

Financial crisis elevates potential for risk

A financial services company manages risk during the global crisis

Client's challenge

When the financial crisis hit in 2008, a global financial services company found itself facing intense pressure from a number of regulating entities around the globe. The company needed help in managing the crisis, particularly in responding to a tremendous volume of inquiries regarding its stability and policies. It also needed to be more vigilant than ever in assessing and mitigating compliance risks abroad while corporate headquarters was inevitably distracted with unprecedented circumstances at home, under a looming potential for elevated corruption during an economic downturn.

PricewaterhouseCoopers' Advisory solution

The client turned to PricewaterhouseCoopers, as we were already advising them on compliance and regulatory issues and were recognized for our experience in the financial services industry. PwC immediately mobilized a team of specialists who joined a group of advisors established by the client to offer guidance and perspective on the many facets of financial crisis response strategies.

PwC provided crisis-level assistance, which included assessing, categorizing, and assisting the client in providing timely and accurate responses to more than 400 regulators in over 100 countries. PwC also helped the client to analyze and communicate the global systemic risk of its operations and the fragile nature of financial networks, keeping the most senior level decision-makers in the legislative and executive branches of the US government under advisement.

PwC was called upon to conduct targeted compliance risk assessments inclusive of a wide range of issues such as anti-corruption, anti-money laundering, privacy, political contributions, antitrust, trade secrets, IT policy, and reporting and regulatory matters. Multiple foreign site visits were accompanied by the review of hundreds of thousands of compliance procedures, practices, and policies, as well as detailed interviews with senior operational, legal, and compliance staff.

PwC also performed over 50 enhanced reputational due diligence assignments for compliance and asset disposition team audiences, leveraging our extensive global reach; constellation of syndicated and open-source databases; wide-ranging network of on-the-ground information sources; and a well-developed analytical framework to provide reliable and timely information.

Impact on client's business

PwC's extensive experience in the industry and its strong global network helped the company maintain the integrity and effectiveness of its compliance program during a time of great instability, and mitigate as much as possible the subsequent impact on its business operations around the world.

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