the success of the initial implementation to streamline processes bank-wide.

Continuous Collaboration and Development

The partnership will continue, with a focus on leveraging shared strengths for ongoing innovation and improvement.

For a free
PEGA Upgrade Consultation

Call Us Today

www.evonsys.com