

Unison Consulting:

Implementing Regulatory Risk Systems for Banks in Asia

A few years back, a large Singapore bank was on a tight deadline to deliver key regulatory requirements to its Central Bank. It had three choices--opt for an entirely new product and a vendor; upgrade the existing product or choose a solution which can co-exist with current system while delivering the requirement.

Unison stepped in to deliver the third and the least chaotic option, with its turnkey solution. "It was possible because of a strong base on system integration, implementation and domain knowledge. Ultimately, our client was able to deliver this to the regulator and roll this solution for the entire group," says Dinesh Pappen, Director at the company.

Singapore-headquartered Unison Consulting comes with thorough understanding of regulatory needs in the banking and financial sector. While Pappen saw the earliest adoptions of Basel II regulations, the other two founding directors of the company, Ghouse Peer Mulla, and Palaniappan Chidambaram have worked for over a decade each in banks across Asia. They observed that banks with their massive spreads and widening branches, struggle to meet stringent and ever-changing regulatory needs be it in credit and liquidity standards. In some cases, banks had to forego growth in their penchant to remain compliant, in fear of a backlash. Few solution providers in the market understood the complexities of banking regulations and the need for timeliness, scalability and large-scale executions.

"We understood there is a dearth of specialist players in regulatory and risk space. We have a strong pool of functional consultants who specialize in interpreting the regulatory rules. Our key differentiator is that our solution is based on next generation tools on the big data platform," informs Mulla.

Banks want solutions which are high on performance, accuracy, flexible to regulatory changes and cost-effective. Unison's flagship product, Risk Insight fulfilled this very need. It has scenario-based reporting capability where internal stress factors can be defined to assess risk in multiple scenarios. It helps banks improve their risk profiles, quickly adapt to regulatory changes and boost business performance.

The company started in 2012 with three people and with Risk Insight as its first product. The high-performance engine can compute complex rules and



Dinesh Pappen, Palaniappan Chidambaram and Ghouse Peer Mulla, Directors

calculations to meet daily needs. "Risk Insight is the world's first risk product suite built on big data platform, which is a huge leap from conventional tools," says Chidambaram.

Apart from default configuration of vanilla implementation of regulatory risk reporting, Unison also customizes solutions to its clients' needs. "We deliver complex cashflow computation for the balance sheet of 450 billion SGD in about 25 minutes at the individual deal level," says Mulla.

Currently, Unison offers a suite of solutions to address key regulatory reporting like LCR, NSFR, ALM and IRRBB on the liquidity side and Credit RWA and significant exposure on the credit side. Leveraging the expertise in the area, the company also offers end-to-end risk systems right from data sourcing to calculation and reporting.

The company now has 55 employees and 15 successful implementations to its credit. Some of its clients are banking giants in Asia like OCBC Bank, Maybank, Standard Chartered Bank, and DBS Bank. Their continuous partnership with these large clients is a testimony to customer satisfaction and service. Repeat business from existing customers, aiding them to expand their product range, fuels the company's growth. So much so, that Unison can function with fewer sales and marketing spends and concentrate on their core business.

"Our core expertise is to interpret regulatory rules build compliance solutions for South Asian banks. We are expanding our footprint to include Australia and China by 2017," says Pappen. **ACO**