AXS:Logic
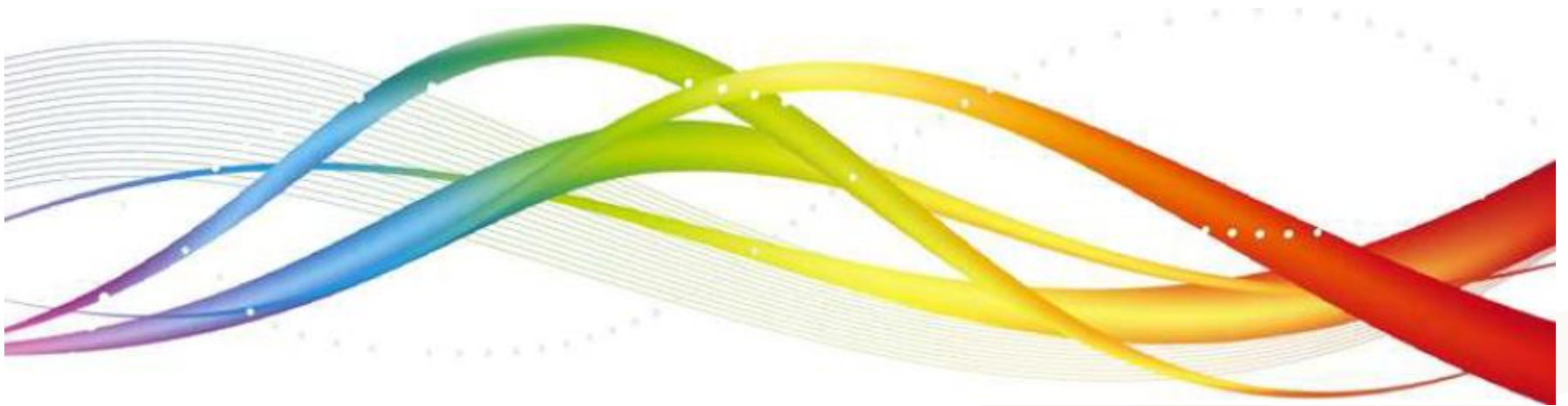
A Specialized Analytics Firm

Contents

☐ Case Studies

  ■ Early Warning

Case Study 2 – Early warning

Scenario

- Manual processes entail analysts at banks downloading data and formatting them into detailed reports for management review

- Management review usually happens in the 3rd week of the month

- Detailed reports often require several hours of senior management time to analyze and understand where potential business and risk challenges may be emerging

- Management has to come up with hypotheses that require further investigation by analysts.

- Process on understanding underlying business risks can take up to 3 months after the start of the data analysis.

Case Study 2 – Early warning

Analysis

- Automating the manual reporting process will save time, money and make the process more transparent

- It will also allow ease of identifying exceptions or outliers in the portfolio

- Reporting can become more standardized with minimal manual interface

- Using industry-leading best practices in a standardized automated format will enable many big and small institutions to benefit and better understand changes in the industry landscape

- It will free up analyst time for more complex tasks

Solution

- System can directly provide early identification of potential issues at a role-based user level e.g.
    - New booking volumes slow down – may trigger alert at 5% for Sales Head but 15% of CEO
    - Rapid increase in attrition – Portfolio manager may get alerted early
    - Losses go up higher than budget – CFO and CRO get alerted

- Analysis of the alerts are quick using Winnow's patented model
- Clicking on the alert takes the manager directly to the relevant report
- Instant segmentation across key dimensions (driven by the data model) enables managers to identify segments which cause the early warning.
- Further detailed analyses in very short timeframes are possible using Axslogic's alert subscription service.

Early Warning System Summary

Solution

- An automated early warning system can provide timely input to management with minimal manual intervention.

- Issues get identified and flagged in 1 week with Winnow. Manual process will take 1 month for issue identification

- Root cause analysis and solutioning can be done in 2 weeks using Winnow. Manual process may take 3 months or even longer

- Early actioning on issues such as booking volumes, attrition, delinquencies and receivable growth can save the organization **Millions of Dollars**.