Microsoft

Module 1

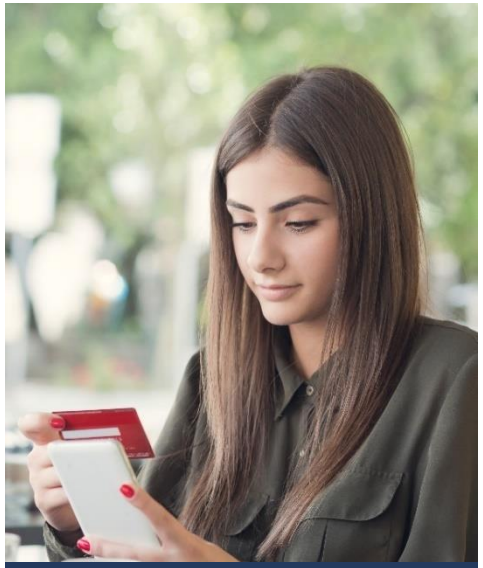
Microsoft Cloud for Financial Services Overview

November 2021

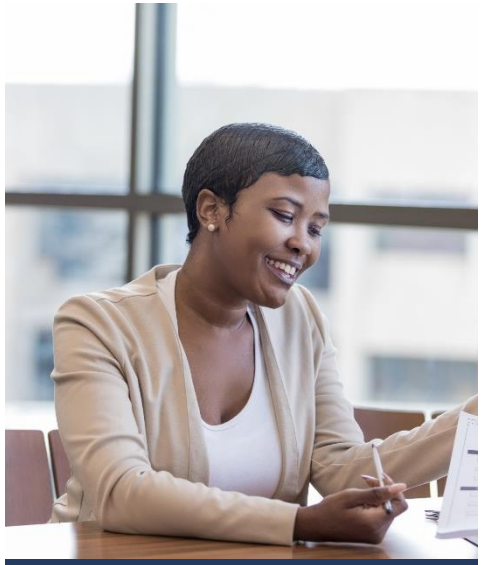
Microsoft Cloud For Financial Services – Regional Availability

The COVID-19 pandemic was a catalyst for change and shifting business priorities

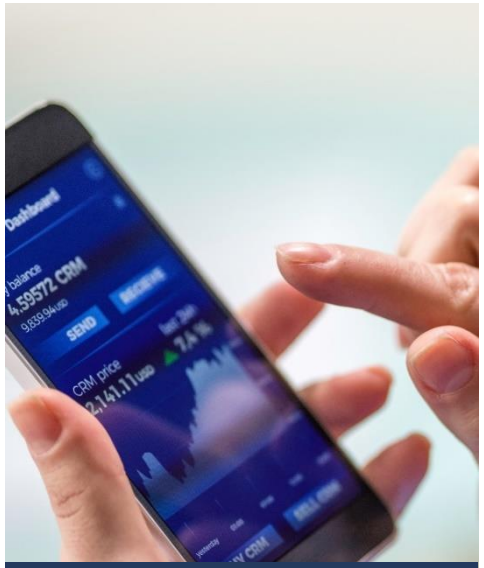
Here's what we've heard from the industry:



Customer engagement



Employee experience



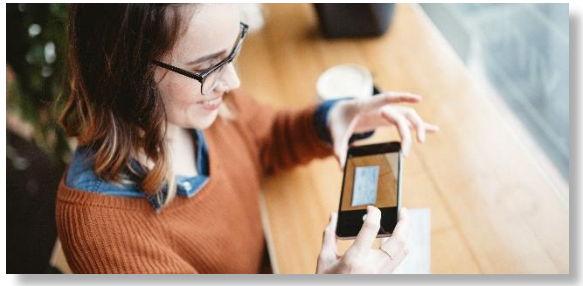
Value creation

Fraud protection

Security and compliance

Microsoft Cloud for Financial Services

Trusted cloud to accelerate innovation for sustainable growth



Deliver differentiated customer experience

Provide tools to help accelerate customer growth, profitability, and loyalty through more relevant and personalized interactions along with deeper customer insights

Empower employees through teamwork

Help fuel employee productivity, enhance process efficiencies, and strengthen customer connections through automation, collaboration, and communications

Combat financial crime

Help enhance customer experience, lower account fraud, and boost profitability

Built on a foundation of:

Trust, security, and compliance

At Microsoft we are focused on trust, and we adhere to security and privacy standards to place you in control over security, encryption, and governance

Interoperability

Help ease interoperability and unify data with an industry data model and connectors to help accelerate insights and business workflows

Microsoft Cloud for Financial Services

Capabilities for Retail Banking

Customer onboarding
Provide customers with easy-access loan apps and self-service tools, streamlining the loan process to help enhance customer experience and loyalty

Unified customer profile
Help tailor customer experiences via a comprehensive view of the customer's financial situation

Risk assurance and support
White glove service to support risk, audit, and compliance teams in addressing financial services regulatory compliance, cybersecurity, and privacy

Regulatory compliance assessments
Assess, monitor, and help improve compliance posture with global, regional, and industry regulations and standards

Collaboration manager
Enable automation, collaboration, and communications to help accelerate lending processes, minimize errors, and enhance customer experience

Banking customer engagement
Help personalize customer interactions with relevant financial information to accelerate time to resolution

Account protection
Help prevent fraudulent digital account creation and account takeover

Purchase protection
Help provide a differentiated experience for merchants to improve revenue and retention

Industry Specific

Data model and connectors — Partner ecosystem

Microsoft Cloud

Customer and employee experience

“With our Microsoft-based solution, our relationship managers now have the tool they need to serve clients even more successfully, build and maximize relationships, and identify and act on new opportunities.

— Anneke Broere

Business Owner of ClientLink at Rabobank

Unified customer profile

Help tailor customer experiences via a comprehensive view of the customer's financial situation

Customer insights

Financial details, such as life events and household information, help create a single customer view

Summary view

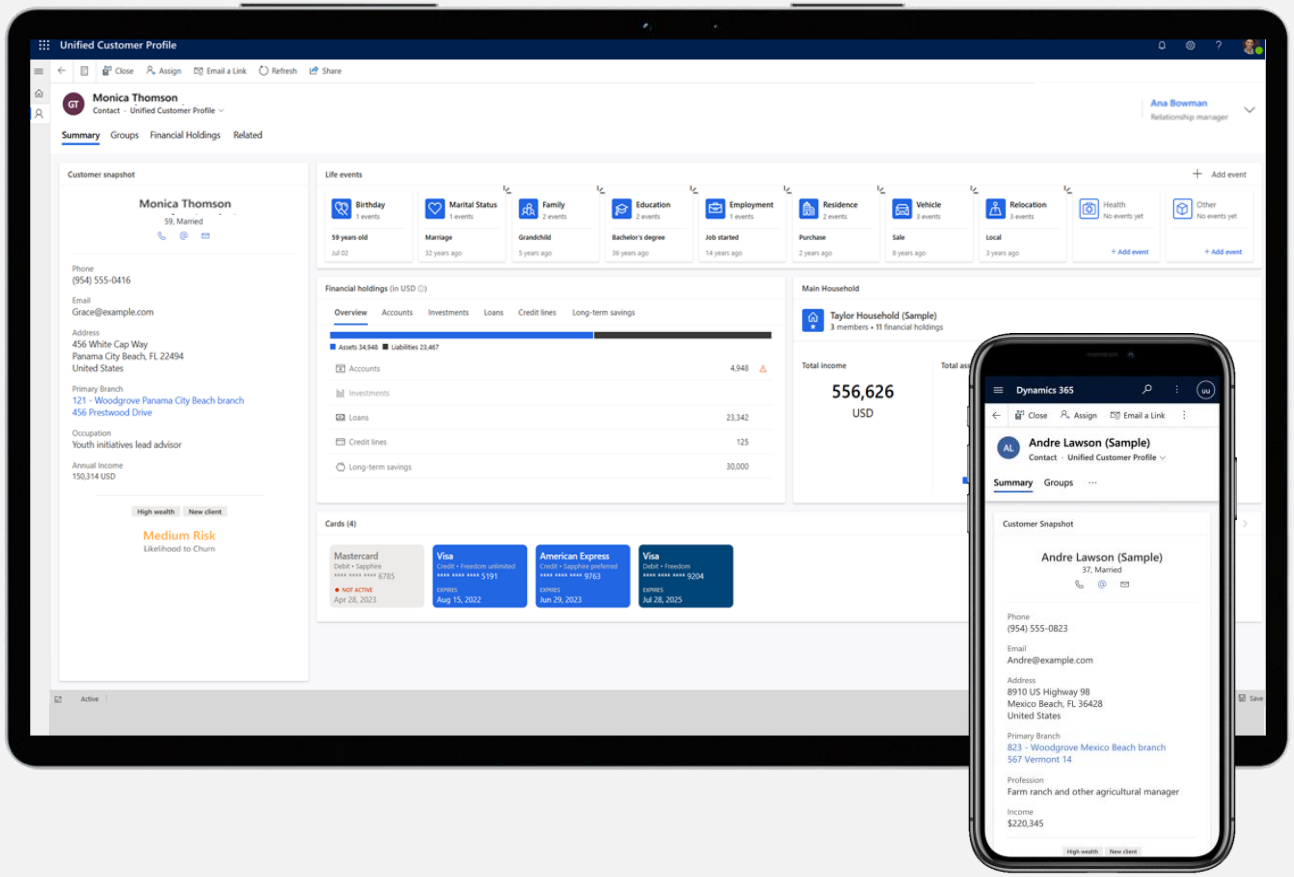
Insights drawn from unified customer information help drive better customer outcomes

Banking segments

Segmentation helps you focus on the right customers and opportunities to increase success

Churn risk

Adaptive AI helps anticipate customer abandonment so you can work proactively to reduce risk of churn



Unified customer profile

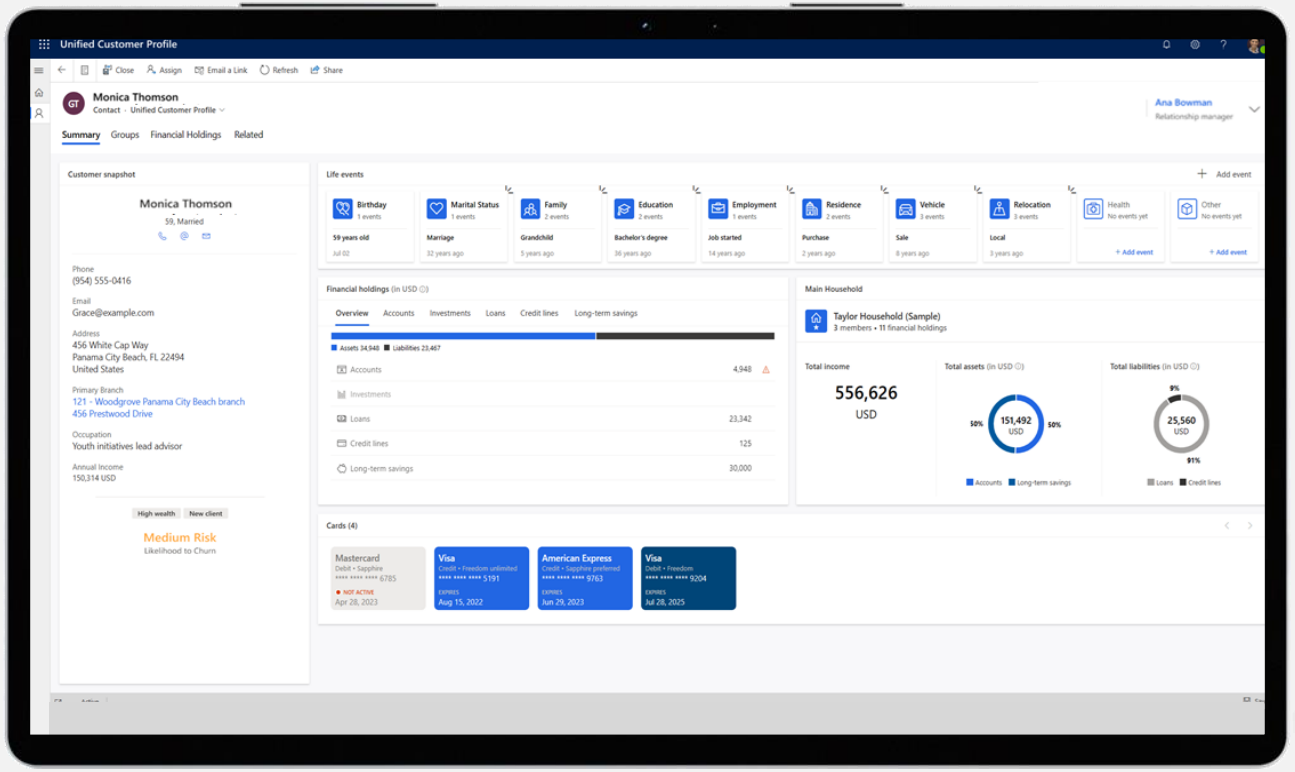
Combine customer and behavioral data to help anticipate opportunities and churn with pre-built AI for financial services

Customer 360 unlocked

- Centralize your customer data in a single place via Microsoft Dataverse and the industry data model
- Benefit from a data-first experience that helps bring together financial details, life events, and household information into a single view
- Leverage 500+ built-in connectors to bring in your customer-relevant data and information
- Build custom applications leveraging our controls with low- and pro-code tools
- Build custom connectors to nearly any system of record or data source and integrate apps and data directly

Relationship manager productivity

- Help drive better customer outcomes with insights drawn from unified customer information
- Leverage a purpose-built banking churn model to help understand churn risk at a glance
- Leverage our existing banking segments and bring in your own rules and definitions
- Offer the most accurate and important customer information to your relationship managers to improve the customer experience



