

zeb/

zeb//**control** compass

Optimising strategy,
increasing business success

compass

zeb//control –

Increasing earnings, managing risks

An efficient management of financial service providers requires flexible information, planning and analysis tools. The zeb//control product range provides the technical support for managing a multitude of financial controlling, risk measurement and monitoring, accounting and value management tasks.

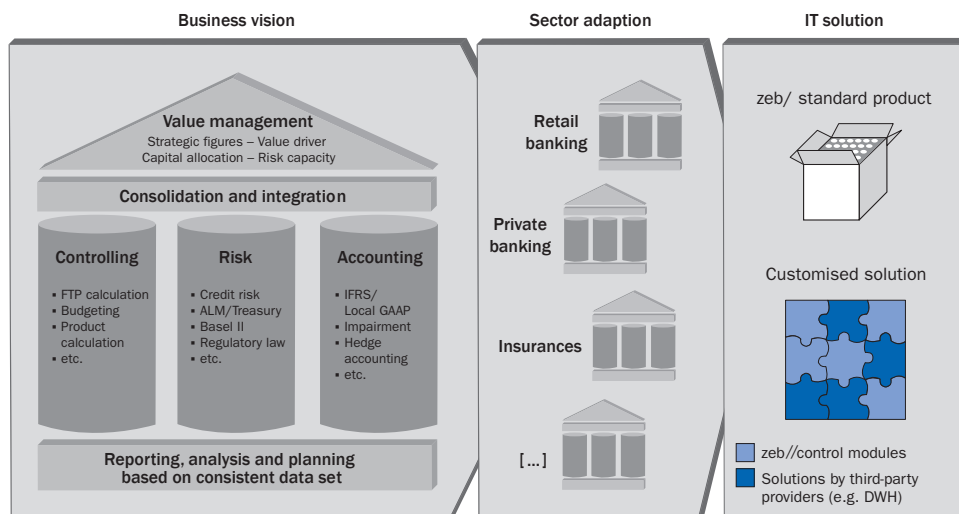


Fig. 1: Functional and technical zeb//control framework

Today the functional challenge – in addition to the required methodological excellence in sub-areas – consists of the consolidation of financial figures across functional areas and strategic business segments. The requirements resulting from various business models are covered by industry-specific adaptations.

In order to ensure flexible and sustainable applicability in this complex context, the technical realisation of zeb//control is based on the SOA principle. The user can define the product range configuration and the standardisation of individual modules freely, enabling a fast integration in existing IT architectures.

The various zeb//control configurations prove to be efficient in daily applications in a multitude of innovative nationally and internationally operating banks. The close interaction of functional and technical expertise is a key success factor for all implementation projects.

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zeb//control (compass = comprehensive alignment of success factors) addresses the high-level tasks of integrated corporate management. From the perspective of top managers, the relevant information on value drivers, risk capital allocation and risk-bearing capacity is compiled in clear reports, processed for the efficient analysis of causes and integrated into cross-cutting simulations.

In particular in the current market environment, the transparent display of relevant management information from an income, cost and risk perspective at the overall bank level becomes a key competitive factor. Bank-wide relationships between these perspectives are visualised and simulated through pre-defined, easily adaptable value-driver structures. Changes made to profit targets can be distributed to lower-level control areas. Likewise, it is possible to simulate the impact of changes of relevant value drivers on key target values. In addition to receiving pure information, decision-makers are also offered functionalities for the automated analysis of causes designed to explain deviations from the targets defined. Thus, the system provides efficient process support helping the management in identifying relevant causes for undesirable developments.

Different business models are represented with the help of standardised templates striking the right balance between aggregation and abstraction in the dimensions outlined above to ensure successful control. In addition, the software can be adapted to meet special requirements.



Fig. 2: Selected management reports

Transparency through a standardised reporting system

The comprehensive reporting library that is specifically tailored to the needs of board members builds on the long-standing, practice-tested project expertise of zeb/. Hence, the system can be immediately used in productive operation. The reporting system includes specific evaluations as well as period and benchmarking comparisons at the level of business areas and products as well as reports on risk development and productivity indicators. Graphic elements (speedometers, traffic lights, etc.) are used to indicate the extent to which objectives are achieved. The development of key value drivers and information on strategically important projects can be easily integrated into the reporting system. User-defined reports can be drawn up with the report designer and added to the library.

