

TCS BaNCS for Reconciliations

Eight-week deployment in South Africa; further implementations in Israel, Kuwait, Singapore and USA.

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TCS Financial Solutions has added Reconciliations to the TCS BaNCS product suite.

TCS BaNCS for Reconciliations is a multi-entity, SWIFT-compliant solution that covers reconciliations for both cash and securities accounts. Built on the robust, reliable, secure and scalable architecture of TCS BaNCS, the Reconciliations solution can be deployed either as an integrated component of other TCS BaNCS solutions, or as a standalone.

The first customer of TCS BaNCS for Reconciliations was Mercantile Bank Ltd., a bank serving business and commercial clients in South Africa, a highly innovative market in financial technology. With the new TCS BaNCS solution in place, Mercantile Bank has increased automated matching by 70 percent, which in turn has sped up the reconciliations process by 80 percent.

Furthermore, drawing upon unparalleled depth of experience in product deployment, TCS completed the implementation in eight weeks, three weeks ahead of schedule and to the delight of the bank.

“The TCS BaNCS implementation heralds another milestone in our journey towards providing solutions that anticipate customer and market needs,” said Karl Kumbier, CEO of Mercantile Bank.

Additional implementations are progressing at banks in Israel, Kuwait, Singapore and the United States.

ALIGNING THE BOOKS

Reconciliation ensures that the financial records of any organization as maintained in their bank accounts are precisely aligned with the records maintained in their accounting systems. On the securities side, reconciliation ensures that the internal, post-settlement record of holdings of shares, bonds and other financial instruments are consistent with the records at the depository. This has to be done for every security holding in

every account. When there are position mismatches or breaks, the settled trades can be matched to identify the reason for the break. These crucial back-office processes usually require significant manual intervention, which is a time-consuming and error-prone approach to reconciliation.

TCS BaNCS for Reconciliations uses sophisticated business rules and patent-pending artificial intelligence (AI) algorithms to match accounting entries and balances maintained in the two systems. Future releases of the product will enhance the AI-based “deep learning” techniques, for it to learn from historic matching patterns and to make the process more effective over time. Many straightforward business rules will be generated automatically, minimizing the number of rules that users have to create themselves.

The improved user experience of TCS BaNCS ensures faster identification of exceptions through online alerts, color-coded records and online audit trails. Exception items, or “breaks,” are grouped into priority buckets based on user-defined parameters such as amounts and aging, so that users can configure alerts as appropriate to the underlying business.

Users are assigned specific accounts through a unique work allocation hierarchy that ensures the appropriate segregation of accounts with configurable access controls, and fine-grained workflow authorizations.

TCS BaNCS is fully integrated with standard SWIFT message types appropriate to the reconciliation process.

With a combination of intelligent features that are unique within the industry, TCS BaNCS has given financial institutions a new approach to managing reconciliations, one of the most fundamental operations in financial services. ■

80% faster