

Three tips to build your case for regulatory change automation



Today's ever-evolving and increasingly complex regulatory landscape has made automating regulatory change management (RCM) more critical than ever. Community financial institutions that rely on manual processes to navigate this ecosystem face enormous challenges while exposing themselves to significant risks. Although web searches and spreadsheets may seem like an economical alternative, the process leaves organizations vulnerable to serious – and potentially costly – ramifications.

To increase efficiency and productivity, manage complexity, and reduce overall compliance risk, it is imperative for financial institutions to allocate funding for RCM automation. Doing so can help your organization avoid fees, fines, and penalties associated with compliance failures, resulting from manual process errors while delivering numerous organizational advantages. Not sure how to persuade your financial institution's board members and decision-makers that automation is necessary? Consider this three-prong approach:

1. Quantify the problems with manual processes

Documenting the time and resources your company spends on manual RCM is just as crucial as highlighting the numerous drawbacks inherent in these processes. For example, not knowing who modified a record or why, or even worse, not knowing what to do when the person who created and managed the spreadsheet leaves the department, leaving others unable to understand the formulas they created. This puts the organization at considerable risk and exposure when only one or a few people hold the knowledge via manual processes.

Consider how these common problems with manual processes impact your organization:



Reduced efficiency



Ineffective use of skilled personnel



Automation and AI becoming regulatory expectations



Risk of missing applicable updates



Limited version and access control



Human input errors



Lack of traceability



Undetected formula errors



Inconsistent workflow



Increasing scope of regulatory releases requiring review



Inability to track compliance-related metrics and provide reporting



Inability to link changes to impacted laws, rules, and regulation

2. Highlight the benefits of automation

RCM automation has the potential to yield significant paybacks for your organization and presenting the advantages can be instrumental in building a solid case for investment. Automating RCM helps foster a stronger, more competitive financial institution by maturing your compliance program, enhancing efficiency, reducing compliance costs and risks, and empowering your staff to focus on other business growth initiatives. The optimal solution will:



Offer robust reporting capabilities



Include features tailored to your specific needs



Be able to report on compliance-related metrics



Utilize AI, augmented by human expertise



Be cost-effective and affordable



Reduce time to handle RCM events



Establish workflow



Enable version and access control



Minimize human input



Include a Cloud-based tool for scalability, accessibility, and minimal use of IT support



Leverage/reorient existing resources, including skilled personnel



Provide a user-friendly, intuitive interface and ongoing training as needed

3. Partner with key stakeholders

The best way to achieve buy-in for implementing RCM automation is to gain support from leaders in other areas of your organization, such as senior management, legal, operations, and IT. You can also build a compelling case by demonstrating the return on investment (ROI) afforded by an automation solution, as well as helping stakeholders recognize how RCM automation will benefit their work.

Even more, decision-makers need to understand that while their overwhelmed compliance department struggles to manually manage the tsunami of information and regulatory changes, without an automated solution, other areas of the financial institution may not be aware of or implement new business requirements.

Need more help making your case for automation?

The experts at Wolters Kluwer will help you zero in on the key regulatory insights for your financial institution as well as provide information about our AI-powered **OneSumX® Reg Manager**. This cutting-edge SaaS-based automation solution leverages advanced technology to monitor, structure, and connect your regulatory changes, streamlining your compliance processes and enhancing efficiency.

Contact us to get started.

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