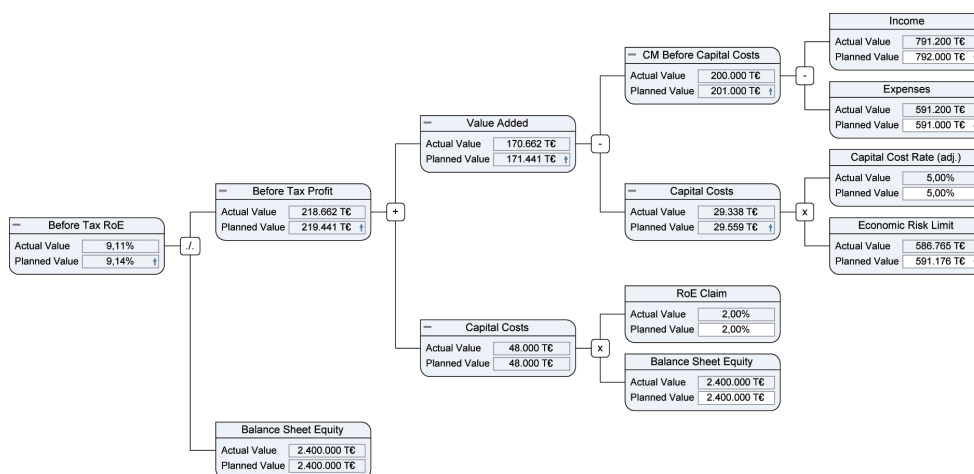


Fig. 3: Value driver trees

Ad-hoc simulation with value driver trees

According to our experiences, the high complexity of relationships at the overall bank level can best be tackled with the help of clearly structured value driver trees. For that purpose, the data available are related to each other in graphic displays.

In addition to the higher transparency of causal links in such a representation, the system also offers flexible ad-hoc simulations. By modifying key value drivers (e.g. increase in the volume of new business or adjustment of the risk structure for the loan portfolio), the effect on result parameters can be directly simulated.

In addition to the library supplied, you can easily define specific value driver trees and model assumptions for the relationships.

Automated analysis of causes

In case the objectives are not reached for individual key ratios at the bank-wide level, an automated analysis of causes can be performed based on algorithms especially developed for this purpose. This procedure directly examines – i.e. without manual drill-down – the relevant failures to reach targets at all the lower control levels available and presents the essential explanatory approaches to the deviations at the bank-wide level.

The analysis of causes can be started directly in the reporting system through dynamic context-sensitive menus. The user is guided through the process in an intuitive and management-oriented way. Thereby, individual value destroyers/generators are revealed and provide the basis for identifying areas requiring action in a systematic way.

Benefits of a modular system

The modular structure of the zeb//control product family allows you to complement zeb//control compass by other modules and thereby to profit from further benefits.

- By adding zeb//control profit, you can directly drill down to the individual transaction level apart from analysing the aggregate data on customer business that are relevant from the perspective of the management board. This ensures consistency between aggregate reports for the management board and, for example, detailed branch reports.
- The zeb//integrated.bank-planner permits both the centralised top-down definition of strategies and the decentralised planning of new business down to the advisor level. Systematic process support significantly facilitates work for all those involved. The annual target values derived from the planning process can be transferred straight to zeb//control compass. This ensures high consistency and efficiency of all the processes.