Dependencies: Power Apps, Dynamics 365 Customer Insights

Unified customer profile

Customer insights

Financial holding

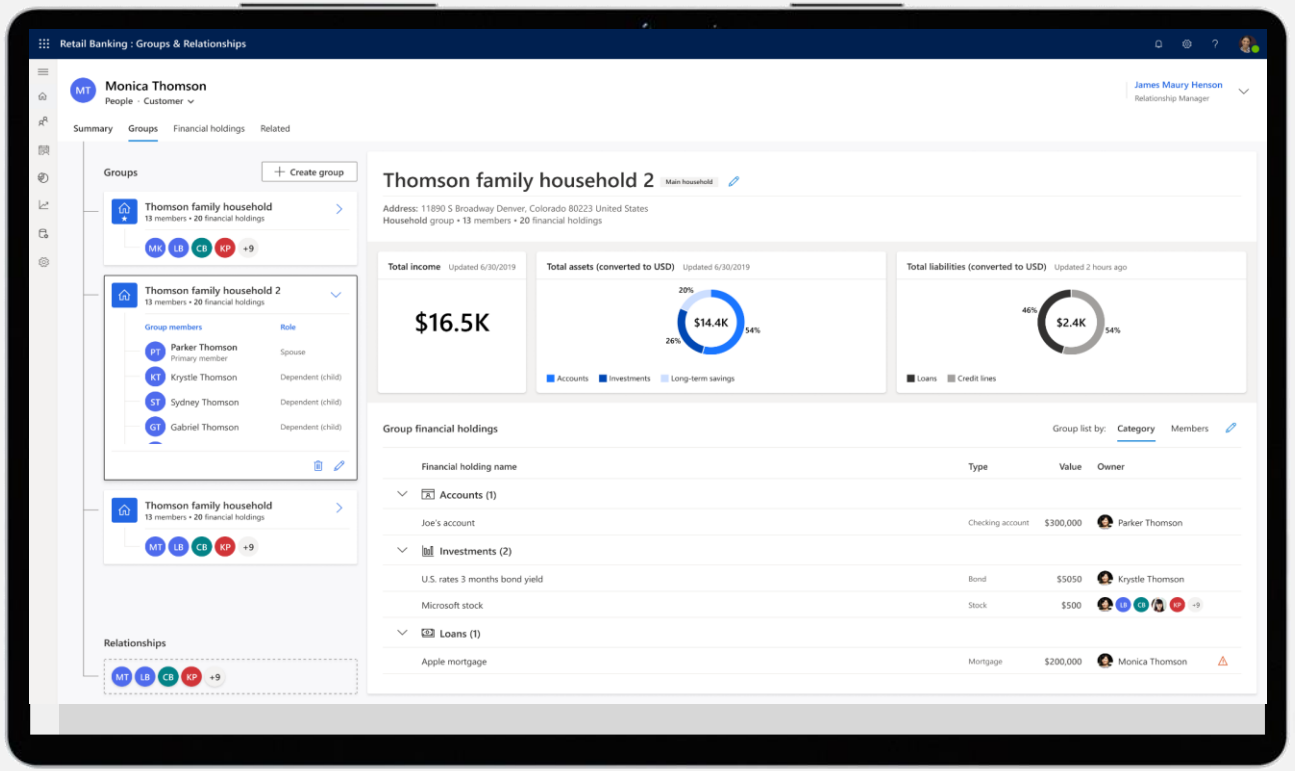
Empower bank agents to quickly understand wallet share, total assets and liabilities, and key flags related to holdings to help surface opportunities and deepen relationships

Life events

Offer at-a-glance view of life milestones to help identify financial opportunities, create personalized offers, and deliver consistent engagement experiences across bank agents

Connections

Help bank agents understand the "impact and influence" of their customers, the potential financial strength of the customer, based on their groups and relationships, e.g., familial connections



Dependencies: Power Apps, Dynamics 365 Customer Insights

Unified customer profile

Banking churn risk

Churn model tailored for retail banking

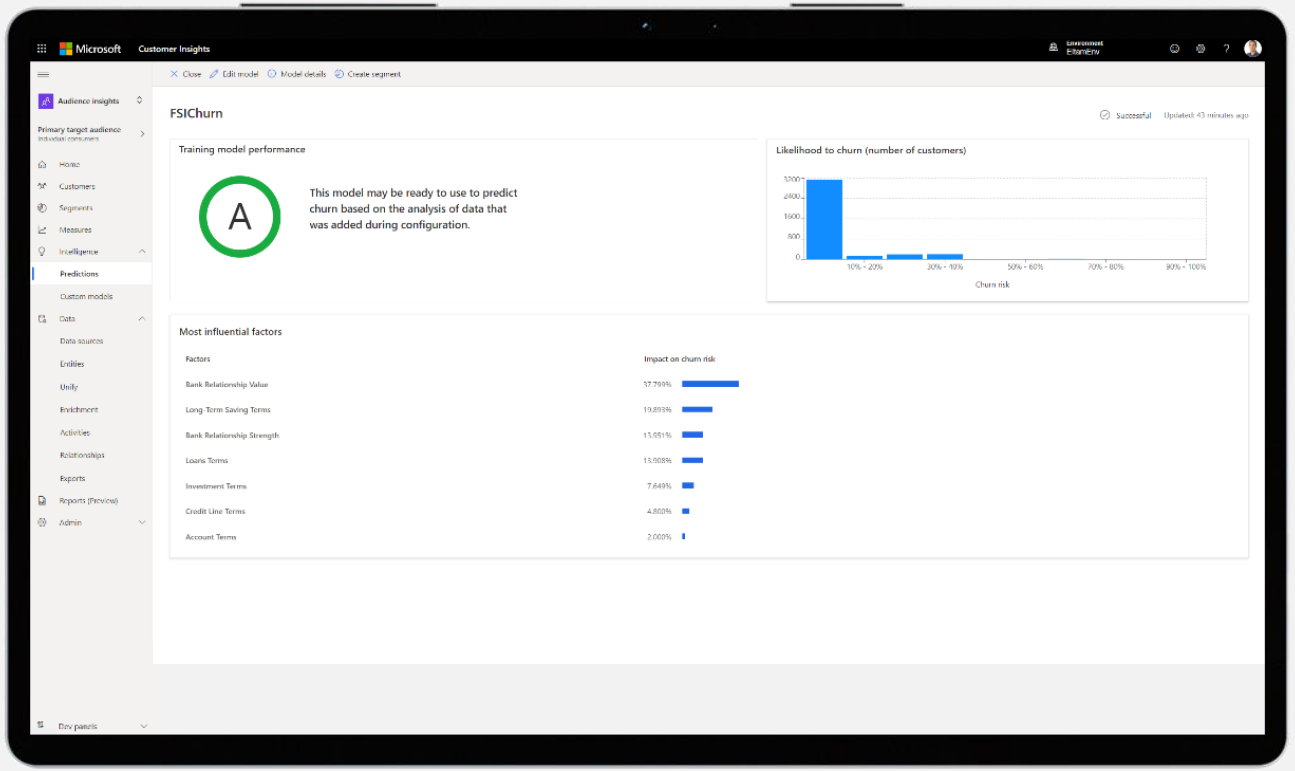
Help predict the probability of customers leaving the bank, via banking-specific considerations. This enables a proactive approach for identifying and retaining customers via relevant incentives and personalized customer service

Configurable to meet specific needs

Easily update the data model without needing a data scientist using churn data model configuration

Built atop the industry data model

Leverage the same industry data model used across Microsoft Cloud for Financial Services capabilities to offer AI-powered insights within the application layer



Dependencies: Power Apps, Dynamics 365 Customer Insights

Unified customer profile

Dynamics 365 Customer Insights

Bring together customer data with prebuilt connectors

Ingest transactional, behavioral, and demographic data in real time for the most up-to-date view of your customers via more than 500+ built-in connectors

Streamline data standardization

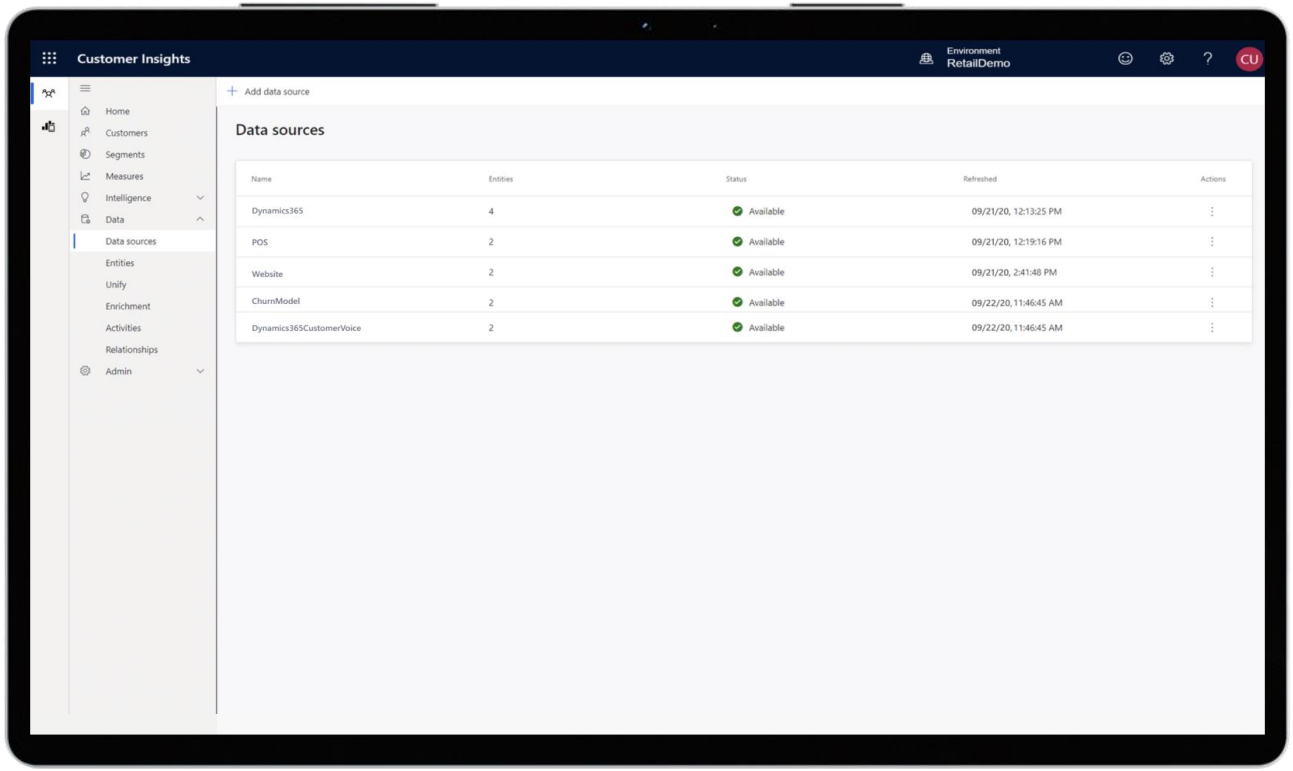
Reconcile conflicting data and resolve customer identities using map, match, and merge to create comprehensive profiles

Enrich profiles with interests and preferences

Gain a single view of the customer with proprietary audience intelligence from Microsoft Graph and with industry enrichment sources

Dynamics 365 Customer Voice

Augment profiles with customer feedback, with segments based on customer satisfaction that help keep track of customer attitudes as well as tailor experiences to improve or sustain them over time



Dependencies: Power Apps, Dynamics 365 Customer Insights

Unified customer profile

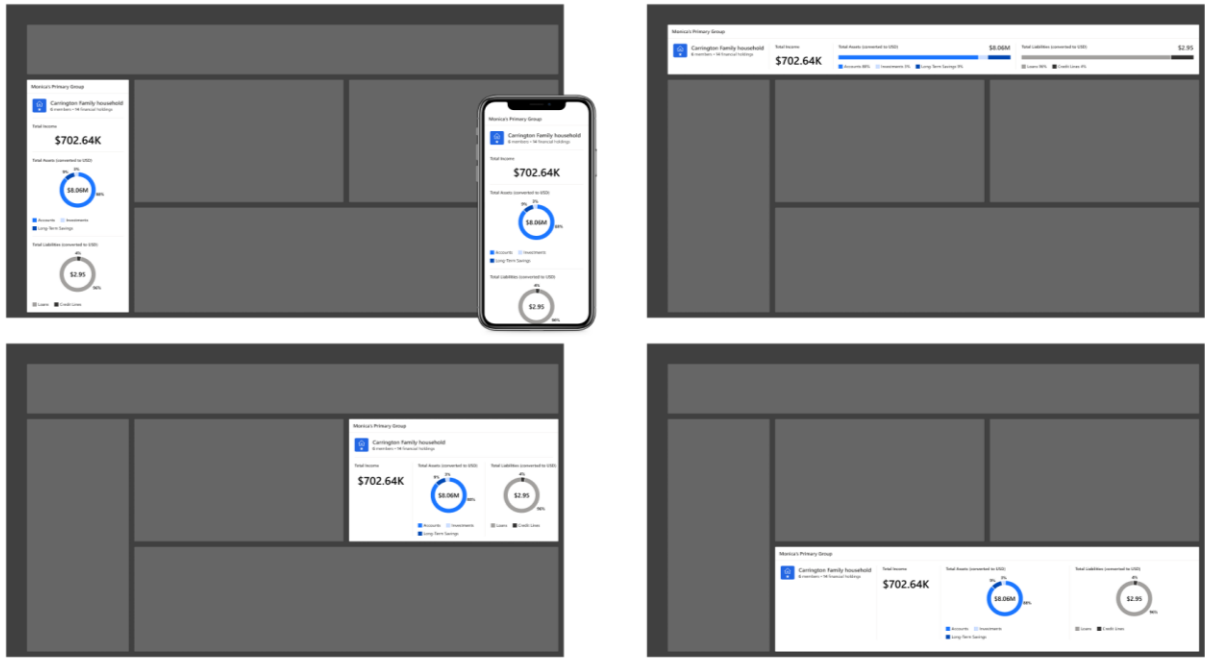
Extensibility

Componentization

Flexibly leverage components and add your own

Embed your processes

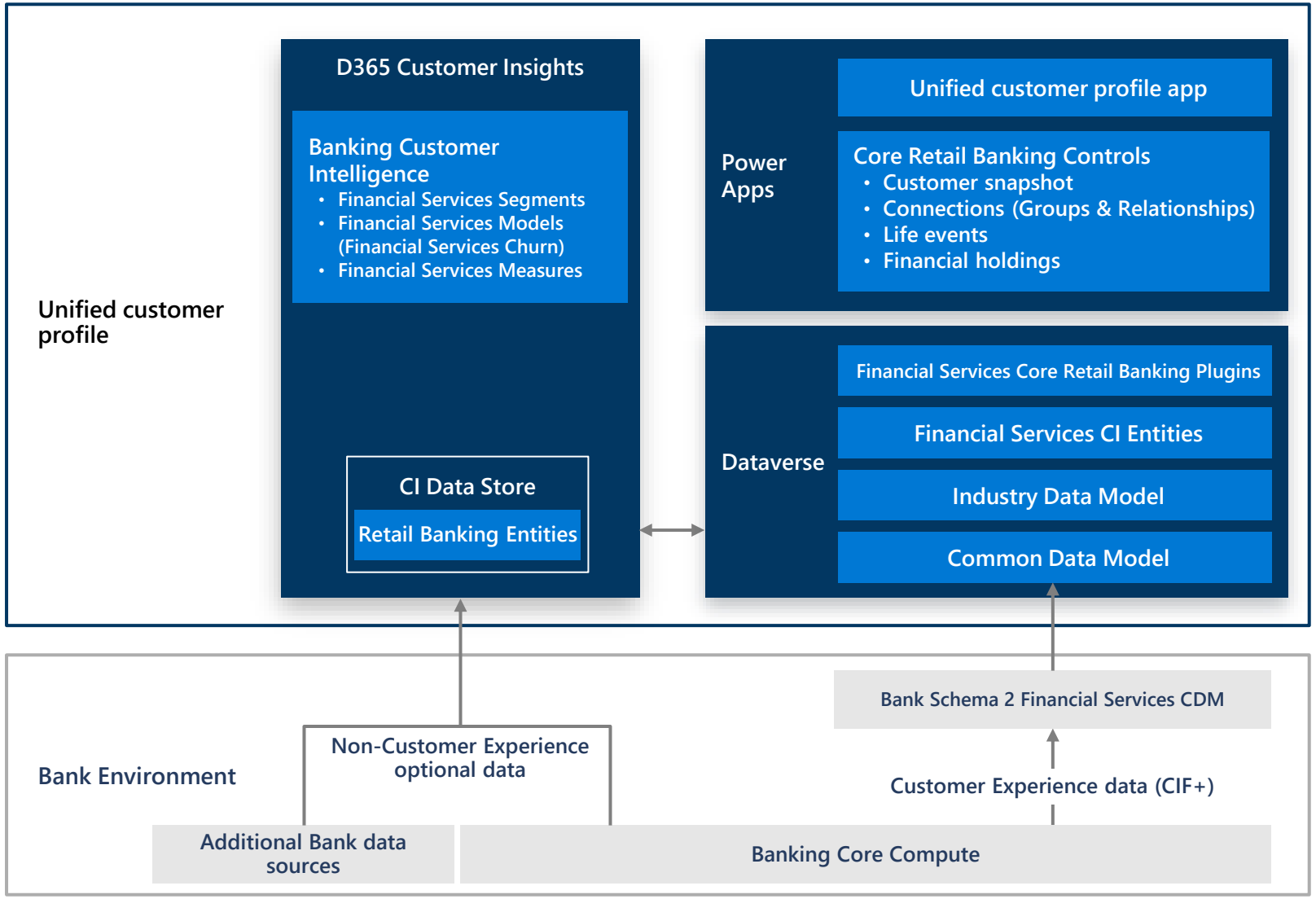
Bring your business processes by building custom applications leveraging our controls with low- and pro-code tools



