





"Manually monitoring changes in these complex models is impossible, and spreadsheet errors can potentially be extremely costly to our organization, both financially and reputation wise," Donna elaborated. "With the pressure of regulation and demands for auditable model governance, automating spreadsheet management is the only conceivable way that we can comply and mitigate spreadsheet risk."

## The solution

ClusterSeven non-intrusively manages Bank's most business-critical spreadsheets to minimize operational and reputational risk.

Shawbrook Bank has deployed a central platform for the management of business-critical spreadsheets, from ClusterSeven. A Shawbrook Bank hosted solution, the Bank's adoption of ClusterSeven is a key element of Shawbrook Bank's strategy to build and strengthen its model risk management capabilities.

## The results

The burden of model validation on the Operational Risk team has reduced. Due to the availability of the history of changes to models in ClusterSeven, the team is undertaking less frequent validation of the models to demonstrate compliance to regulators.

ClusterSeven has enabled strict enforcement of spreadsheet and EUC build policy among users. Every time a new spreadsheet is built, it is risk checked against a default set of rules configured in the solution to ensure that no rules have been broken. This capability is ensuring consistency, accuracy and integrity of all spreadsheet-based models in the Bank.

"Shawbrook Bank is realistic about the fact that user-built spreadsheet applications will always be a key tool in business operation," Henry Umney, CEO of ClusterSeven commented. "Rather than trying to limit its use in favor of other enterprise systems – an exercise that often fails – the Bank has taken

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*Donna Bradley, Head of Operational Risk at Shawbrook Bank Limited*

a strategic approach to its management for the benefit of users who need the flexible functionality of Excel to perform their day-to-day activities. In doing so, the organization is delivering against the needs of its users without putting the Bank at operational, regulatory, financial or reputational risk. In fact, most of the regulations (e.g. SOX, MIFID II, BCBS 239, Solvency II) today are demanding that financial institutions adopt demonstrable spreadsheet management in recognition of how widely Excel is used in business."

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*Henry Umney, CEO, ClusterSeven*

For more information about ClusterSeven, please visit [www.clusterseven.com](http://www.clusterseven.com)