



Demand Management

New Development/Enhancement Request Form

a) Business Request Details

Request Description	Enhance the EDD (Enhanced Due Diligence Tool) or Design a tool to cater for KYC Quality Assurance Reviews
Business Unit	Consumer & High Networth, Business and Commercial Banking Clients & Whole Sale
Business Owner	Patricia Nshemereirwe Musiime
Product Owner	Rachael Atuhaire
Dedicated UAT testers/SME	KYC Team/ Beth Kobusingye
Requester's name	Beth Kobusingye
Date for raising the request.	18 th May 2021

b) Detailed Request Description

In 2017, the bank embarked on a KYC documents' digitisation journey that involved consolidation of the already digitised documents from the different document management systems (DSX2.4 and FileNet) as well as scanning of all physical onboarding documents at the various PORs to DSX3.5. The bulk document digitisation project was concluded in 2018 however an Audit done on the migrated documents on DSX3.5 identified some discrepancies that could result in misrepresentation of the the overall customer compliance status. AML/KYC audit 2018 recommended that a Quality Assurance (QA) review exercise should be carried out to confirm availability of related party KYC as well as the correctness of customer documents held on File/DSX system.

The manual QA review commenced in 2020 with Wholesale customers and Commercial Banking customers and findings were captured in an excel template and shared with the respective segment heads for remediation however tracking of the progress and reporting has been cumbersome.

There is need for a centralised location to host these findings and enable timely reporting to Audit and other stakeholders on the quality and correctness of the KYC Compliance status for the individual customer as well as that of Total Bank.

c) Problem Statement

The KYC Quality Assurance process involves manual review of the individual customer files on DSX and making conclusions on whether the documents held on file are the correct representation of the Customer Onboarding AML/ Regulatory requirements. This activity is done in response to Audit recommendations, but also to resolve the daily requests from Credit department and the branches.

The findings of the reviewed customers are captured in an excel template and kept by one staff who is also responsible for updating the file as and when remediation happens. This implies that other stakeholders cannot easily access this information regularly, Tracking & timely reporting on the KYC Quality status becomes challenging and there is a high risk of information loss incase the file gets corrupted.

d) Detailed Description of Problem

Provide details to problem

What happened (explain in detail)?: Audit recommended the review of customer KYC files to confirm correctness and accuracy of the documents held on DSX3.5 following the migrations of Customer KYC onboarding documents from DSX2.4 and FileNet. The QA review process has been ongoing however tracking and reporting of the reviewed customers has been challenging

Why does this happen?: The manual nature of the existing process

When does this happen?: Upon completion of the review of the customer KYC documents on DSX.

Where does this take place (systems, people, customer, etc.)?: KYC QA Reviews are manually done on Datastore DSX3.5. and tracked manually on an excel template.

Who are impacted by this issue and how?:

- Customers - due to delayed TAT in responding to Credit department requests to confirm customer compliance before loan disbursements. Unfreezing of previously noncompliant customer accounts is also dependant on the QA Review confirmation.
- Delays in tracking and reporting to stakeholders on the status of Quality of KYC compliance.
- Work interruptions in the KYC unit due to duplicated customer reviews given the scattered nature of the previous findings

Data on the customer insights informing this ask ?


e) Category of request (tick the applicable one)

BUSINESS IMPROVEMENT REQUEST

Categories	Per Channel	Expected Value/Result	*KPI/Measure	Expected Value Date after go live
Financial				
Regulatory	✓	Improved Compliance through focused remediation of the identified issues and Timely reporting		Compliance with the regulatory requirements and Timely reporting to stakeholders (Audit, BOU)
Customer Journey	✓	Reduced KYC Related queries & Complaints		Improvement in customer service
Efficiency	✓	Frictionless process between the credit, branches and KYC Team		a) Solve for Loan processing delays due to pending KYC confirmations. b) Improved tracking of Reviewed customers and remediation progress. c) Improved productivity since the KYC staff will be able to focus on other scheduled activities

Note: The KPI/Measure should be a specific measurement of the derived value that can be easily identified and has a definite time span. (For example if the expected value is improved customer experience, this can be measured by reduction in customer complaints in this specific area. Or if the expected value is increased revenue, this can be tracked by increase in the specific product's revenue over the next 3 months as an example) Need to break down the benefit per channel

f) For each category above, provide justification below:

Category	Details (justification)
Financial outcome	N/A
Regulatory, Risk and Compliance	Ref: AML /KYC Audit 2018 report, Audit Validation Memos and IBAM(Issues Being Actioned by Management)  Audit validations.zip
Customer Journey (Onboarding, Cash Management and Lending)	Ensure that the Bank Transacts with and lends to KYC compliant customers
Efficiency	The Tool will facilitate tracking and timely reporting on the quality of KYC Compliance, easy access to the review findings by Audit, Compliance, Credit, Relationships Managers and other stakeholders as and when required. It will also minimise the work interruptions at the KYC Unit and enable the team to focus on other scheduled assignments.

BUSINESS IMPROVEMENT REQUEST

g) Impact Details

System, People / Process Name (which ever applicable)	
Finacle system	Retrival of customer data (CIF, CIF Name, Primary SOL, Business Enityt, Segment, Risk grading, etc)

h) Business Requirements

Describe what the business requires in order to eliminate the problem discussed above

Business Requirements
1. Easy tracking and reporting on the Quality of KYC Compliance given the known issues that resulted from Datamigration from other Document management systems to DSX3.5 and the AML/KYC Audit recommendations.
2. Enable access to the QA review findings by all Interested stakeholders
3.
4.
5.

i) Solution(s)

What is the Proposed Solution?






Description	Enhance the EDD (Enhanced Due Diligence) Tool or Design a tool to cater for KYC Quality Assurance Reviews
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j) Additional Information

Additional information pertaining to this Request if any

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k) Signatures:

Title	Name	Signature	Date
Requestor	Beth Kobusingye	 Beth Kobusingye (May 19, 2021 14:03 GMT+3)	
Business Owner	Rachael Atuhair	 Rachael (May 20, 2021 14:09 GMT+3)	
Manager Demand and Capacity Management	Yvonne Namuli	 Yvonne Namuli (Jul 31, 2021 20:50 GMT+3)	
Country Architect	Pius Okullo Ongar	 Pius Okullo (Aug 4, 2021 02:32 GMT+3)	
Business Head(EXCO)	Patricia Nshemereirwe Musiime	 Patricia Nshemereirwe Musiime (Aug 4, 2021 09:09 GMT+3)	











New Business Improvement Request _ KYC Quality Assurance Reviews-

Final Audit Report

2021-08-04

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