Dependencies: Power Apps, Dynamics 365 Customer Insights

Unified customer profile

Reference architecture



Key

- Microsoft products
- Capability components
- Bank environment

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Collaboration manager

Transform lending workflows to help improve productivity, unlock value creation, and enhance customer experience

Lending automation

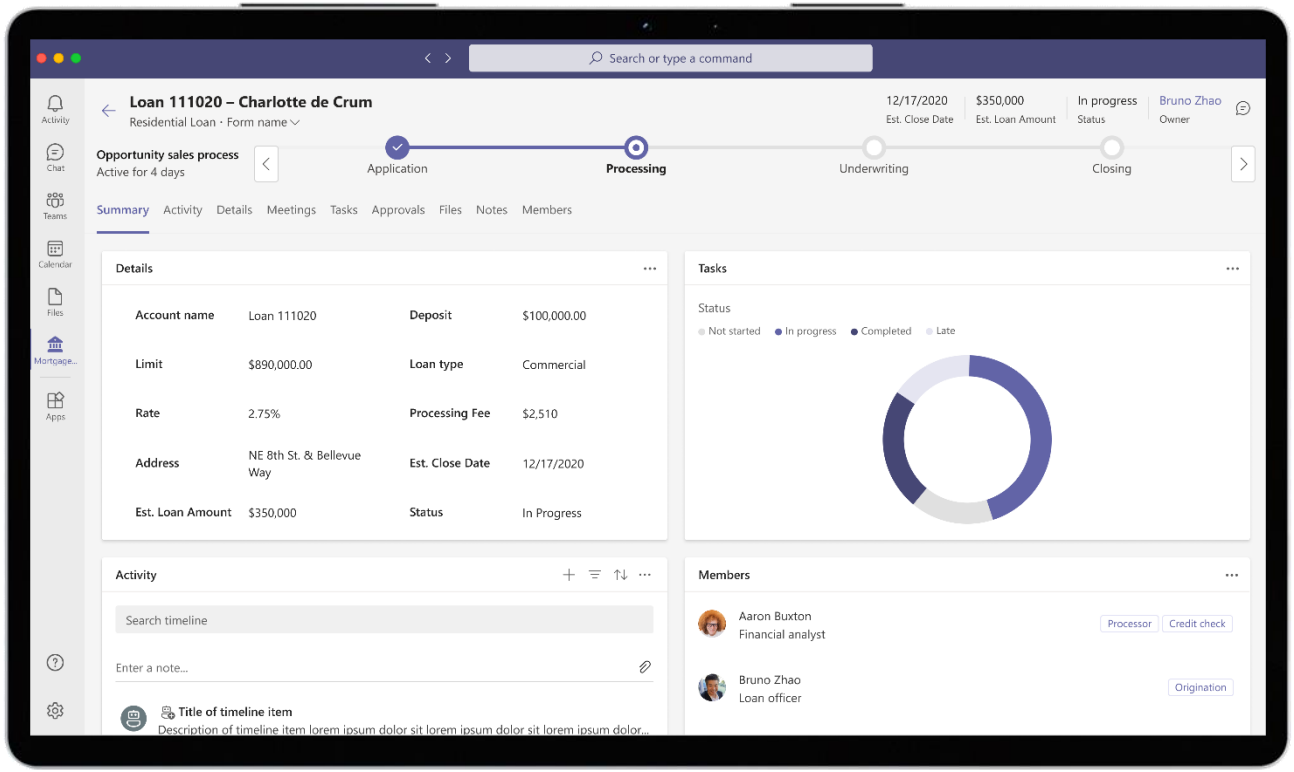
Intelligent tools help orchestrate lending processes and streamline operations

Cross-team collaboration

Intelligent dashboards help empower teams to collaboratively manage lending volume and centralize task and file management

Communications

Communications features help support customers virtually while meeting security and compliance needs



Public preview edition

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Collaboration manager

Automate lending processes, help foster internal collaboration, and facilitate omnichannel communications with customers

Process orchestration

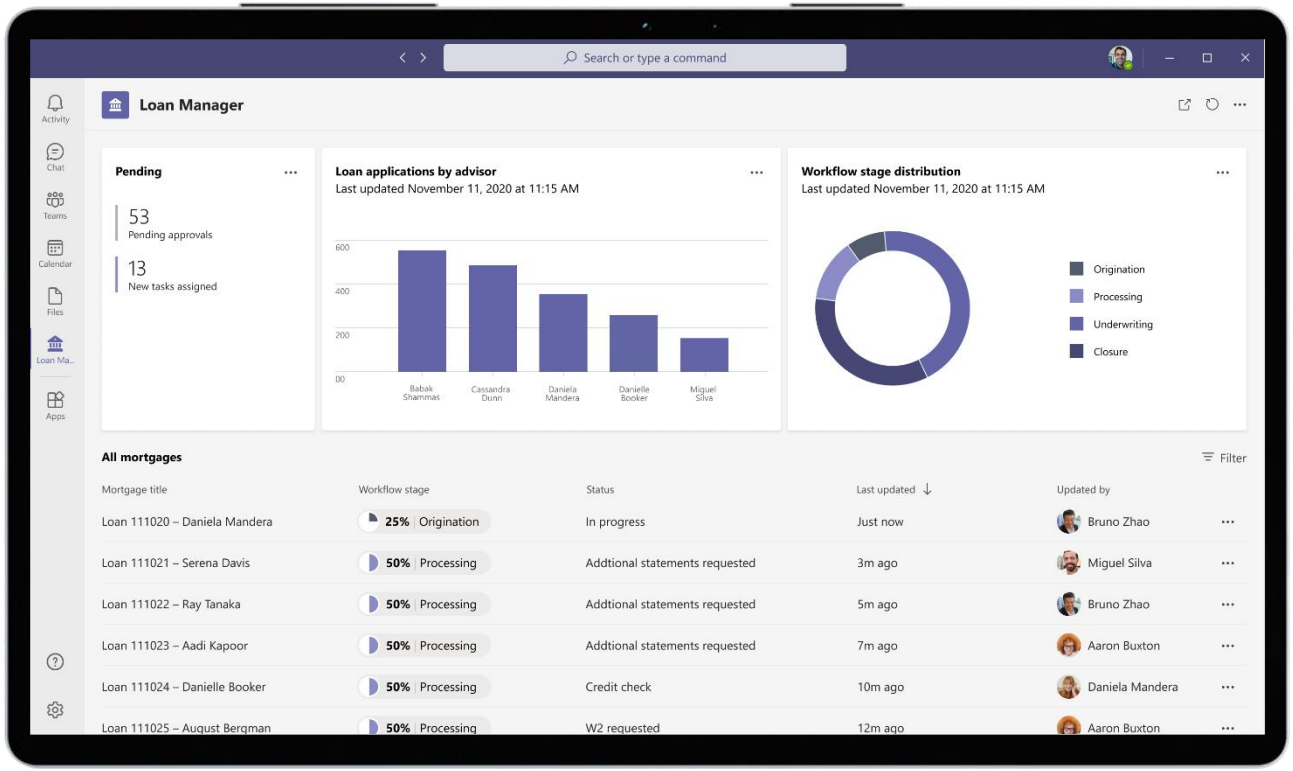
- Create flows with Power Automate triggered right from your Microsoft Teams data
- Use low and pro-code development tools to ideate, test, and deploy workflows
- Save costs and accelerate innovation with intelligent bots and robotic process automation (RPA)

Data aggregation

- Centralize your data via Microsoft Dataverse and the industry data model
- Leverage 500+ built-in connectors to help bring your content, tools, and apps into the Teams workspace
- Build custom connectors to nearly any system of record or data source and integrate apps and data directly into Teams

Centralized task management

- Start a list from scratch or save time with pre-built templates in Lists
- Manage teams' tasks from Planner and individual tasks from To Do
- Assign specific tasks to individuals or teams and easily track actions



Public preview edition

Dependencies: Teams, Power Apps, Azure AD B2C, Bookings | **Recommended:** Partner solutions from Adobe Sign and DocuSign

Collaboration manager

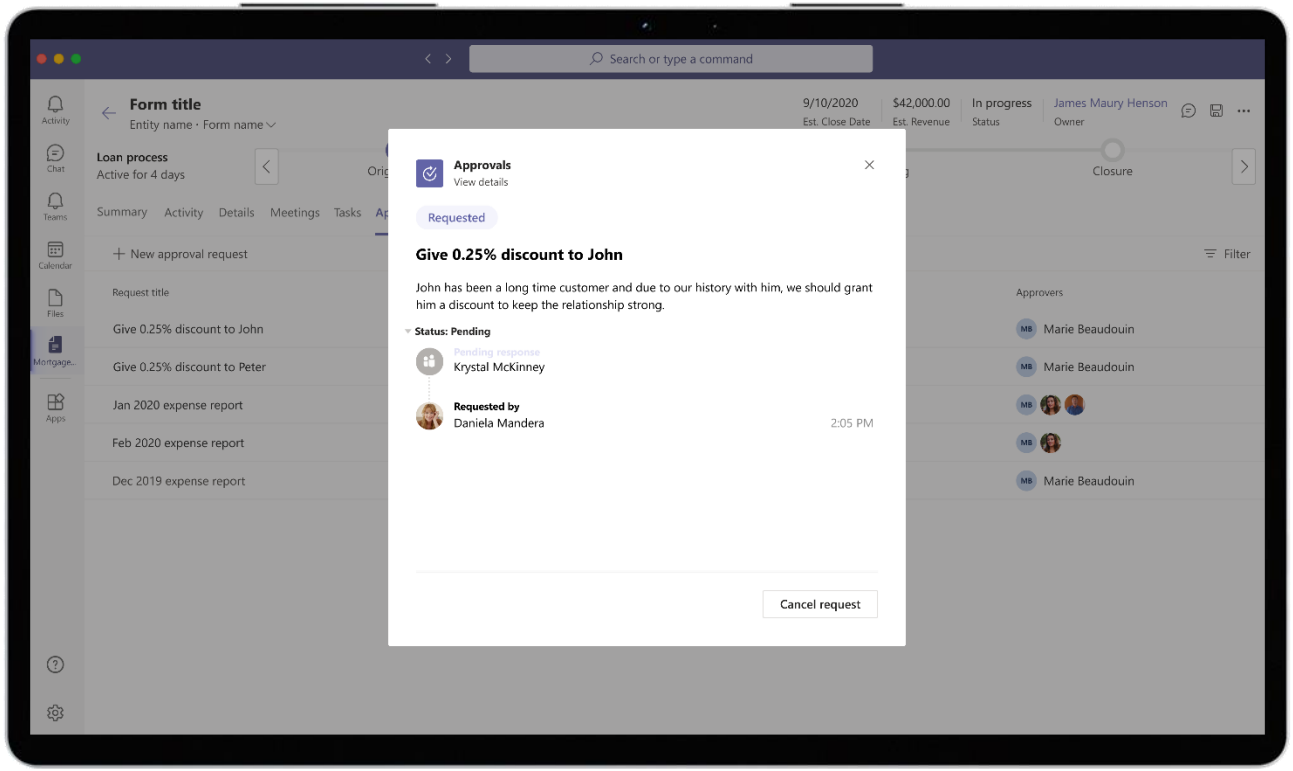
Automate lending processes, help foster internal collaboration, and facilitate omnichannel communications with customers

Document management

- Ingest and store customer loan documents in SharePoint or third-party document repositories
- Collaborate on documents, assign tasks, and route for approval

Approval management

- Create, manage, share, and act on approvals across your structured and unstructured systems from the Approvals hub in Teams
- Leverage integration with Adobe Sign and DocuSign for electronic signatures on loan documents, including Live Signing and notarization



Public preview edition

Dependencies: Teams, Power Apps, Azure AD B2C, Bookings | **Recommended:** Partner solutions from Adobe Sign and DocuSign

Collaboration manager

Automate lending processes, help foster internal collaboration, and facilitate omnichannel communications with customers

