

# Communication and documentation requirements necessitate a change in paradigm

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## ifb supports inter-departmental and inter-system communication and documentation with PathWeaver®

Fast and efficient communication within and between various departments is a principal factor of success for banks and insurance companies. Documentation forms a central part of this process: it coherently explains complex content, records agreements, is distributable to numerous recipients and also spans time.

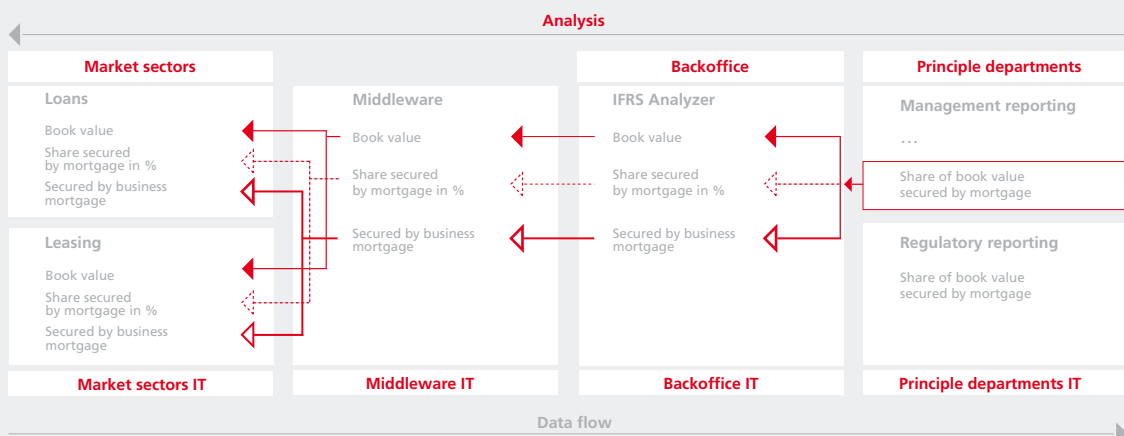
Specific documentation with its own focus and language is generated in each department and for every IT system, a factor that hampers communication between departments and outside system boundaries. Such insufficiency in internal communication conceals risks and generates high costs. Moreover, the significance of communication and documentation, in particular for banks and insurance companies, is increased still further through external factors, not least by compliance requirements such as Basel II/ Pillar 2, MaRisk, MiFID and SOX. Processes and data flows need to be transparent for auditing, auditors and supervisory bodies

### □ A silo mentality and individual documentation complicate communication

The generation and maintenance of good quality documentation is often neglected, which results in justified doubt with respect to their completeness, consistency and currency. In addition, a reduction in the quality and appropriateness of documentation also reduces the level of utilization.

Market-based, specialist and IT departments often fail to understand each other because they do not share uniform and transparent language and documentation. In particular, the meaning (semantics) of specialist terms and data items is frequently unclear and not centrally defined. Managers call up data items for a variety of reasons, then define, process, communicate and report on them; often resulting in inconsistencies and discrepancies.

A further problem is the lack of transparency in terms of results. Data is



'Backward analysis' in PathWeaver® elucidates which processes, systems and data influence specific result windows (here, for example, the result window 'Share of book value secured by mortgage').



uploaded in a variety of reporting applications from numerous front-office systems via different back-office systems. As a result of the numerous individual documents, it is then no longer evident and transparent how specific results were determined and which processes, systems and data were influential in achieving them.

#### □ **Inter-departmental and inter-system documentation**

Based on more than 15 years of project experience at the interface between market-based, specialist and IT departments, ifb group has developed an inter-departmental and inter-system documentation and communication concept. The concept focuses on the central, uniform and comprehensive documentation of:

- data models (data items/structures) and their semantics,
- transformation, e.g. the transfer/processing of data items,
- process phases of business and IT processes.

PathWeaver® software also supports the concept technically, which enables both an overall and detailed mapping of data models and process phases. As the illustrated mapping example shows, data flows are transparent from end-to-end. The benefits of inter-departmental and inter-system documentation are clearly evident: the uniform mapping of systems, data items, interfaces and processes is just as clear-cut and consistent as it is transparent and complete. The centralised documentation is accessible to all concerned and promotes communication between market-based, specialist and IT departments, while flexible granularity in terms of presentation allows for adaptation for the purposes of evaluation. Moreover, inter-departmental utilisation of the mutual documentation platform, PathWeaver®, enables the semantic integration of business and technical ratios and figures. PathWeaver® also provides support with respect to system introduction, expansion and migration.

Dr. Rainer Merkt

#### □ **Where the path is leading – a change of paradigm for IT architecture and structural organisation**

The concept not only supports changes in communication and documentation behaviour, but also the necessary rethinking in terms of IT architecture and structural organisation. Method consistency, integration and transparency are the key words characterising the current discussions on IT architecture. PathWeaver® anticipates the change in paradigm as regards service-oriented architecture (SOA), the principles of which are also becoming increasingly established in the IT architecture of banks and insurance companies. Additionally, a change in paradigm as regards structural organisation is also apparent. Transparency and methodical and semantic integration can only be significantly improved if structures change. In place of the silo mentality, control mechanisms are required that implement new methods of communication and documentation on an inter-departmental and inter-system basis.

Efficiently meeting the multifaceted compliance and governance requirements is one of the greatest challenges currently facing the financial sector. Accordingly, ifb group provides support both in the form of its inter-departmental and inter-system documentation and communication concept and with its PathWeaver® software.