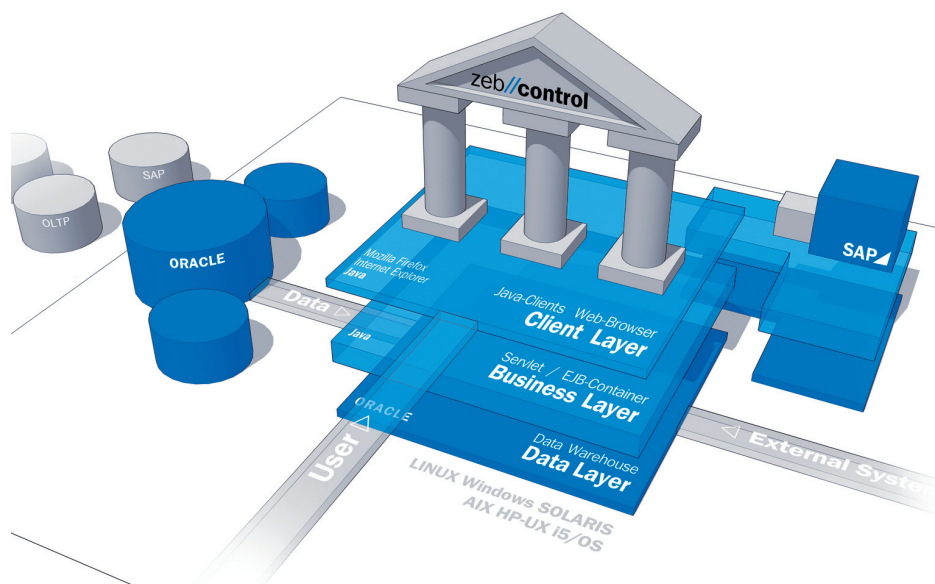


Fig. 4: Technical architecture of zeb//control

Technical basis

zeb//control uses a platform-independent and scalable J2EE architecture that easily integrates into existing processes and system environments. This architecture allows you to populate zeb//control with the data required from diverse feeder systems in a flexible way, e.g. from an existing data warehouse or Excel-based systems. The package includes an extensive authorisation system. An advanced web front-end system enables users to work timely and efficiently and provides for a safe and distribution-free operation for administrators.

Our methodology

The introduction of zeb//control is based on our proven customising approach model that includes all administrative and operative project management issues. In addition, our project committees ensure that our clients are always perfectly informed about the project status. The overall introduction process includes our independent and certified quality management. The competent zeb/ support staff is of course available for further questions even after the completion of the project.

Your advantages at a glance

- With zeb//control, you use a controlling system based on integrated and consistent data that supports you in all bank-wide risk management, Basel II and IFRS issues.
- zeb//control compass supports the top management of banks by the targeted presentation of information, analyses of causes and simulation options. The comprehensive libraries and algorithms supplied draw on the long-standing and practice-tested expertise of zeb/.
- The flexibility of zeb//control enables you to easily adapt reports as well as structures according to your institute's individual requirements and to existing concepts.
- The modular zeb//control structure allows for an optimised alignment to specific conditions and the integration into existing processes and IT system environments.
- You use tailor-made software solutions offering a holistic solution through the combination of state-of-the-art technologies with cutting-edge know-how.
- You benefit from competent consulting based on long-term experience in developing and implementing business-critical applications for financial service providers.

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zeb//control compass – Optimising strategy, increasing business success

- Value-oriented top management reporting across all functional areas
- Value-driver simulations and planning incl. cause analysis
- Focus on strategic figures (e.g. RORAC, TSR, etc.)

zeb//control profit – Precise profitability management

- Transparent and customisable return presentation
- Extensive and practically proven standard reporting
- Ex ante and ex post calculation of all contribution margin levels

zeb/integrated.bank-planner – Centralised and decentralised planning

- Integration of market division and central planning
- Comfortable support of top-down and bottom-up processes
- Automated proposal and allocation of plan values

zeb/credit.risk-manager – Identifying risks, optimising profit

- Analysis of the portfolio structure
- Optimisation of the risk/return structure
- Flexible scenario analyses

zeb/integrated.treasury-manager – Improving net interest income, planning actions

- Integrated present-value- and period-oriented ALM
- Comprehensive action simulation
- Structural liquidity planning

zeb/portfolio.risk-manager – Actively managing and assessing risks

- Compliance with legal trading requirements
- Position keeping and VaR measurement
- Integrated real-time limit system

zeb/basel.II – Ensuring regulatory compliance

- Coverage of standard and IRB approaches
- Loss data base with default management
- Interface to common reporting systems

zeb/operational.risk-manager – Managing and monitoring operational risks

- Systematic capturing of loss data
- Risk measurement by self-assessment
- Risk indicators as an early-warning system

zeb/ifrs – Meeting regulations confidently

- Assessment of all single transactions according to IAS 39
- Cash flow und fair-value hedge accounting
- Automatic posting creation

zeb//control warehouse – Creating an uniform database

- Uniform and consistent database
- Open architecture for flexible extension and integration
- Automatic identification of faulty data in plausibilisator

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