Appointment scheduling and booking

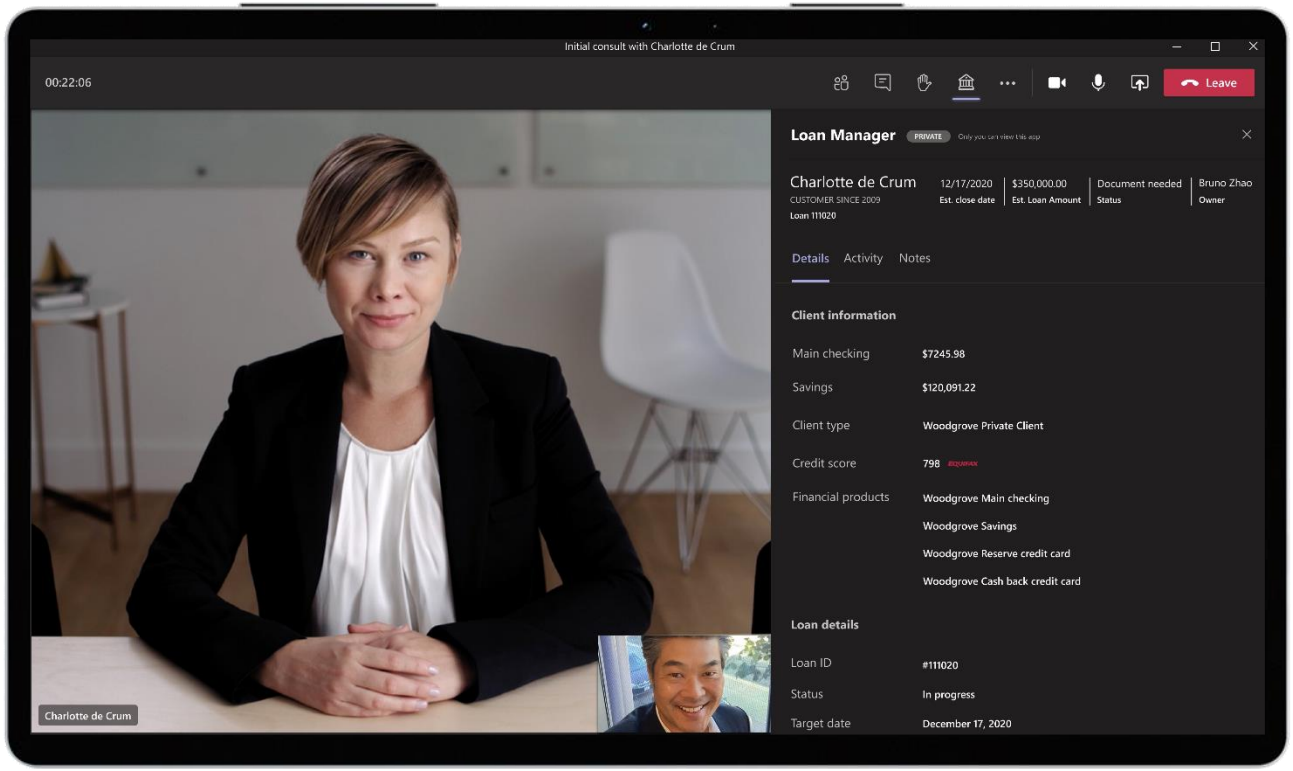
- Use the web-based booking calendar of Bookings and integration with Outlook to help optimize staff calendar's and empower customers with flexibility for scheduling
- Conduct virtual appointments via Teams and manage day-to-day scheduling via the Bookings app in Teams

Real-time communications

- Help drive robust bank-to-customer and front-to-back-office digital communications with Teams
- Embed customer information from CRM systems (Dynamics 365 and third-party) directly into Teams channels, meetings, chats, etc.
- Utilize compliance capabilities with recording and integration with multiple third-party and compliance systems

Secure messaging

- Leverage priority notifications, tagging capabilities, and read receipts
- Enable federated messaging within Teams to connect with authorized external users
- Automatically escalate messages to another user when an intended recipient is unavailable or out of office



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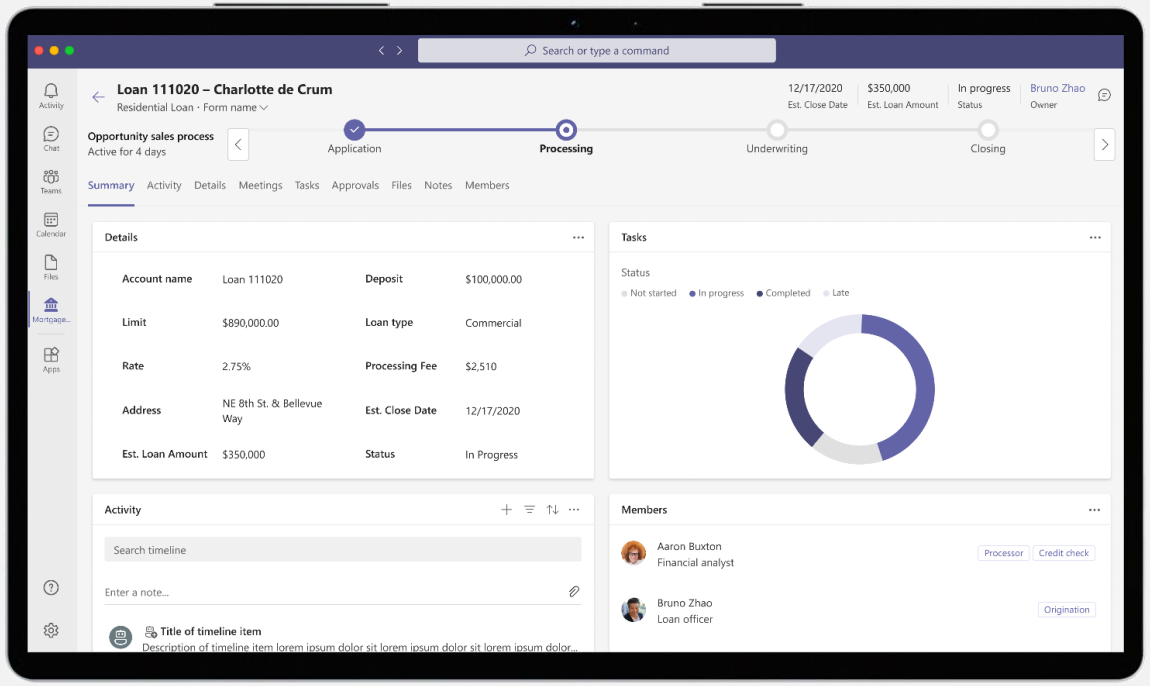
Collaboration manager

Reference architecture



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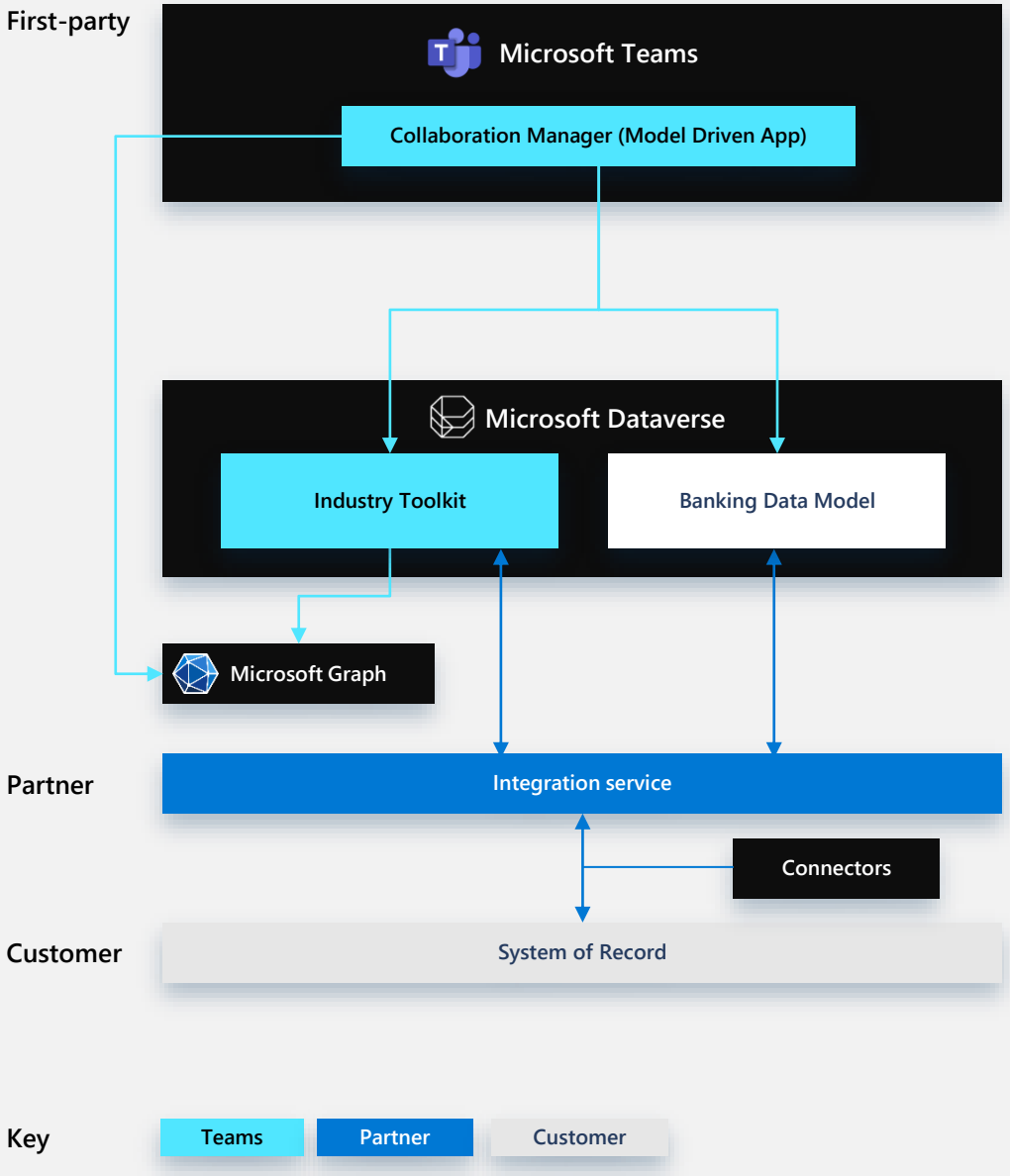


Banking customer engagement

Help personalize customer interactions with relevant financial information to accelerate time to resolution

Personalization

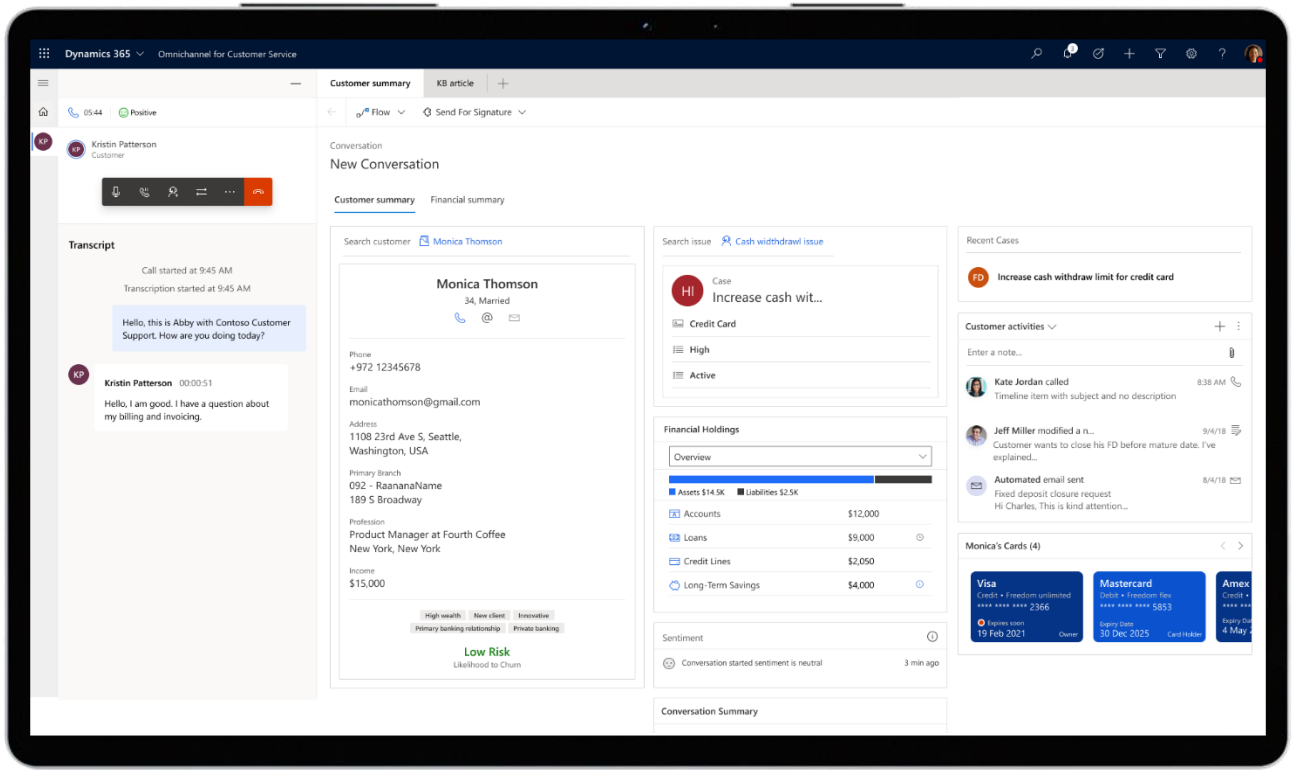
Financial understanding helps personalize interactions for meaningful engagement

Customer service center

Unified customer profiles help empower service agents with the right information to drive towards quick resolution

Omnichannel experiences

A unified agent desktop helps deliver consistent, connected experiences across channels including voice, messaging, and social



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Banking customer engagement

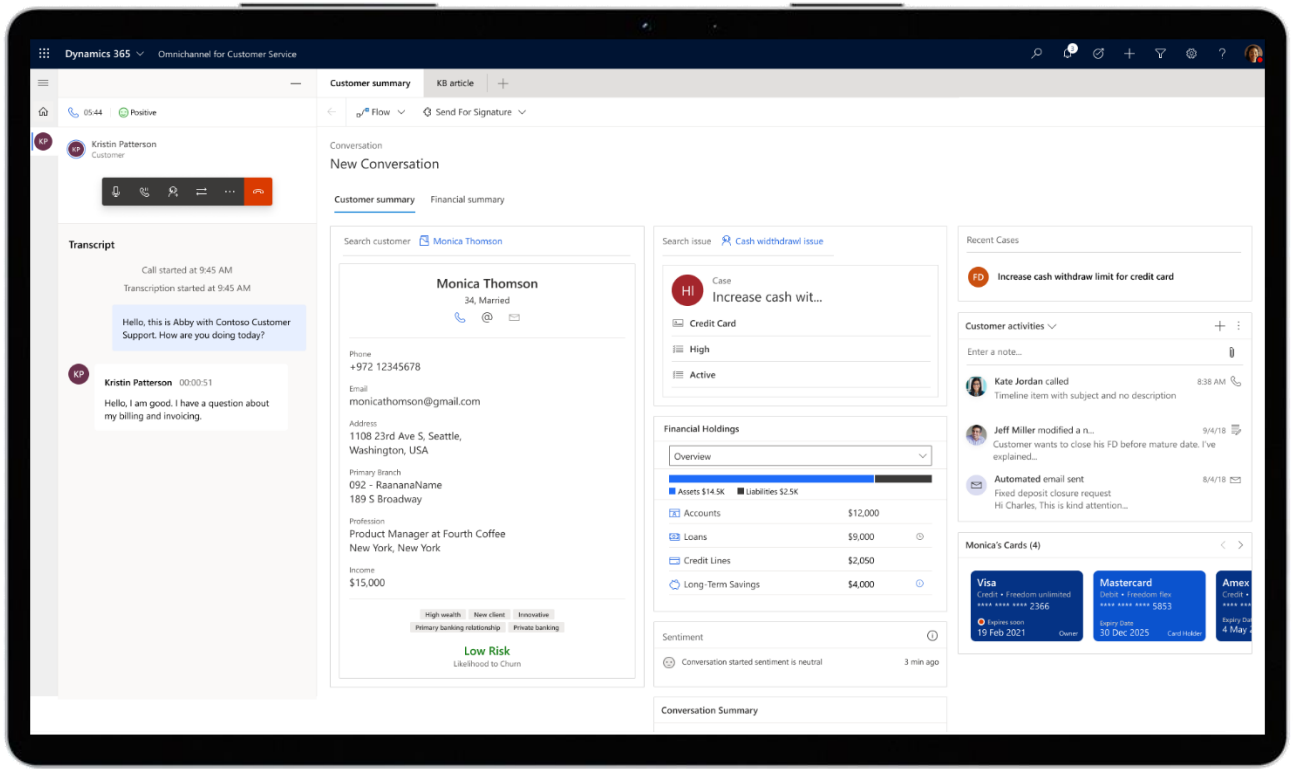
Help personalize customer interactions with relevant financial information to accelerate time to resolution

