

# MITRATECH

"It couldn't have been easier."

How ERM solution, EnterpriseInsight™, satisfied regulators and was implemented in just 90 Days at Carver Federal Savings Bank.

Carver Federal Savings Bank, a 70-year-old institution with deep community ties, sought to enhance its Enterprise Risk Management (ERM) practices and expand into a holistic ERM framework. Seeking to improve risk visibility, as well as management and board reporting, the bank needed an ERM-GRC software solution that was flexible yet powerful.

“...it couldn't have been easier. In a matter of a few days we were able to tailor EnterpriseInsight™ to our enterprise risk framework.”

Director of IT at Carver Federal Savings Bank

## FINANCIAL INSTITUTION



75 West 125th Street  
New York, NY 10027  
carverbank.com

### ASSETS

\$0.7 Billion

### EMPLOYEES

130

# The challenge

Carver had various, disconnected methods of evaluating risk across the enterprise. They had a strategic goal to implement a holistic ERM framework and risk assess all areas in 90 days.

# Managing Regulatory Expectations

For Carver, oversight of enterprise risk required a systemic and comprehensive framework, particularly with regard to certain lines of business and technology deployment strategies. To meet the demands of rigorous regulatory examination, Carver's management team understood it needed a solution that included robust features and offered a sophisticated yet easy-to-deploy framework. With EnterpriseInsight™, Carver found the solution they had been hoping for: an ERM SaaS solution that would adapt to the existing risk framework and enable risk assessments for the organization and its processes, products, applications, and providers.

# Rapid Implementation

The newly-hired Director of IT was challenged to select and deploy an ERM solution in 90 days. EnterpriseInsight™'s standard risk framework combined with its ease of configurability made this three-month delivery commitment possible.

In the Director's words, "We needed to be able to take into account the varying risk profiles across our process portfolio, but also assess the accompanying solutions used in support of the processes, the partners selected to deliver these solutions, and the underlying institutional product being offered. EnterpriseInsight™ could do all of this."

The process analysis risk template, one of several templates available with EnterpriseInsight™, was selected as the starting point for the development of the Enterprise Risk Management (ERM) framework. Building upon the EnterpriseInsight™ Process Template that already detailed over 175 financial institution processes, Carver began refining the framework to meet its needs. The template required only minimal adjustment to align with the institution's own framework of enterprise risk.



# The Results

EnterpriseInsight™ was deployed within the 90 day timeline and was received with acceptance and praise from not only the regulators but also Executive Management and the Board of Directors.

The next phase of the project was to enable the EnterpriseInsight™ Process Template in order to simultaneously and relationally:

- Assess the risks associated with each business process originating from the associated service provider(s)
- Assess the underlying risk of the product that each process is supporting
- Assess the risk of partnerships associated with certain product offerings, such as indirect lending efforts.

“After receiving training on the system, in a matter of a few days we were able to quickly and efficiently tailor the EnterpriseInsight™ system to mirror our organization’s enterprise risk framework. Key features like the integrated online help and how-to videos allowed us to execute quickly,” said the director in charge of the project at Carver.

Once the Enterprise Risk Evaluation Framework was finalized, the final step in the deployment of EnterpriseInsight™ was the editing of the Assessment Control Tables. The Control Tables, delivered out-of-the-box as the EnterpriseInsight™ standard, are based upon the regulatory definitions of various risks. Carver’s efforts focused on refining the control tables by defining the unique characteristics of risk to be evaluated for each identified process, product, solution, application, and partner. For example, the Assessment Control Table for the evaluation of information technology risk would differ from the Assessment Control Table utilized for consumer lending risk.

“We aligned interviews across the organization to review and complete process, product, and solution/partner assessments. The EnterpriseInsight™ software allowed us to complete the assessments far more quickly than we expected.”

## Examination Success

Having met the prescribed deadline, and using EnterpriseInsight™ as the presentation methodology, a holistic Enterprise Risk Management Review was prepared and presented to the Executive Committee and Board of Directors. The risk reporting included assessments of inherent risk, likelihood, inherent probable risk, control effectiveness, and residual risk. The presentation was also made to the bank’s examiners during a subsequent examination. Executive management was complimented by the examiners on their selection and utilization of the software tool and how it enabled them to meet regulatory expectations.

## Going Forward

The management of risk within a financial institution is not a single, static effort. It evolves as an organization grows and changes, as regulatory expectations increase, and as new lessons are learned. For Carver, as new products, providers, applications, and processes are contemplated and deployed, EnterpriseInsight™ has the flexibility to adapt everything into the enterprise risk view. In the words of the man who delivered in 90 days, “We are really pleased with our decision to select EnterpriseInsight™, the capability and flexibility of the software, and the support we receive.”