



Banco Santander International Brings Transparency and Speed to Regulatory Compliance with Polivec's Enterprise Governance Solution

Miami-based Banco Santander International (BSI), with approximately \$10 billion under management, is the flagship bank for the Private Banking Division of Spain's Banco Santander, the world's 12th largest financial institution. BSI caters to clients in the highly competitive Latin American private banking market.

Business Situation

Fast-growing Banco Santander International had just finished its 26th year of business in South Florida with record profit levels and an optimistic outlook for the future. But something had to be done about the time, money and effort that the bank was investing in complying – and in demonstrating that it was in fact complying – with the many laws and regulations governing the banking business.

With approximately 500 employees, whose experience levels ranged from 40 years to just a few weeks, the bank had generated nearly 100 policy documents in its efforts to operate in keeping with critical laws and regulations. These included directives of the Federal Financial Institutions Examination Council (FFIEC), the Patriot Act, the Bank Secrecy Act, and many others.

The bank had been keeping track of employees' knowledge and acceptance of its policies, as well as their performance of the actions required by the policies, through a manual system that relied on spreadsheets and paper copies of policies kept in each person's folder. But the bank had outgrown that system, and a new approach was needed.

"We tried to build a home-grown system, but just didn't have the resources. And we needed to make our policies visible to the entire organization," said William Josepha, the bank's Chief Information Security Officer.

"At any given point, I might be asked to provide proof of who among our employees has read and accepted a policy – and demonstrate that it is the latest version of the policy."

Solution

The bank began taking control by zeroing in on FFIEC compliance, a time-consuming regulatory activity. The initial step was to centralize its policy documents in Polivec Policy Center, an online repository. Polivec consultants then mapped FFIEC regulations to the bank's policies and task lists, and performed a gap analysis to show areas where policies and the practices they prescribed were not fully consistent with regulations.

The bank then deployed Polivec Awareness Manager to distribute electronic copies of current policies to the employees who were required to adhere to them in their daily jobs. The system documents employee acceptance of the policies and records their attestation to assigned tasks.

Assured that all FFIEC-related tasks were being performed, and able to readily report that performance to auditors and regulators, the bank proceeded to introduce further efficiencies. They use the Polivec platform to automate the tracking of compliance with additional banking regulations, with the bank's own procedures for operations and information security, and with laws and internal procedures in the human resources area.

"The highest risk facing a US financial institution today is regulatory. By bringing transparency to the entire process of compliance we can effectively mitigate the risks posed by failing to comply with policies and regulations. In essence, we have made our policies 'come alive.'

"Polivec enables us to individually measure and monitor the level of compliance with specific policies and regulations. That means we are able to timely detect, respond to, and correct regulatory issues."

Augustin Abalo
Chief Information Officer

Banco Santander International

International Private Banking and Wealth Management

Situation

Complying with FFIEC, the Bank Secrecy Act, and many other regulations had become costly and inefficient.

Products and Services

Polivec Policy Center and Awareness Manager

Benefits

The new system has automated many of the manual processes in use, introducing efficiencies in regulatory compliance processes by effectively monitoring the level of compliance with specific regulations and policies, thus mitigating the regulatory risk.

- Central, online repository for all policy documents eliminated labor-intensive paper-based files.
- Savings of time and money in audits and reports to regulators.
- Documented understanding of and attestation to policies by all employees.
- Reduction of regulatory compliance risk.



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Results

“Banking is about making money, growing the business, making it efficient. It is always about improving efficiency to be ahead of the competition. Regulatory Compliance is an important part of the overall expenses of the bank, and the fastest growing one. The Polivec solution addresses efficiency in an area which so far has been very inefficient,” said CIO Gus Abalo.

“To achieve efficiencies you have to change the way people work. When this solution is properly implemented, it will do that – they will make a daily check of tasks first thing, and see what they have to do.

“Polivec is the integrator that’s bringing our people, policy, regulations, processes and technology together to make sure that what needs to get done to mitigate risk gets done.”

About Polivec

Polivec is the first company to offer an integrated, corporate-wide software suite for Governance, Risk Management and Compliance (GRC) solutions for all industries. Polivec Enterprise Governance Suite aligns policies, processes, people, and technology, enabling organizations to manage compliance efficiently throughout their enterprises. Privately held and funded by Crimson Investment of Palo Alto, California, Polivec is headquartered in Mountain View, California and has offices in Seattle, Chicago, New York, and Denver.

For More Information

Polivec, Inc.
779 E. Evelyn Avenue, Suite E
Mountain View, CA 94041
www.polivec.com
Tel: +1.650.210.0004
Fax: +1.650.210.0005