Financial information in the flow

- Inform customer conversations with an easily available financial summary to help drive better customer engagements
- Help understand the risk of churn at a glance powered by a purpose-built banking churn model
- Leverage our existing banking segments and bring in your own rules and definitions

Accelerate and optimize customer service

- Offer easy access to financial holding details to personalize customer engagements
- Deliver a full customer view within Omnichannel, arming service providers with relevant information at their fingertips



Public preview edition

Dependencies: Dynamics 365 Customer Service with Omnichannel | **Recommended:** Dynamics 365 Customer Insights

Banking customer engagement

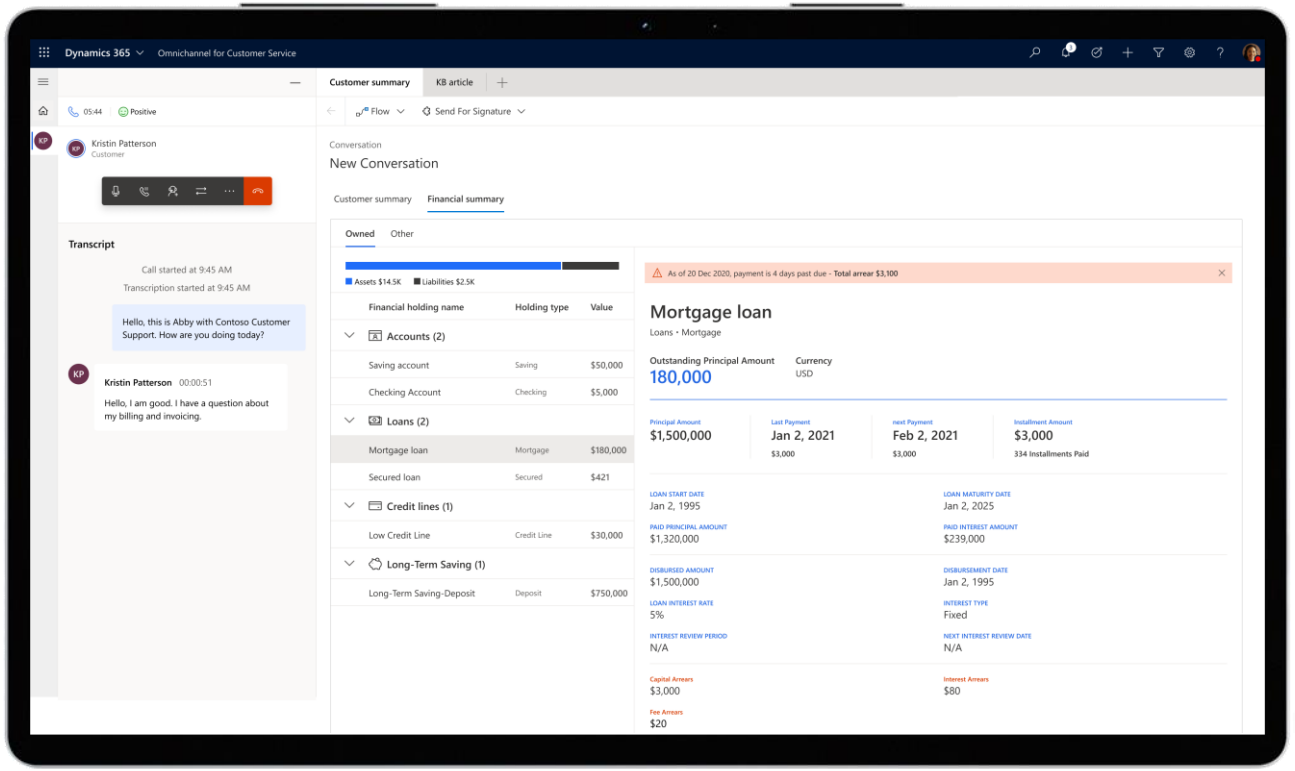
Help personalize customer interactions with relevant financial information to accelerate time to resolution

Engage customers in their preferred channel

- Benefit from consistent, connected experiences across channels including voice, chat, SMS, Facebook Messenger, WhatsApp, WeChat, Twitter DM, and Line – all from a unified agent desktop
- Automate self-service with virtual agents and rich knowledge-base portals via Power Virtual Agent

Leverage experts on the fly

- Use Microsoft Teams to help agents connect with subject-matter experts and resolve complex cases quickly, regardless of their job function or location
- Reference relevant resources quickly with AI-powered suggestions that use real-time context cues to recommend similar knowledge articles or cases



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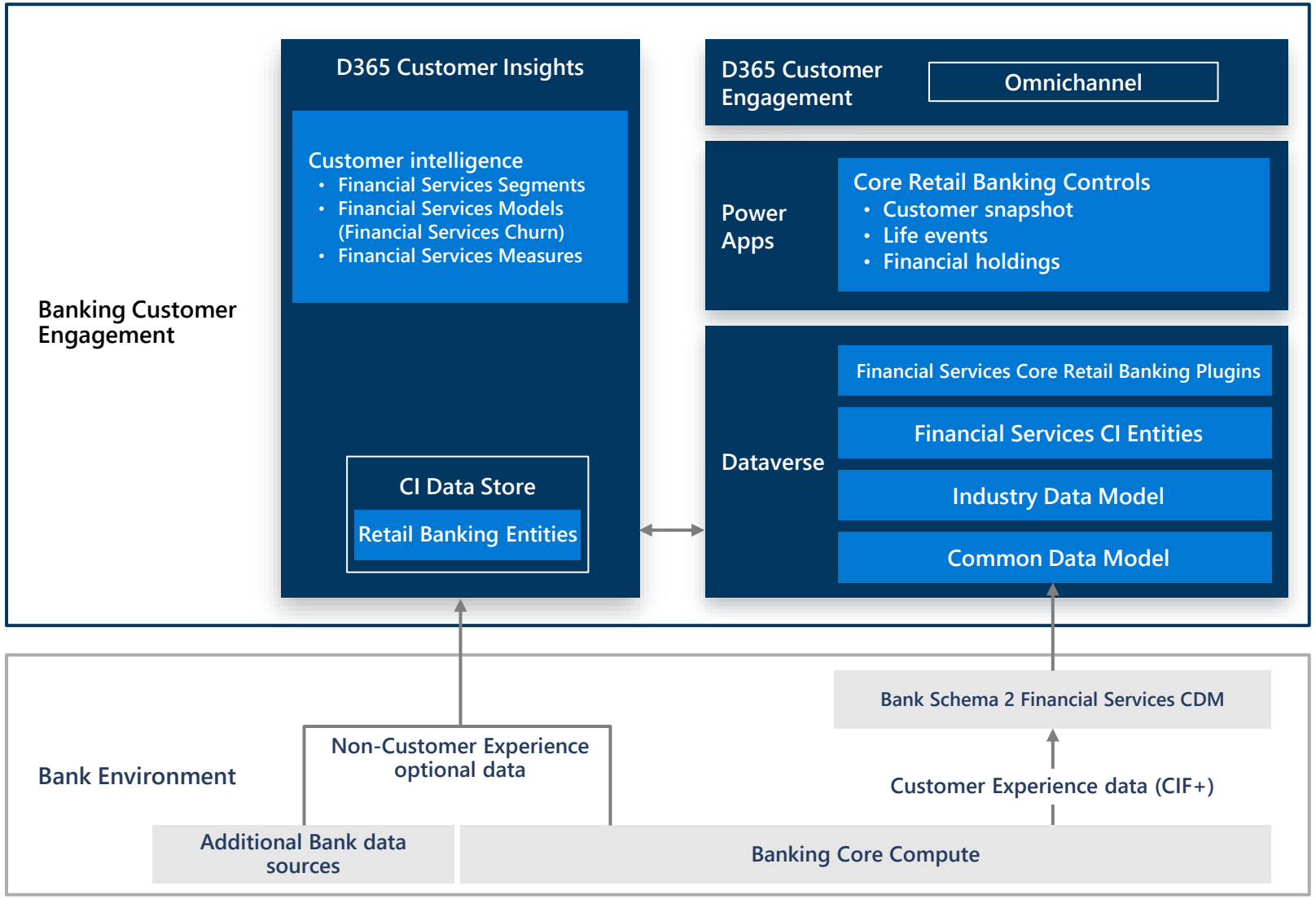
Banking customer engagement

Reference architecture



Key

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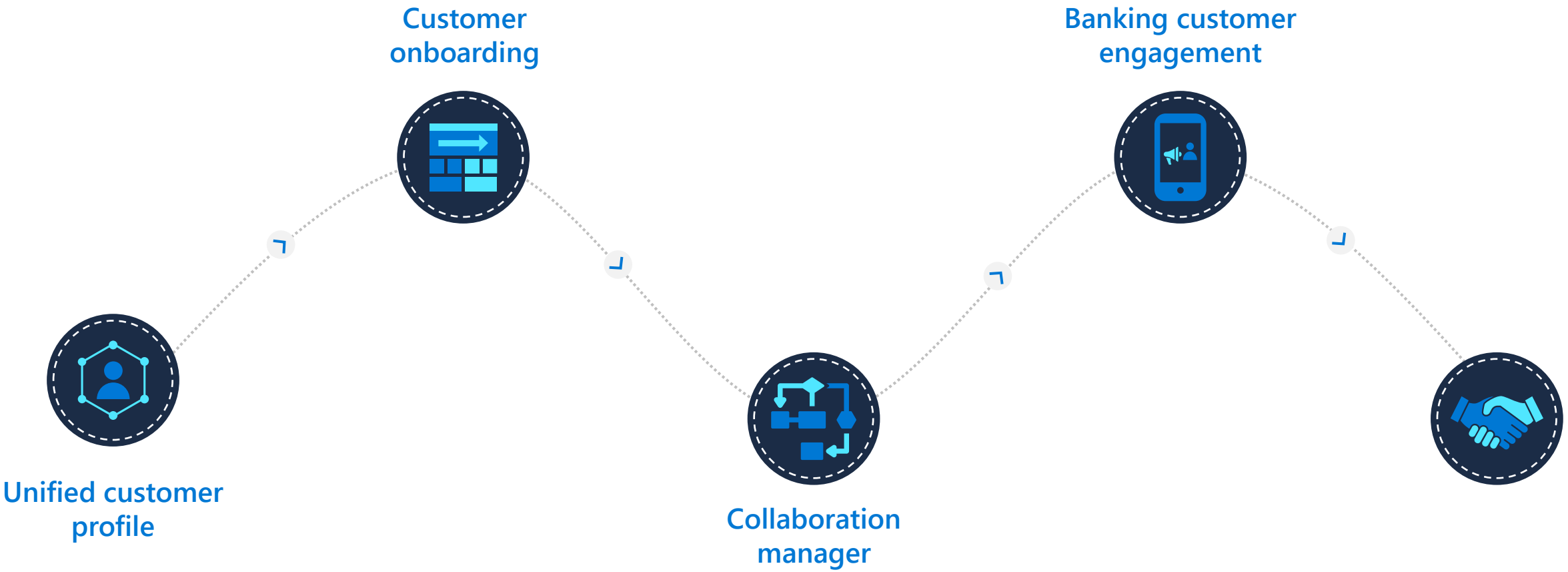
The capabilities connect for a unified journey



Combatting financial crime

"Next-gen tech can increase productivity in financial crime operations by 30-75%. These are significant numbers as global spending on AML and fraud operations is estimated at $31.6B for 2020."

— Neil Katkov, PhD

Head of Risk and Compliance, Celent

Account protection

Help prevent fraudulent digital account creation and account takeover

Risk assessment and bot protection

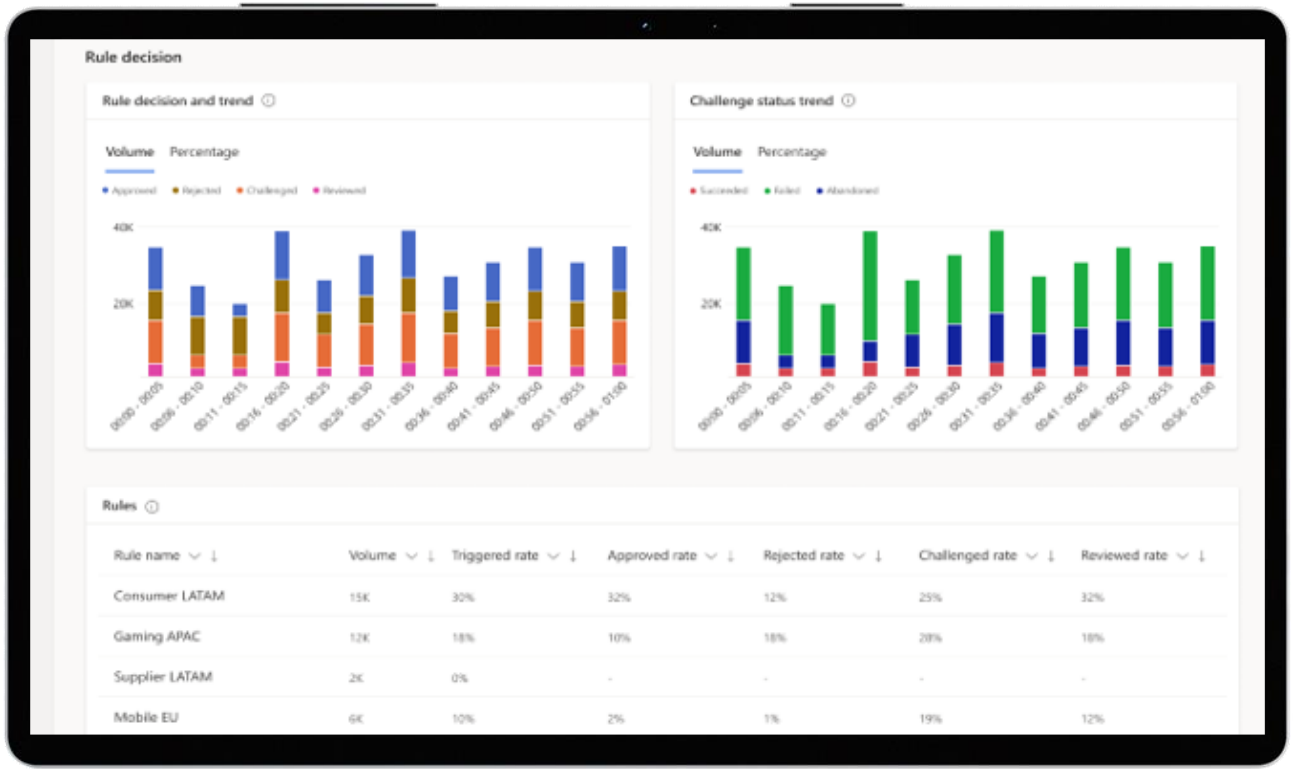
Take advantage of these two key services in a single solution

