Factsheet

Solidatus **for Senior Managers and Certification Regime**

It is reasonable that senior management should take responsibility for decisions made in their areas of accountability. High-profile corporate failures, however, have prompted new senior management accountability regulations to be brought into force globally.

As these regulations tighten, organizations can no longer view compliance as a 'tick box' exercise, and are finding ways in which they can encourage staff to take personal responsibility, improve conduct at all levels and ensure they clearly understand their legal obligations. Boardroom executives are now finding and introducing new tooling to empower greater ownership, promoting better understanding that ultimately drives efficiencies and cost savings.

Key principles and considerations

Following the Financial Conduct Authority (FCA) announcing the extension of the Senior Managers and Certification Regime (SMCR), senior executives in over 47,000 financial services organizations are now personally exposed to reputational and financial penalties, should their conduct or competence fail to meet the standards set in the regime. The updated regulations explicitly state that these rules cannot be viewed as a 'tick box' exercise. The FCA expects all firms to consider how they apply the requirements to encourage staff to take personal responsibility for their actions, improve conduct at all levels, ensure staff clearly understand their responsibilities and record their key governance arrangements in a Management Responsibilities Map (MRM).

For the majority of firms, large amounts of important business data are created, maintained and presented in tools that are not fit for purpose. A lack of suitable tooling increases the use of Excel, Access databases, Visio diagrams and PowerPoint decks. All of these add to data duplication and proliferation, limit collaboration, lack control and ordered auditability. This complexity universally masks data gaps and errors. As a result, there is a high level of mistrust in the accuracy and reliability of the content which is also perceived as out-of-date.

Key benefits

- **Quickly assess compliance** against requirements and standards.
- **Capture the acceptance and understanding** of responsibilities of the senior management functions.
- **Maintain an always up-to-date** Management Responsibilities Map.
- **Instantly identify gaps or errors** and efficiently maintain a full audit of changes.
- **Rapidly build, maintain, and clearly articulate the impact of systems, processes and policies** to all staff and promote personal responsibility for their actions.
- **Share read-only views** to engage staff, senior management, and regulators.
- **Demonstrate improved oversight and control** over how data is managed and reported.
- **Remove the reliance on outdated MS Office Suite applications** for all business-important, non-application data.

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Challenges

Increasingly financial organizations are concerned that their Senior Managers are being unduly exposed to reputational and financial penalties through levels of risk of human error that are no longer acceptable.

Senior Managers are frequently reliant on convoluted and inefficient processes to prove they have fulfilled their critical regulatory duties. The most common approach for these organizations is to maintain their roles, responsibilities, processes, and policies in a combination of manually created and maintained Databases, Excel, PowerPoint, and PDFs.

Some of the noted issues are that documents and processes differ between senior management functions making consolidated reporting onerous and it is not always possible to identify errors or gaps due to the disparate nature of the documents. Data is duplicated in different copies and versions, which inevitably over time diverge from related documentation and are, therefore, mistrusted and unused.

Organizations have recognised that these issues increase the risk of human error, are inefficient and mask gaps in data completeness and accuracy. Many of our clients have expressed a strong desire to use the new SMCR enhanced regulations as a catalyst for change, coupled with a new approach to tooling.

Solidatus for SMCR

The introduction of Solidatus, with only small process changes, can immediately improve regulatory reporting, quality, and control. The solution is to digitise the data held in the spreadsheets, PowerPoints, PDF, Visio diagrams and other forms of reporting documentation, and consolidate them into Solidatus models, thereby identifying gaps and eliminating duplication and redundancy. These are easily maintained and shared, while providing full version control and audit capabilities.

Other more complicated applications can continue to be the 'golden' source of information and be linked automatically to Solidatus. It provides the opportunity to connect siloed data sources and applications in a real-time way that ensures the participation of the relevant stakeholders. Solidatus delivers not only a platform where inputs can be uploaded and maintained, but also a map of meaningful relationships enabling dynamic visual alerts, search capabilities and visibility. It can remove the reliance on outdated MS Office Suite applications for all business-important, non-application data.
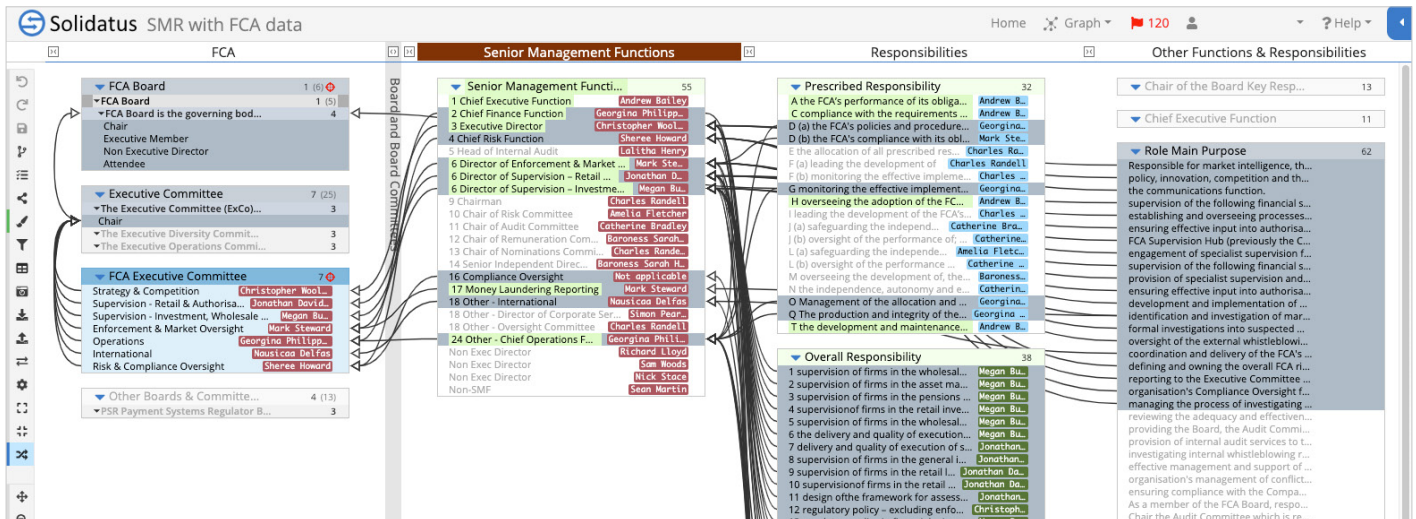
About Solidatus

Solidatus is an innovative data management technology company, empowering organizations to unlock the true business value behind their data. Our lineage-first technology enables organizations to connect and visualize data relationships across the enterprise, simplifying how they identify, access and understand them. Launched in 2017, Solidatus is the chosen data management tool for both the regulators and the regulated. Its clients and investors include top-tier global financial services brands such as Citi and HSBC, healthcare and retail organizations as well as government institutions. Solidatus has offices in the United Kingdom, the United States and Singapore. For more information, visit **www.solidatus.com**

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