



Industry
Banking

Business Issue

With the merger between Bendigo Bank and Adelaide Bank, there were disparate systems that needed to be integrated to provide a trusted source of information.

Solution

SAS® Credit Risk Management solutions

Benefits

- Moved all data for risk analysis into one platform
- A centralised credit risk modeling environment
- Provided business units with more options for creating new products, engaging existing customers and attracting new ones

Bendigo and Adelaide Bank better positioned to manage risk using SAS® Credit Risk Management solutions

Offering any new banking product, or even a new rate, involves a degree of risk. Taso Corolis will tell you that managing data enhances the ability to offer new products and services without increasing risk.

As Head of Risk Analytics at Bendigo and Adelaide Bank, Corolis' role is to deliver reliable risk information quickly. If it takes too long to calculate risk, the opportunity to offer a new rate or product might evaporate. "So getting the right balance between integrity of information accuracy and speed is paramount," he explains.

Getting that balance right was becoming increasingly difficult, as the bank did not have its credit risk data in one place. Bendigo and Adelaide Bank is the result of multiple mergers over several years. "As you'd expect there were some disparate systems and disparate databases," Corolis says.

"We previously had less than 40 percent of any portfolio on one system," says Corolis, noting that it led to added costs for maintenance along with lost opportunities. "We needed highly trusted information that we could access quickly, without worrying about the integrity, reliability or timeliness of it."

Seeking help from a trusted source

Bendigo and Adelaide Bank chose SAS Credit Risk Management solutions to add to the other SAS solutions already in place at the bank for other components of risk. "We're driving the whole credit modelling, credit reporting and credit analytics process in one

solution," Corolis says, adding, "We've the confidence that information is in there. It's in the common language. It aligns with our data governance expectations and requirements. So there's no concern or risk attached to that. We know that the governance, the model build, the model development life cycle is consistent regardless of what the end use of that model is. Data is consistent. It is aligned."

New insights into risk

Within a few months of acquiring the solution, Bendigo and Adelaide Bank was able to move 80 percent of the data involving the bank's loan portfolio and credit risk assets into the platform. The bank organised the platform to allow business units to access the information to create new products, engage existing customers and attract new customers.

In addition, the solution is providing confirmation about the bank's approach toward managing risk with solid data. "We can prove our views," Corolis says. And it is less expensive. Just having most of the data in one system (eventually all of it will be) reduces errors, omissions and maintenance costs. "There's a tremendous uplift in that piece alone," he adds.

Managing risk is more than just staying in the regulators' good graces; it gives the bank the opportunity to provide excellent rates and innovative products to its customers. "It helps us fulfill our promise to our customers," Corolis says. "We can spend more time looking forward, than looking over our shoulder."



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Taso Corolis
Head of Risk Analytics

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