Simple integration

An API within this SaaS solutions helps you easily integrate with your existing systems

Built-in compliance

Leverage an approach built for compliance with encryption of data in transit and at rest



Purchase protection

Help provide a differentiated experience for merchants to improve revenue and retention

Balanced approach

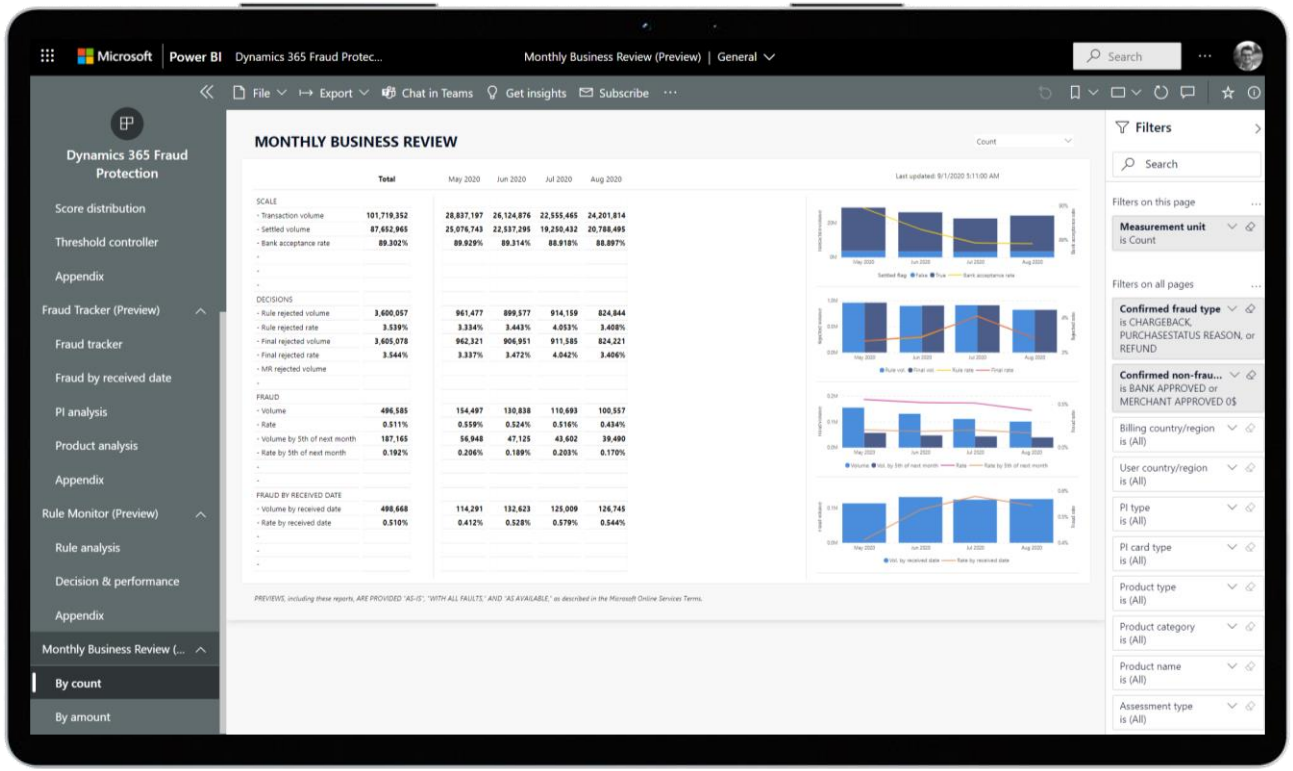
Help reduce loss and decrease false positives to improve merchant profitability

Transaction acceptance booster

Stream live data to your card authorization engine to help authorize more legitimate transactions

Customer value

Help manage fraud for your customers at scale as a service



Security and compliance

"We do not compromise on data privacy. Against that background, the security and compliance functions of Azure were convincing, which is why we chose Microsoft as our competent cloud provider."

— Lutz Küderli

Head of Underwriting, Claims, Digital Services
and Insurance Medicine (Europe/LATAM)
for Life & Health at Munich Re

Regulatory compliance assessments

Assess, monitor, and help improve compliance posture with global, regional, and industry regulations and standards

Cloud risk assessments

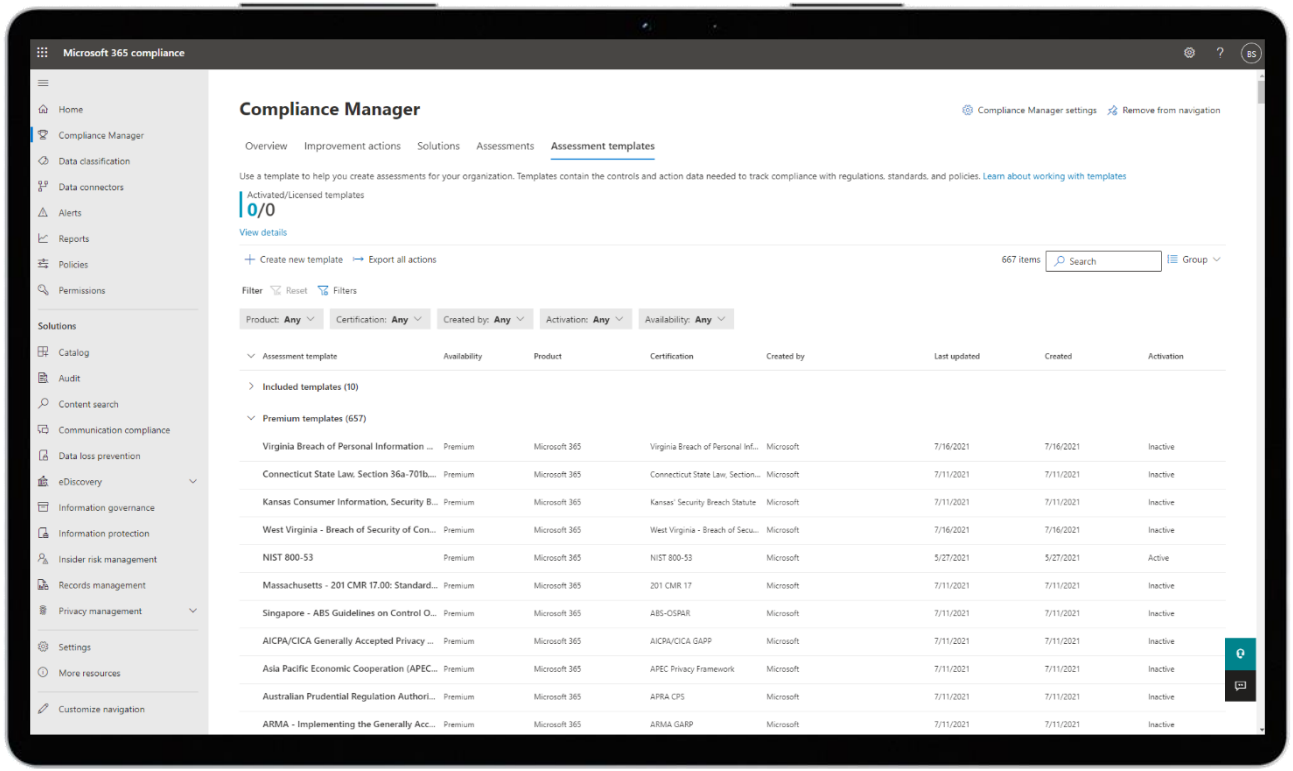
Help accelerate your Microsoft cloud and vendor-related risks assessments

Industry standards

Leverage 40+ pre-built assessments for standards and regulations such as GDPR

Compliance posture

Help improve your overall compliance posture, enhancing security and privacy controls



Risk assurance and support

Leverage white glove service to support risk, audit, and compliance teams with regulatory compliance, security, and privacy

Compliance Summit and Community

Connect with Microsoft Leadership on compliance topics and engage directly with peers and regulators in industry

Ask an expert

Support risk stakeholders to accelerate their assessments and approval cycles

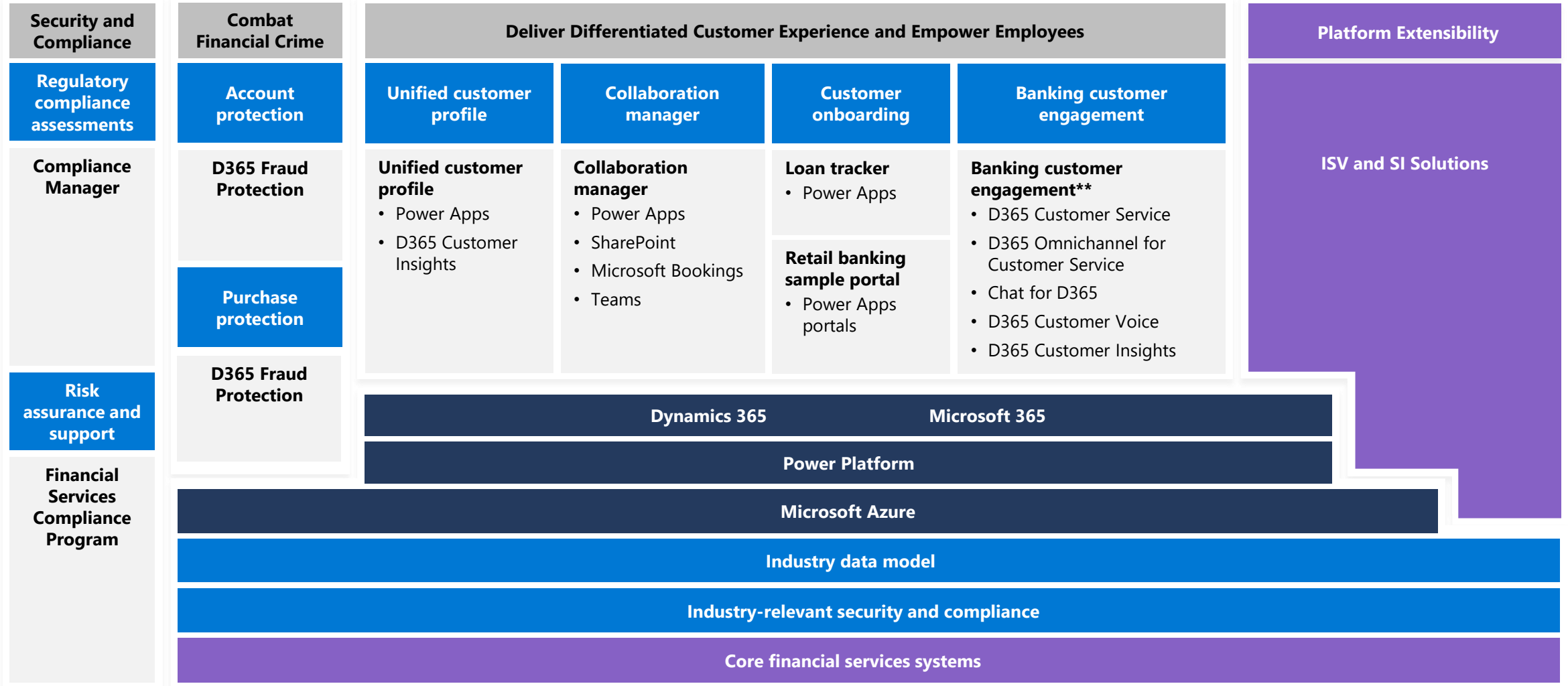
Proactive risk assurance

Stay up to date on important regulatory changes and explore walk-throughs of curated audit artifacts

Concierge and learning paths

Upskill on cloud risk assessment and navigate our rich set of resources

Microsoft Cloud for Financial Services



Industry priority scenarios | Microsoft Cloud for Financial Services Capabilities | Microsoft core technology | Third party

** Public Preview at GA

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Industry standards and certifications

We have the extensive compliance coverage in the industry with 90+ compliance offerings

Global

- CIS Benchmark
- CSA STAR Attestation
- CSA STAR Certification
- CSA STAR self-assessment
- ISO 27001:2013
- ISO 27017:2015
- ISO 27018:2014
- ISO 22301:2012
- SOC 1 Type 2
- SOC 2 Type 2
- SOC 3
- ISO/IEC 27701:2019
- ISO 9001:2015
- ISO 20000-1:2011
- WCAG 2.0 (ISO 40500:2012)

Industry

- European Banking Authority (EBA)
- FFIEC (US)
- OSFI (Canada)
- PCI DSS Level 1
- SEC 17a-4 (US)
- European Securities and Markets Authority (ESMA)
- European Insurance and Occupational Pensions Authority (EIOPA)
- GLBA (US)
- Shared assessments (US)
- CFTC 1.31 (US)
- FINRA 4511 (US)
- SOX (US)
- 23 NYCRR 500 (US)
- FCA + PRA (UK)
- APRA (Australia)
- FINMA (Switzerland)
- FSA (Denmark)
- RBI + IRDAI (India)
- MAS + ABS (Singapore)
- K-ISMS
- KNF (Poland)
- FISC (Japan)
- HIPAA BAA (US)
- HITRUST certification
- GxP (FDA 21 CFR Part 11)
- MARS-E (US)
- FERPA (US)
- CDSA
- MPAA (US)
- FACT (UK)
- DPP (UK)
- TISAX (Germany)
- NERC
- GSMA

Regional

- California Consumer Privacy Act (CCPA)
- GDPR
- Germany C5
- European Standard Contractual Clauses (SCC)
- Argentina PDPA
- Australia IRAP Unclassified
- Australia IRAP PROTECTED
- Canada Privacy Laws
- China GB 18030:2005
- China DJCP (MLPS) Level 3
- China TRUCS/CCCPPF
- EU EN 301 549
- EU ENISA IAF
- Germany IT—Grundschutz workbook
- India MeitY
- Japan CS mark gold
- Japan my number act
- Netherlands BIR 2012
- New Zealand Gov CIO Framework
- Singapore MTCS Level 3
- UK cyber essentials plus
- UK G-Cloud
- UK PASF

