BCBS 239 –
DATA QUALITY MANAGEMENT

Status Quo

Data are becoming assets that are critical to success

Efficient IT processes for bank control and risk management are crucial to the success of banks. Here, spiralling regulatory and internal requirements lead to a significant rise in the complexity and volumes of managed data. But aside from a performant IT infrastructure, aspects of data quality are becoming increasingly vital as well.

Correct and complete data are core elements in a plethora of vital front-to-end processes and therefore represent a significant asset. Weaknesses in the quality and usability of data impact negatively on the effectiveness of processes and systems and can hence make the task of efficient bank management more difficult.

Banks frequently have heterogeneous IT structures. Therefore, functions to determine the quality of data are often implemented as mere fragments at individual points of the system landscape (source systems, interfaces, transformations etc.), creating an absence of overarching information and control impulses.

Regulatory requirements

Banking supervisors addressed fundamental principles of data quality in the BCBS regulation 239, which was published in January 2013; they will soon be introduced for German credit institutes as well in the upcoming MaRisk (minimum requirements for risk management) circular. BCBS 239 uses the four principles of „Accuracy and integrity", „Completeness", „Timeliness" and „Adaptability" to define data quality. And while the supervisory authorities may currently be focusing more on risk data, data quality management should already to seek to implement a method that would be applicable to other control areas of banks and their data provision processes. It is reasonable to expect that the supervisory authorities will impose higher auditing pressure on these aspects and that other regulatory requirements such as EU-GDPR or FRTB will lead to a significant expansion of the standards applied to data quality.
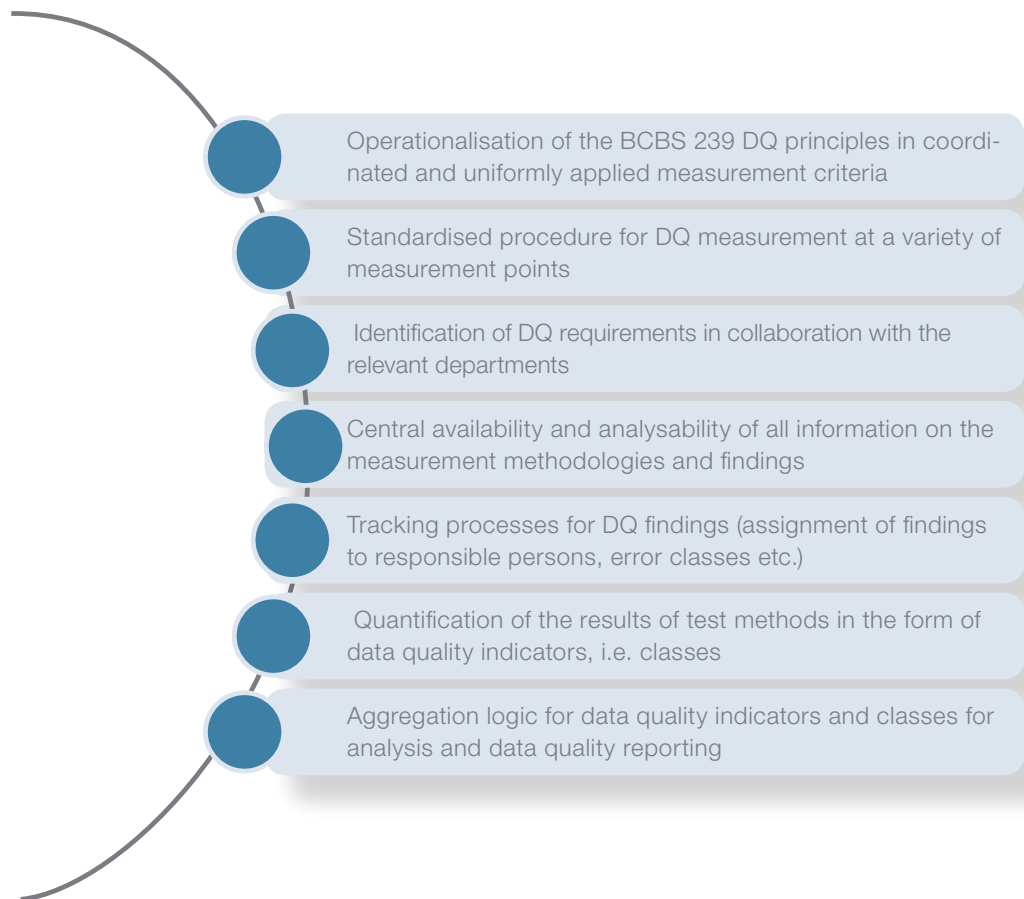
Datenqualitätsmanagement

The term „data quality management" is used generically to describe processes for the measurement, control and reporting of data quality. The underlying objective of data quality management is to use the DQ information from the individual data supply chains to arrive at a central statement on the status of data quality, to prepare a list of identified data quality shortcomings and to initiate suitable measures for the improvement of data quality. Careful, upstream analysis and documentation of the relevant delivery paths within data lineage is an essential precondition for the implementation of effective data quality management.
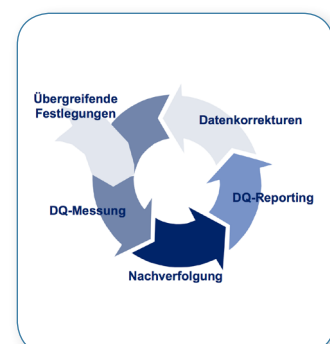
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Our Services and your benefits

At Geissbühler Weber Consulting, we offer you sophisticated and proven strategies and best-practice expertise on all elements required for the implementation of overarching data quality management:

- Operationalisation of the BCBS 239 DQ principles in coordinated and uniformly applied measurement criteria

- Standardised procedure for DQ measurement at a variety of measurement points

- Identification of DQ requirements in collaboration with the relevant departments

- Central availability and analysability of all information on the measurement methodologies and findings

- Tracking processes for DQ findings (assignment of findings to responsible persons, error classes etc.)

- Quantification of the results of test methods in the form of data quality indicators, i.e. classes

- Aggregation logic for data quality indicators and classes for analysis and data quality reporting

Tool- based implementation

On request, a DQ tool (third-party software) can be implemented efficiently to support key elements of data quality management. We have the necessary expertise and contacts in this regard to identify the ideal solution for your requirements within the framework of a software selection process.

Thank you for contacting us

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