Ram Pratti: On the compliance side, regulators, they are looking pretty lightly. They're not very strict, right? Not a process yet. Do you think that's going to change?

Simon Hankinson: I don't agree.

Simon Hankinson: Basically, you're asking before BCBS?

Ram Pratti: Absolutely.

Simon Hankinson: I would say that the exams are detailed and thorough. They're more thorough every year. I think there was a change when the BCBS 239 principles came out. When you look at the type of questions that are asked before the regulators, it seemed like the regulators weren't really sure what they're asking for. They didn't know what the data governance should look like. They were drawing a lot on the counting views to represent accounting like controls and SOX. The references just SOX, type processes and documentation.

Once BCBS 239 came out, that has quickly become that playbook that they've adopted. I would say that they are pretty meticulous and detailed. Then again, more detailed this year. An example this year is I'm working with one institution, they addressed any QA data quality issues they have. The big organizations have quite thorough data quality processes in there. I mean QA data now ... This year's exams are great. We think you're on the right track with M& Q. Now, we're going to look at the data used in your models.

That was some type of blind spot for that institution as I think for many institutions, which is often the data that's used by finance in the M&Q submissions is different to the data that's being used in the app models.

We see this is ... We talk about the evolution of where the regulators are looking. You have your Q sorted out, that's great. Now, let's see how you're grooming the data that goes into your models. That's going to be an extension of that data governance processes to another domain of data.

Ram Pratti: Do you see the error message in their clients that they think they could be more aggressive in that?

Koen Van Duyse: Yeah. I think that's impossible to miss. We consult and advise that. Every time I read an article it's about this is a marathon not a sprint. That's all. I think you have to be really ill advised not to understand that at this age.

Ram Pratti: What do you think about those in the smaller banks? Do they understand those that need to be run as a program and continuously doing these things?

Sam Weibel: They're starting to understand that it is. I think one of their issues is the size of them, right? That they don't necessarily have the formal governance offices that the larger organizations have. I think that's where you do see a struggle with them and guiding. How do they set up that committee? Where does ownership typically lie for certain areas? You do look at the smaller organizations, they do look for a lot more guidance and how are our larger customers leveraging Calibra for BCBS and for CCAR in order to kind of model themselves after that besides bringing in, obviously, consultancies to advice it as well.

Simon Hankinson: For smaller situations, especially. They don't have the resources that Bank of America or Wells Fargo might have where they can put 50, 100, 200 people on an effort quickly because then what else would they need to do? You go to a smaller institution, you can maybe find 10 people, 20 people. That's a real stretch for them.

I think something like the Collibra capability out of the box of an operating model. The work flow is an issue of management processes. Roles and responsibilities is really valuable as an accelerator, reducing the amount of resources they need, the amount of effort and time, and cost. Also, it'll happen to minimize the amount of professional services they might need to help implement something. That's what had been done and proven and so they can take advantage of it.

Sam Weibel: I think that's another key focus too when you look at it. Besides just people, it's also a cost on the smaller bank side where they don't necessarily ... Like you had said, on the larger organizations they'll throw 50, 100 million knowing that the problem to solve it ... These smaller organizations don't have that capital to do that as well and they're looking for efficient ways to solve it and cost efficient ways.

Simon Hankinson: It's recognizing the complexity of the issue. It doesn't mean it's any less of a burden for a smaller bank, but it's typically less complex. You can implement it much more quickly. You can use more out of the box type of solutions because you don't have the legacy and the scale that the big banks have.