



## The use of the BPM-Suite BIC at M.M.Warburg & CO Luxembourg S.A.

### The Luxembourg private bank uses BIC as an Internal Control System

#### M.M.Warburg & CO Luxembourg S.A.

M.M.Warburg & CO Luxembourg S.A. belongs to the group Hamburger Traditionsbank Warburg & CO with a 200-years tradition. The parent company was founded in 1798 in Hamburg and is an owner-managed private bank for independent advice. The range of services of M.M.Warburg Bank Luxembourg is geared to private and institutional clients and includes investment advice and asset management, credit and foreign business as well as securities and foreign exchange trading.

#### Increased demands by regulation

The regulatory requirements concerning financial institutions have been significantly improved in recent years to stabilize the financial system. The Luxembourg financial supervision „Commission de Surveillance du Secteur Financier (CSSF)“ announces a policy for banks to „Internal Governance“ in the circular CSSF 12/552, in addition to CSSF 13/563. The policy includes numerous demands concerning the development of the organisational structure and the organisation of responsibilities within credit institutions. Risk management and the integration of control mechanisms are an essential parts of the policy. This should ensure their sound and prudent operation and a reliable Internal Control System. These high requirements of CSSF require a change in the internal organisation of M.M.Warburg Bank Luxembourg. It was important to relate processes, information, risks and responsibilities in a central system.

#### BPM-Suite BIC as an Internal Control System

In order to meet all compliance requirements and the risk management guidelines, M.M.Warburg Bank Luxembourg decided to use the Business Process Management (BPM) Suite BIC. The multiple award-winning BPM solution from the Bochum specialists GBTEC Software + Consulting AG includes all functions for modelling, visualisation, analysis, monitoring and execution of business and IT processes. BIC is available as a holistic BPM solution for M.M.Warburg and also represents its Internal Control System (ICS).

The BIC ICS is a process-oriented risk management solution that uses the global standard COSO as a methodological framework. For constructing the M.M.Warburg ICS a risk map and a control structure have



**M. M. WARBURG & CO**  
1798

#### Regulatory requirements:

In the financial sector increased regulatory requirements demand for action. Whether by BCBS 239, MaRisk, Solvency II or CSSF 13/563, within the financial institutions transparent and reliable documented processes in conjunction with an Internal Control System are required.

#### The solution: BIC as a holistic BPM

BIC Platform offers in its modular structure all the functions for modelling, visualisation, analysis, monitoring and execution of business and IT processes. This includes the construction of an Internal Control System for a process-oriented risk management.



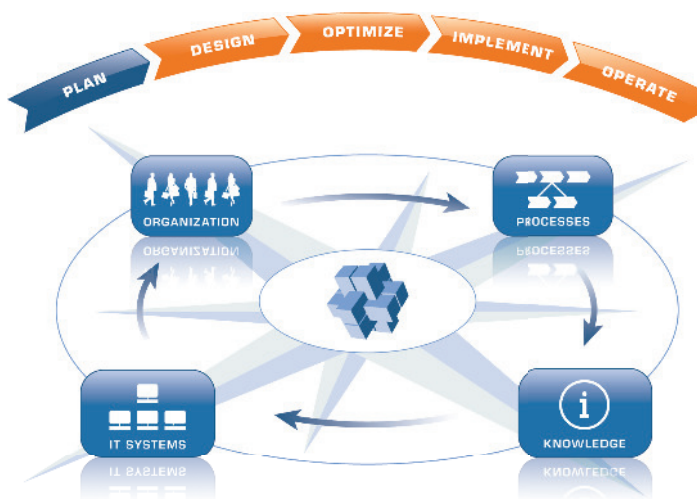
**BIC PLATFORM**

firstly been created. It was followed by the process documentation in order to model processes, risks and controls in accordance with the legal requirements. This process modelling shall be periodically reviewed and adjusted. Reporting and compliance evaluations are derived from it. An internal workflow allows sharing and controlling documentation.

#### BIC as a Single-Point of Information

In addition to the process and ICS-classification, the existing organisational manual and the fixed written order of the Bank were transferred to BIC. BIC combines compliance, risk, governance and business process management at M.M.Warburg. BIC Platform provides a single point of information in the daily business for all employees and thus enables a fast and central access to relevant data, processes and analyses. Thereby M.M.Warburg's operating processes can be accelerated, synergies are bundled and resources are released. At management level BIC furthermore is a tool to ensure the achievement of corporate objectives.

The use of the BPM solution BIC not only enables the compliance of the CSSF policy. Harald Glieden, Head of Organisation of M.M.Warburg Bank Luxembourg, summarizes: *„The demand for the Internal Control System BIC was originally generated in our bank by the intensified regulatory requirements. But through the high process transparency and linking of connections, BIC offers a significant added value on management level and provides us with relevant information we could not get before.“*



#### COSO as a global methodological standard for ICS

The COSO (Committee of Sponsoring Organisations of the Treadway Commission) is a voluntary private sector organisation in the US, which should help, to qualitatively improve financial reporting by ethical behaviour, effective internal controls and good corporate governance. COSO was founded as a platform for the „National Commission on Fraudulent Financial Reporting“ (Treadway Commission) in 1985 and is supported by the five largest US organisations for control in the finance and accounting sector: IIA, AICPA, FEI, IMA and AAA. (Source: Wikipedia)



#### About GBTEC Software + Consulting AG

GBTEC Software + Consulting AG is a specialist in Business Process Management and IT Management. The company combines consulting and software development successfully. With the BPM solution „BIC“ GBTEC offers an innovative, entire and powerful BPM Suite to optimize processes and IT systems. Its customers include both numerous DAX companies and large medium-sized companies and public administration. For more information visit [www.gbtec.de](http://www.gbtec.de).

GBTEC Software + Consulting AG  
 Universitätsstraße 142 | D-44799 Bochum  
 Tel.: +49 (234) 97645-100  
 Fax: +49 (234) 97645-101  
 info@gbtec.de | www.gbtec.de