NICE Actimize

Case Study

Global FinTech Harnesses the Power of AI to Reduce False Positives by **85%**

The Customer

A global FinTech that provides cutting-edge financial technology services, including card processing, checking, lending, ePayment, eBanking, and a range of other software solutions enlists NICE Actimize as a trusted partner for their anti-money laundering (AML) solutions.

Results

Fueled by advanced machine learning and AI, the company's AML strategy, in partnership with NICE Actimize not only strengthened financial integrity but also propelled business growth into untapped markets. The streamlined approach significantly increased operational efficiency, delivering immediate, and tangible business value.

Segmentation

12% ▼

Reduced false postives (FP) by 12% with up to 51% FP reduction in some segments

Predictive Analytics

85% ▼

Reduced FP by ~85% with 99.6% true positive recall

Challenge

This high growth fintech had several challenges to overcome to continue to grow in a compliant way. Each challenge required a proven solution to help pave the way for sustainable success which is why they turned to NICE Actimize. Their challenges included:

Ineffective Technology Systems

The existing systems posed a significant hurdle, hindering operational agility and innovation. These systems not only impeded scalability but also jeopardized the organization's competitive edge in a rapidly evolving market.

Scalability and Efficiency Concerns

The institution grappled with scalability issues, coupled with inefficiencies leading to investigative backlogs. Manual processes, especially the necessity to manually review every transaction, resulted in operational inefficiencies that hindered the organization's growth trajectory.

Limited Robust Processes and Analytics

The limitations within the institution's transaction monitoring solutions and their internal procedures, left them vulnerable. Relying on in-house spreadsheets and inefficient processes not only exposed them to regulatory scrutiny but also to scrutiny from potential clientele.

Solution

Recognizing the need for a scalable solution the company partnered with NICE Actimize for strategic guidance. Leveraging advanced analytics to define optimal monitoring parameters this approach facilitated operational excellence, and success.

The integration of advanced machine-learning capabilities within the core of NICE Actimize's Suspicious Activity Monitoring solution (SAM) marked a pivotal step. Advanced segmentation, powered by unsupervised machine learning, provided a profound understanding of customers, allowing for targeted and accurate monitoring with refined peer grouping.

Empowered by a heightened confidence in their transaction monitoring system, the organization expanded into new markets with the assurance that their customers would undergo thorough suspicious activity monitoring. This expansion strategy was executed seamlessly, all while effectively minimizing the occurrence of false positive alerts.

Moreover, SAM harnessed out-of-the-box machine learning to analyze and optimize model thresholds, enhancing precision and substantially reducing false positives (FP) without compromising the identification of true positives.

Leveraging Actimize's predictive analytics capabilities allowed the institution to apply predictive scores to alerts, ensuring accurate triaging for enhanced alert management and prioritization. The predictive scoring solution, which utilizes supervised machine learning to assess historical alert disposition data to assist in determining the likely outcome of each alert, significantly enhanced the precision, enabling teams to prioritize high-risk investigations.

The client was able to automatically escalate high risk alerts to available level two investigators while alerts likely to be false positives were hibernated, thus reducing alert volumes, improving resource allocation, and reducing time to investigate high risk alerts.

Configurable workflows enabled the organization to tailor their investigation processes based on alert type and severity. The client also used NICE Actimize Suspicious Activity Report (SAR) solution to automatically populate the information in the SAR form and automate the filing of the SAR, reducing human error and saving significant time filing.

These strategic measures not only addressed the customer's challenges but positioned them for compliant growth, operational excellence, and renewed confidence in the dynamic financial crime landscape.

Summary

Our solution effectively reduces false positives, with an average reduction of ~40% for most customers. Some, like this customer, experience reductions of 85%, showcasing the practical impact of our technology in reducing noise without compromising the identification of true positives.

Get started now

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