



## 5 Compliance Steps for Video Conference Recording in Financial Services

### Video Conferencing Delivers Value

Digital transformation with more video platforms, bandwidth, and devices is changing the way financial institutions work and engage with customers. With millennials preferring digital transactions three-fold over in-person transactions, adopting video communication channels is becoming commonplace. The use of video conference is skyrocketing—rising to 81% of surveyed companies.<sup>1</sup> It provides a rich communication medium for financial institutions to engage with customers and drive business growth. And it creates extensive value:

**77%**

experience a higher sales close rate with video banking.<sup>2</sup>

**86%**

experience accelerated decision making<sup>3</sup>

**79%**

improvement in customer experience<sup>4</sup>

### Understanding Risk & Regulatory Implications

The strategic business use of video conferencing is changing the mix of where and how financial services companies and their employees are communicating with each other and their customers—from traditional phone and email to interactive video. As you expand your business initiatives to include video conferencing, it's important to proactively address the regulatory, data loss, and legal implications.

Engaging in video communication has risks that need to be managed. Video is a rich communication platform that allows you to show, share, speak, and text chat information. Many firms don't have a program or means to monitor video; however, this is essential. Financial institutions should extend their current regulatory concepts for digital communications to also cover video use.

The broader financial services industry including wealth, insurance, and banks has many regulations that apply to electronic communications. Far-reaching regulations, including Dodd-Frank, EU General Data Protection Regulation (GDPR), and MiFID II, along with guidelines from regulatory agencies like FINRA, SEC, and NAIC will directly impact the way that increased video communication is managed across your organization.

<b>From MiFID II, FFIEC Social Media Guidance, and more</b>	Require recording of more data and carry the implied expectation that if you are conducting business and promoting offers over a communication channel, you should be capturing and reviewing the content from that channel as well.
<b>EU GDPR, CA DPA, and SC Insurance Data Protection</b>	Require that you protect the data you exchange and expect you to know what is included in your communication.

To satisfy regulators, the pressure is on financial institutions to capture, monitor, and report on an expanding range of communications platforms and channels. Even if a regulator hasn't specifically told your organization to start recording video, deferring to legacy processes that don't cover video communication is unsafe. Expanding to video and not doing the basics of capture, exposes your organization to potential oversights in addressing misconduct from employees who bypass your established surveilled measures, which opens the company to potential fines.

In fact, the risk of fines has never been more real. Regulatory scrutiny and enforcement actions on the banking industry continue to rise—with projections topping \$400 billion in fines from US and EU regulators by 2020.<sup>5</sup> This makes it more important than ever to incorporate steps that start with the basics of video conference recording and archiving for this channel of unstructured communication.

## 5 Steps to Manage Your Video Conferencing Recording

Incorporating video conference into your electronic communications archiving process might seem like a daunting task. The good news is the right technology can streamline your efforts. Theta Lake has developed best practice recommendations for financial services to automate and simplify your path to video conference archiving and compliance.

### 1. Have a plan to record

First, establish a plan and policy to record video conferencing, video chat, and all the components of a video call. Define the types of calls and what scenarios should be recorded—it is not necessary to start by blanket record every video.

Begin by prioritizing video recordings when communication may contain activity that is subject to oversight for regulations or conduct risk. For example, your policy might include the requirement recording for calls with customers that intend to discuss credit offers or potential requests to place an order. Building your initial list of the types of video calls to record and archive is a prudent starting point. Your list can then be expanded over time.

### 2. Select vendors that can record

Not all video conferencing systems have adequate recording capabilities to support your plan and process. Keep video recording capabilities in mind when evaluating solutions, including:

1. Administrative settings that allows admins to centrally set recording parameters for video conferencing, including:
  - Recording only video conferences from certain users or groups of users
  - Setting for recordings during certain time periods
2. Recordings that include all content from the video conference, including video, audio, files that were shared, and chat files. Audio-only recording files are insufficient as they don't capture what was displayed, shared, or typed, which are also potential areas for conduct risk.



- Integrations with solutions that can improve recordings storage, search, and review capabilities. Many video conferencing systems have APIs and well-established partner ecosystems that can help with key aspects of compliance for video recordings. Prioritize vendors with such an ecosystem.

### 3. Create a plan for compliant archiving of recordings

Next, identify where you want your recordings stored. Most compliance archives were built for file and email-based content and often don't support the basics of proper consumption and storage of videos and video files. Prioritize adoption of an archive designed for video files. One that also observes standards like WORM, demonstrates high security standards, and support integrations.

At minimum, establish a designated, permission-protected, and audited central directory where you store video conference recordings. This is a basic first step from which you can build. Regardless of your starting point, prioritize step #2: selecting a video conference vendor that supports integrations with a compliant video archive or exports videos directly to designated directories.

### 4. Establish a review plan and process

Once you begin recording videos, create an auditing plan to review them. Begin with an auditing and review schedule conducted at regular intervals. For example, if you have 200 recordings per quarter, plan to review ten to 20 each quarter. The review process should also include a report that documents reference ID's to each reviewed video and notes on any compliance discovered issues found in the content. As a manual process, this can be time consuming; however, it is the minimum step to prove compliance intent. Ideally, your video archiving system also includes supervision and reporting capabilities that automate this process and remove the time and cost of manual review.

### 5. Use technology to help video compliance

Once you've selected a video conference vendor that integrates with a video compliance solution, adopt a video compliance solution that provides full, compliant video archiving, as well as provides the ability to satisfy video, audio, and chat content review with automated supervision for archived videos.

## Put Theta Lake on Your Evaluation List

For your video compliance needs, put Theta Lake on your short list. Theta Lake provides a purpose-built compliance product suite that uses Deep Learning and Compliance AI for automatic policy detection of regulatory risks, compliance workflow, and archiving for video marketing, video conferencing, and audio recordings. The Theta Lake suite detects risks in audio, visual, document, spoken, shown, and shared content in audio and video content. Once risks are detected, Theta Lake's AI-directed workflow can be used to efficiently review the video, act on risks, report to key stakeholders, and provide review data to other products or services. Theta Lake can reduce risk, save cost, and improve scale for video recording and compliance all to support the ability for regulated firms to more safely take advantage of the video communication opportunity.

### Request a Demo:

[thetalake.com/request-a-demo](https://thetalake.com/request-a-demo)

"Financial institutions that master their digital communications will not only keep regulators happy, they can also use that data and leverage insights in better understanding of customer behavior."

**Bruce Rogers**  
Chief Insights Officer,  
Forbes Media

1 Wyzowl. The State of Video Marketing 2018. March 2018.

2 Vidyo. Video Banking Report 2018. April 2018.

3 Frost & Sullivan. Video Collaboration in Financial Services. 2018.

4 Ibid

5 Reuters. U.S., EU fines on banks' misconduct to top \$400 billion by 2020: report. 2017.

**ABOUT THETA LAKE.** Theta Lake provides cloud-based compliance for video, audio, and other modern digital communications. Its patent-pending technology uses AI, deep learning, and seamlessly integrates with the leading audio recording, video marketing, and video conferencing platforms to detect compliance risks in what was said or shown in modern digital communications. Using AI to also power insights and automation, Theta Lake provides directed workflow to add consistency, efficiency and scale to the compliance review and supervision process, driving down the cost of compliance.