US Gov

- FedRAMP high
- FIPS 140-2
- NIST CSF
- FedRAMP moderate
- CNSSI 1253
- CJIS
- DFARS
- DoE 10 CFR Part 810
- EAR
- IRS 1075
- ITAR
- NIST SP 800-171
- Section 508 VPATs
- DoD DISA SRG Level 5
- DoD DISA SRG Level 4
- DoD DISA SRG Level 2

Note: Certifications in blue are specific to financial services

For additional compliance resources, see the full list of compliance offerings and compliance guides

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Microsoft Cloud for Financial Services Strengths

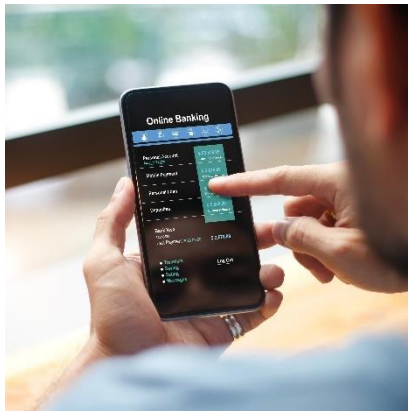
Business model alignment

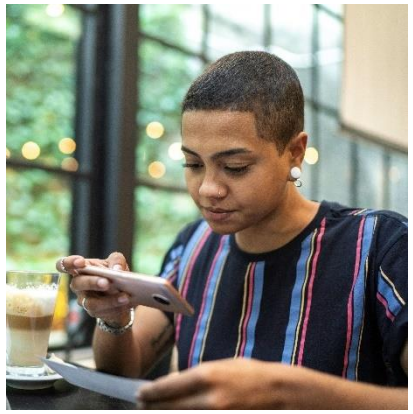
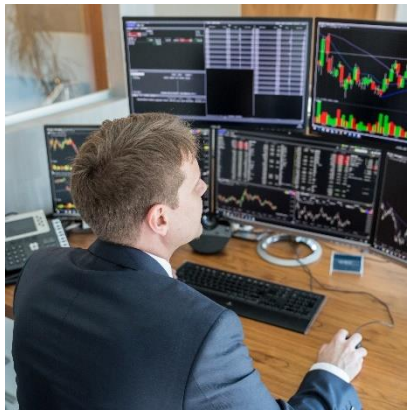
Customer ownership and control of data

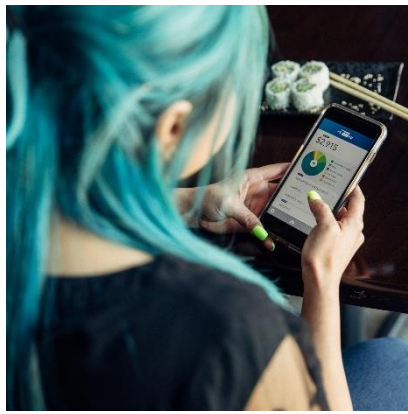
Trusted, global security commitment

Industry customization

Robust partner ecosystem





Microsoft
Thank you
Microsoft Cloud for Financial Services

Today, priorities are changing, and technology needs to keep up

Financial services organizations are focused on:

Enhancing resilience

95% of insurance leaders say they are accelerating or looking to speed up digital transformation to improve resilience[1]

Enabling digital collaboration

$30B Streamlining core business processes with enhanced digital collaboration could generate $30B in business value[2]

But their technology is holding them back:

Data access challenges

600 Global financial services organizations report having up to 600 different internal data repositories[3]

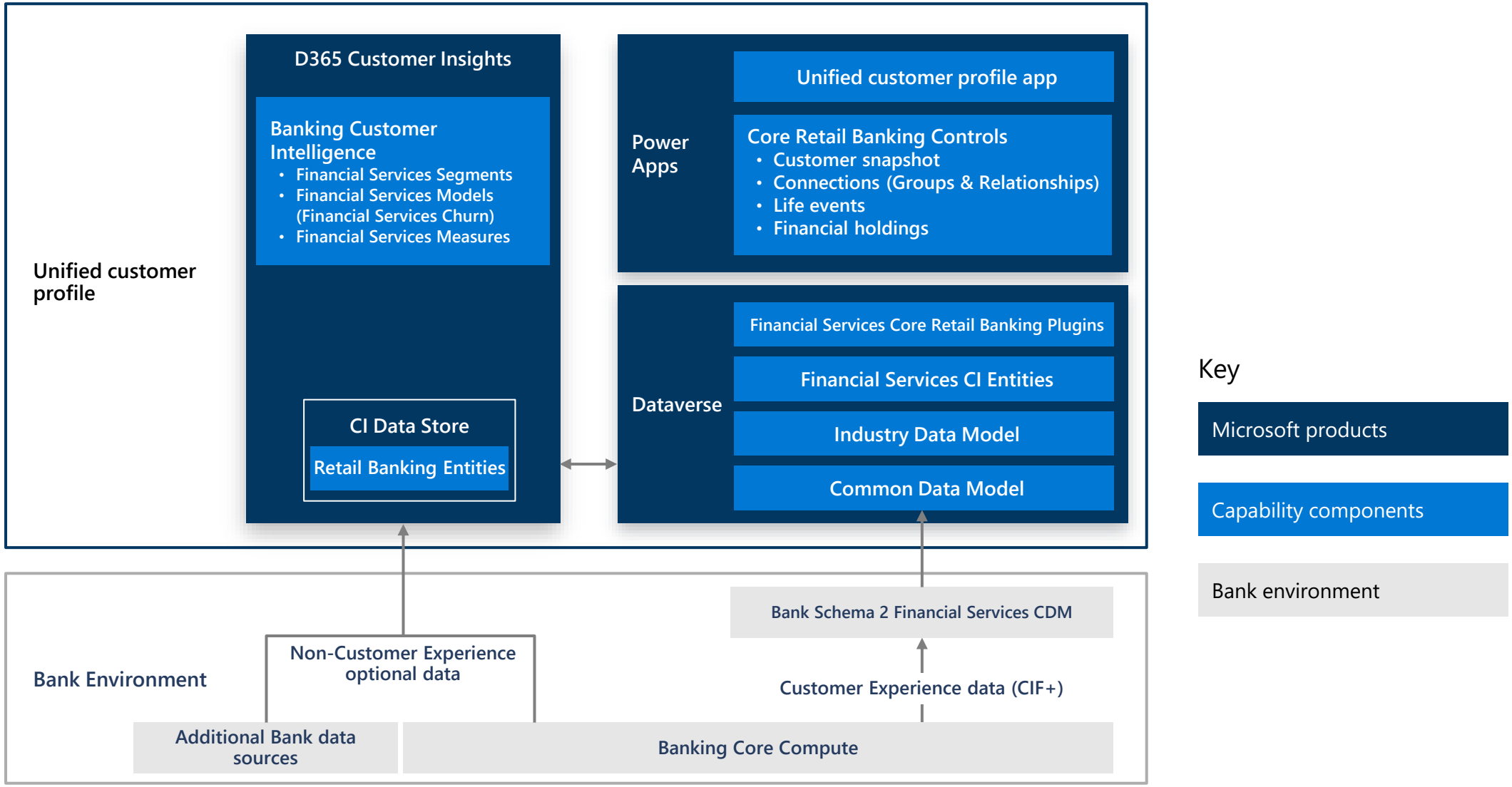
Security concerns

83% of leaders at US banks say cybersecurity is their top risk concern[4]

1. Deloitte 2. McKinsey 3. McKinsey 4. Moss Adams

Unified customer profile

Reference architecture



Customer onboarding

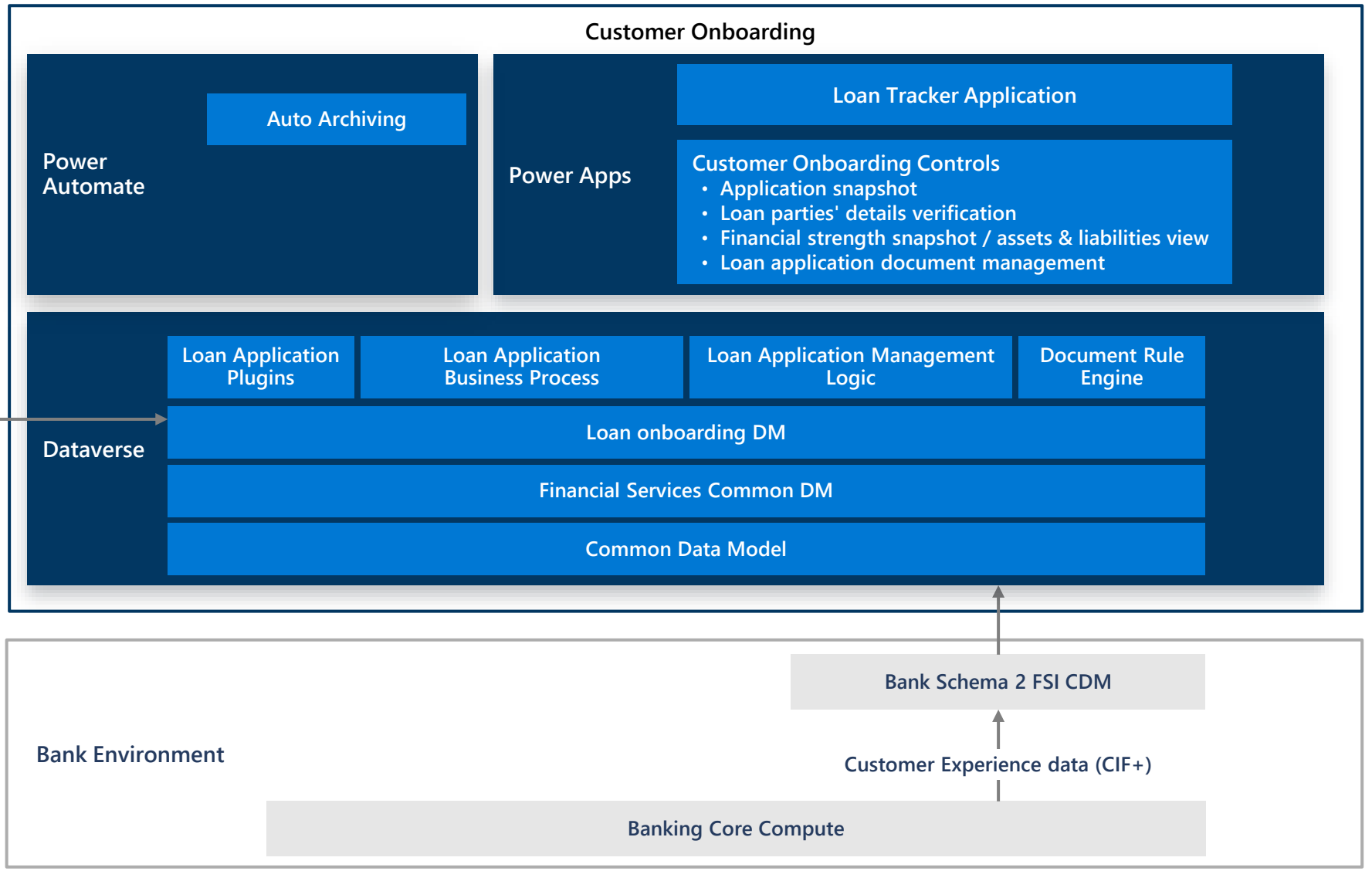
Reference architecture

Key

- Microsoft products
- Capability components
- Bank environment

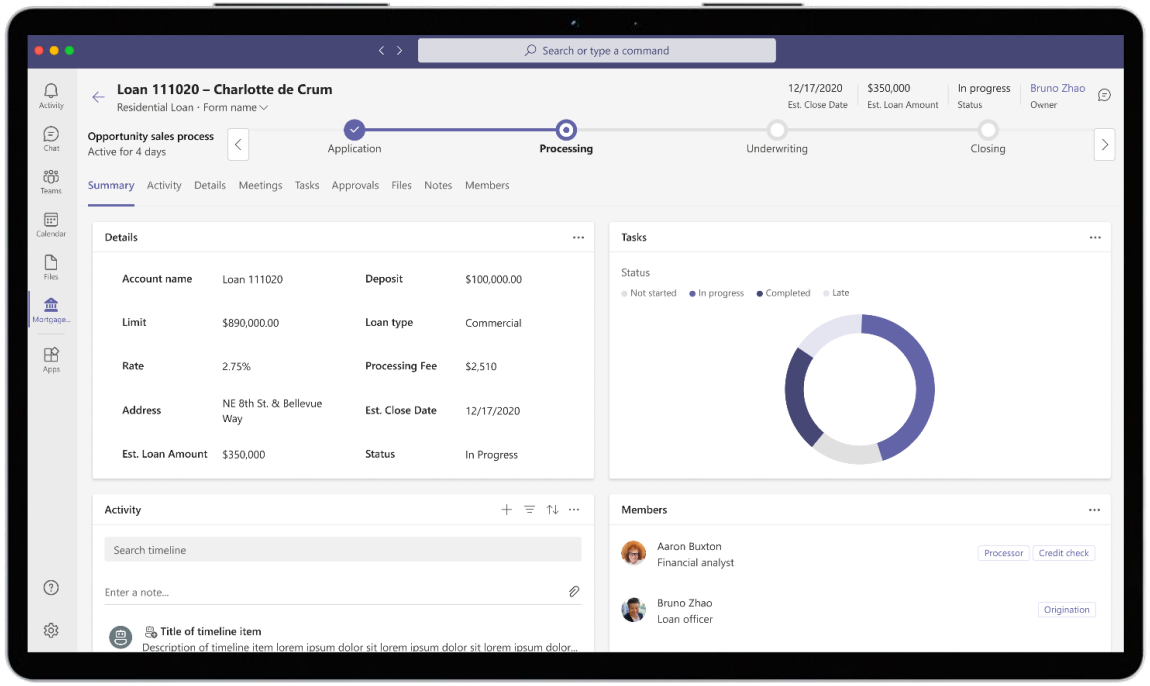
C2 Customer

Note: Customer onboarding includes an optional sample portal powered by Power Portal to showcase how C2 can interact with the system

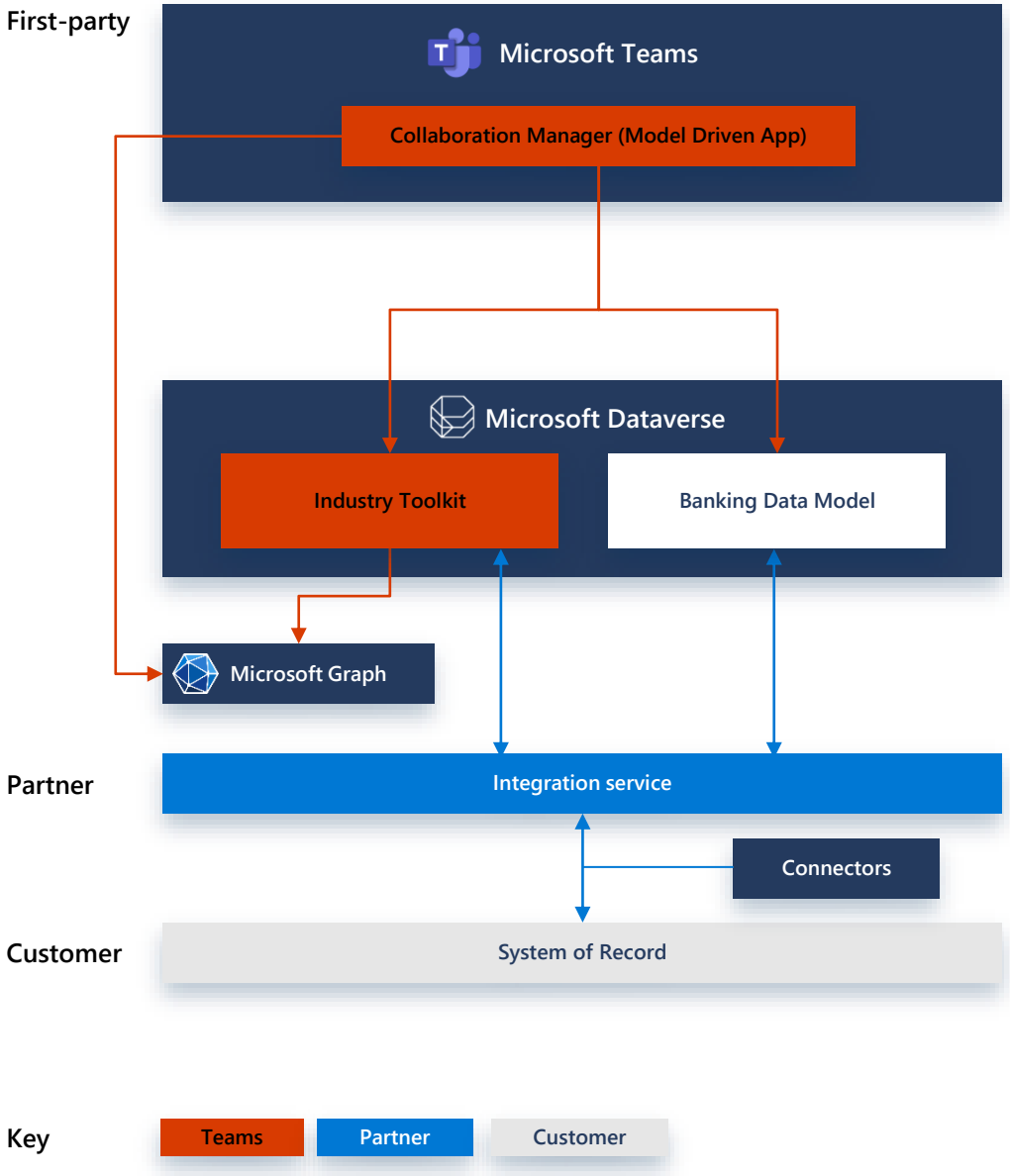


Collaboration manager

Reference architecture



Public preview edition



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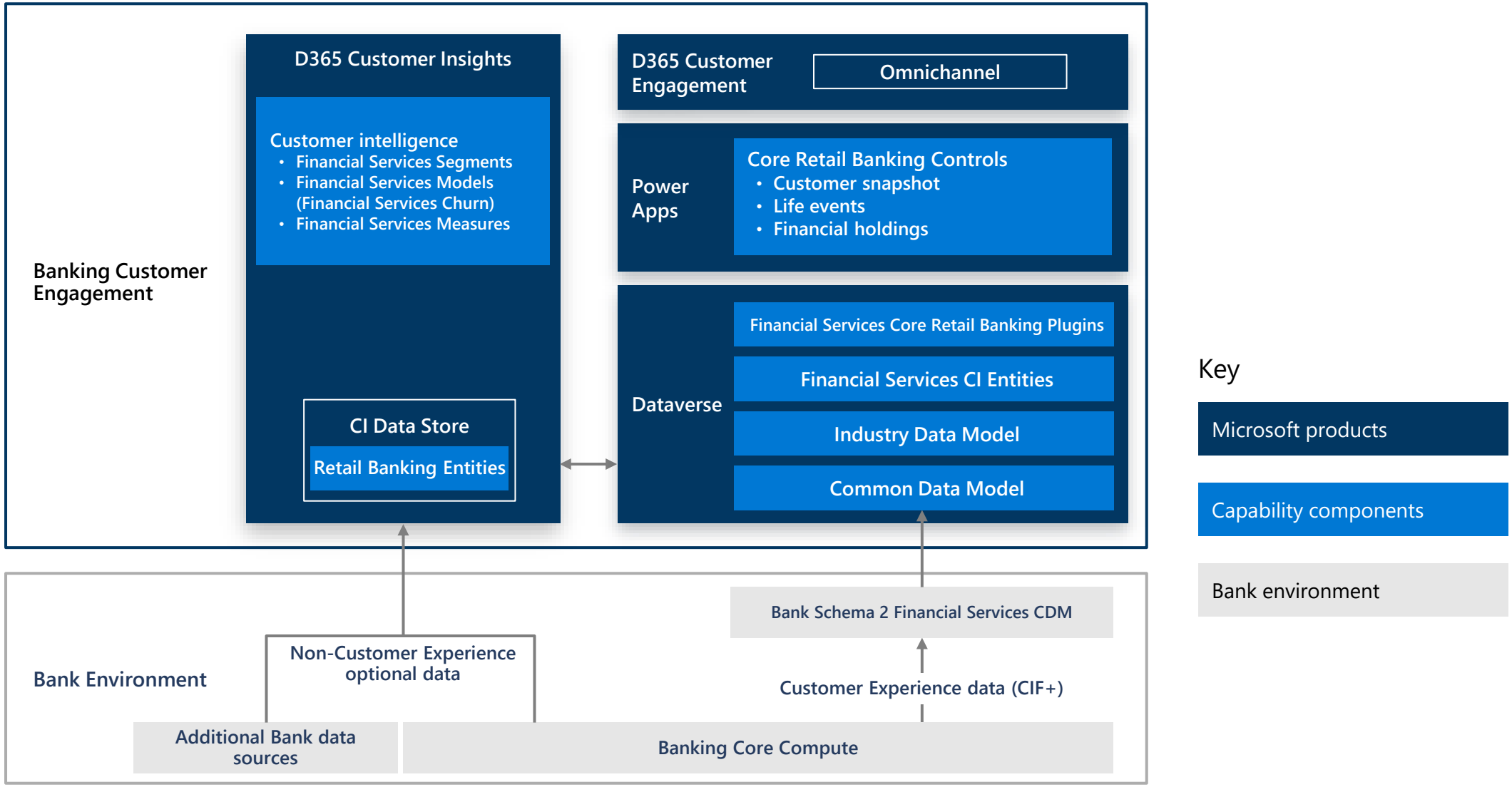
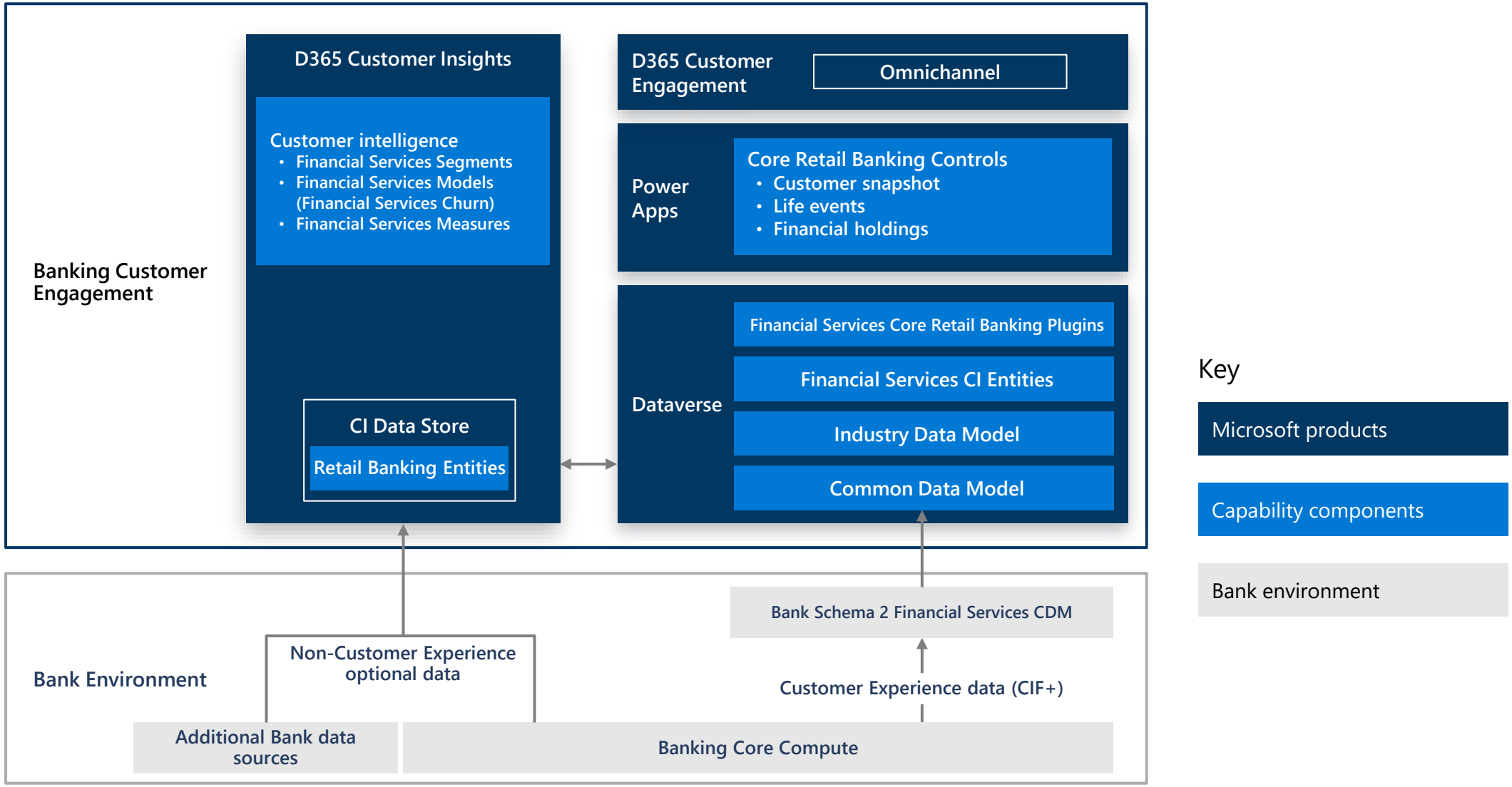
Banking customer engagement

Reference architecture



Banking customer engagement

Reference architecture



Financial services regulatory compliance

Take advantage of integrated compliance tools specifically designed for financial services

Regulatory compliance checklists for key markets

Information barriers

Payment Card Industry compliance (PCI DSS)

In-region data storage and multi-geo capabilities

WORM storage, surveillance, and SEC 17a-4 compliance

eDiscovery, investigations support, and audit logging

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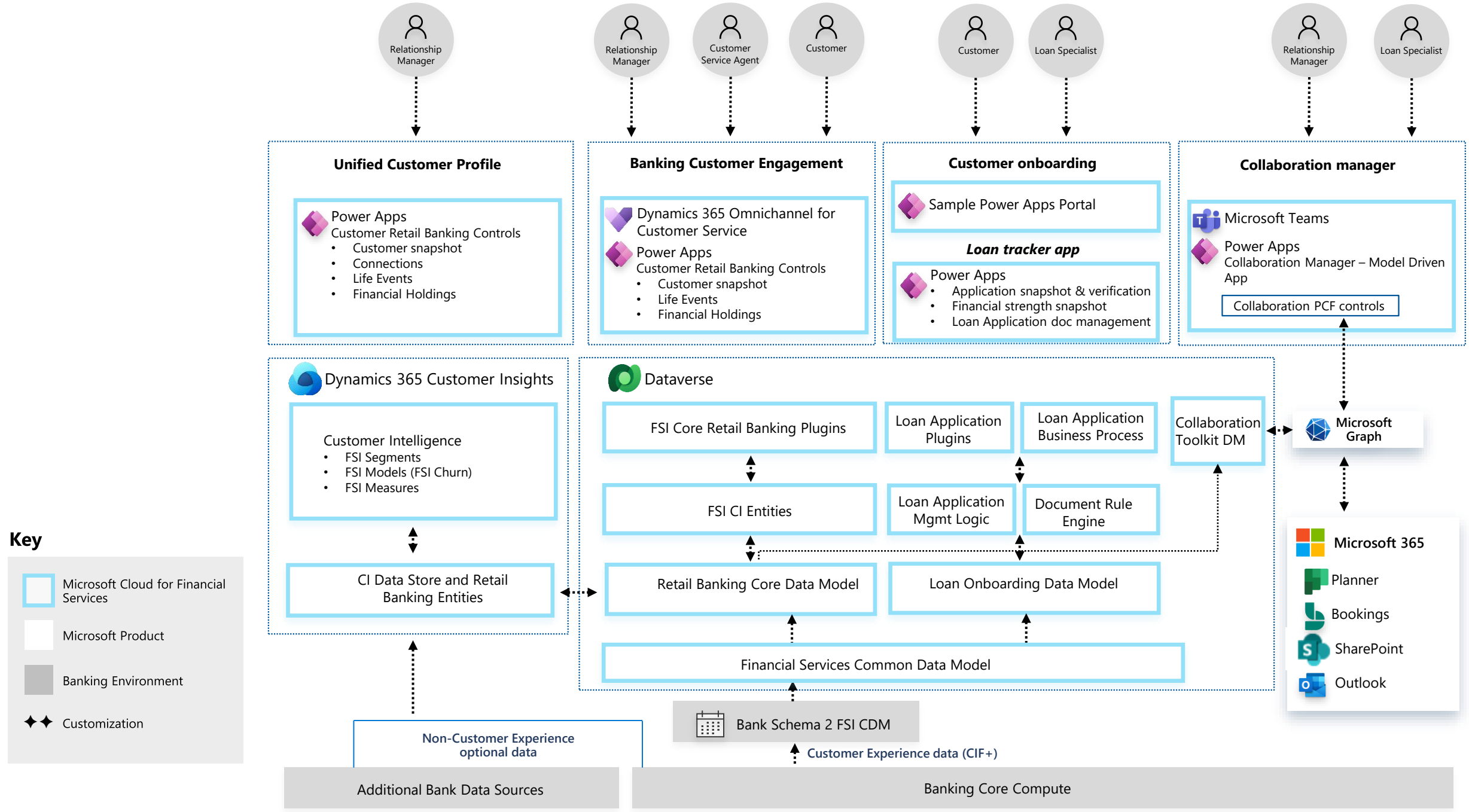

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