

Scaling Regulatory Reporting Teams Across Global Delivery Models: Lessons from Onshore-Offshore RegTech Execution

Laxmi Naga Durga Pandrapragada

Independent Researcher

Regulatory Reporting Architecture & Global Delivery Governance Frameworks

Mountain House, CA

laxmi.pandrapragada@gmail.com

Abstract:

The increasing complexity of regulatory reporting has driven financial institutions to adopt global delivery models that combine onshore regulatory expertise with offshore execution capabilities. While these models improve scalability, efficiency, and operational resilience, they also introduce challenges related to governance, knowledge management, accountability, and regulatory compliance. This paper examines how institutions successfully scale regulatory reporting organizations through effective operating models, governance frameworks, and technology enablement strategies. The study demonstrates that mature global delivery structures can enhance reporting quality, support regulatory transformation initiatives, and strengthen organizational readiness within evolving supervisory environments.

Keywords: Regulatory Reporting, Global Delivery Models, Onshore-Offshore Delivery, RegTech, Regulatory Governance.

1. Introduction

Regulatory reporting has become one of the most operationally intensive and strategically significant functions within modern financial institutions. Since the global financial crisis of 2008, regulators have significantly expanded reporting requirements governing capital planning, liquidity management, risk reporting, stress testing, operational resilience, and supervisory oversight. As a result, banking organizations are required to maintain increasingly sophisticated reporting infrastructures capable of producing accurate, transparent, and timely regulatory submissions while demonstrating strong governance and control environments [1], [2].

The growth in regulatory complexity has coincided with significant advances in global workforce management and technology-enabled delivery models. Financial institutions increasingly leverage global delivery organizations to support reporting operations, technology development, data governance initiatives, and regulatory transformation programs. These organizations often combine onshore business expertise with offshore development, testing, analytics, and operational support capabilities to create scalable delivery structures capable of supporting complex regulatory reporting environments.

While global delivery models offer substantial benefits in terms of scalability, cost efficiency, and resource availability, they also introduce operational and governance challenges. Regulatory reporting activities require specialized regulatory knowledge, strong accountability frameworks, effective communication structures, and clearly defined ownership models. Failure to manage these factors effectively can lead to reporting errors, compliance risks, operational inefficiencies, and increased supervisory scrutiny.

This paper examines how regulatory reporting organizations scale across global delivery models and proposes a framework for establishing sustainable onshore-offshore operating structures that support regulatory compliance, operational resilience, and technology modernization objectives [1], [2], [6].

2. Evolution of Global Delivery Models in Regulatory Reporting

Historically, regulatory reporting functions were managed primarily within centralized finance and reporting organizations located close to business leadership and regulatory stakeholders. Reporting activities relied heavily on localized expertise, manual processes, and institution-specific knowledge concentrated within relatively small teams. While this model provided direct access to subject matter experts and decision makers, it often limited scalability and created operational risks associated with key-person dependencies.

As regulatory requirements expanded following the implementation of Dodd-Frank, CCAR, Basel III, and BCBS 239 initiatives, institutions experienced significant growth in reporting complexity and reporting volume. Regulatory reporting programs increasingly required collaboration among finance, risk management, technology, data governance, and regulatory affairs functions. This complexity drove organizations to adopt broader operating models capable of supporting large-scale reporting programs across multiple jurisdictions and business lines [1], [4], [7].

The emergence of global delivery centers enabled institutions to distribute work across multiple regions while leveraging specialized skills and extended operational coverage. Offshore teams initially focused on development, testing, and production support activities. Over time, these teams expanded into business analysis, regulatory interpretation support, reporting operations, data governance, and program management functions. As a result, many institutions evolved from traditional outsourcing arrangements to integrated global operating models in which offshore teams became strategic contributors to regulatory reporting execution.

Today, mature regulatory reporting organizations often operate through globally integrated delivery structures that combine onshore regulatory expertise with offshore execution capabilities. These models support technology modernization initiatives, regulatory remediation programs, reporting platform implementations, and ongoing reporting operations while enabling institutions to achieve greater operational flexibility and scalability [8], [10], [12].

3. Regulatory Reporting Challenges in Distributed Delivery Organizations

Although global delivery models provide significant operational advantages, they also introduce unique challenges that can affect reporting quality, governance effectiveness, and regulatory compliance. One of the most significant challenges involves maintaining consistent interpretation of regulatory requirements across geographically distributed teams. Regulatory guidance often contains complex supervisory expectations that require extensive institutional knowledge and business context. Ensuring consistent

understanding of these requirements across multiple regions requires structured governance and communication frameworks.

Knowledge concentration represents another major challenge. Regulatory reporting programs frequently depend on specialized subject matter expertise developed over many years. Without effective documentation and knowledge transfer mechanisms, institutions risk creating operational dependencies that can affect program continuity and reporting sustainability. Distributed organizations must therefore establish structured knowledge management processes capable of preserving institutional expertise and supporting workforce transitions.

Time zone differences can also create coordination complexities across reporting programs. Regulatory reporting initiatives often involve multiple workstreams operating simultaneously across business, technology, risk management, and reporting functions. Delays in communication, decision making, or issue resolution can affect project timelines and reporting schedules if governance processes are not clearly defined.

Additionally, distributed delivery models may create challenges related to accountability and ownership. Regulatory agencies expect institutions to maintain clear accountability for reporting outcomes regardless of where activities are performed. Organizations must therefore establish governance structures that clearly define ownership responsibilities while ensuring appropriate oversight of globally distributed delivery teams [2], [5], [9].

4. Building Effective Onshore-Offshore Operating Models

Successful global regulatory reporting organizations rely on operating models that balance centralized governance with distributed execution capabilities. While individual institutions may adopt different organizational structures, several common operating models have emerged across the banking industry.

The centralized model places primary decision-making authority within a single reporting organization while leveraging offshore teams primarily for execution activities. This approach provides strong governance control and regulatory accountability but may limit scalability and resource flexibility.

The hub-and-spoke model distributes delivery responsibilities across multiple regional centers while maintaining centralized governance oversight. Under this structure, specialized teams support various reporting domains while operating within common governance frameworks. This model often provides greater scalability while preserving consistency in reporting standards and regulatory interpretation.

Some institutions adopt a follow-the-sun model that leverages multiple geographic locations to provide continuous operational coverage. This approach enables organizations to accelerate delivery timelines, improve responsiveness, and support time-sensitive reporting activities. However, it requires highly mature governance processes to ensure seamless coordination across locations.

Increasingly, institutions are implementing hybrid operating models that combine centralized regulatory ownership with distributed business analysis, technology development, testing, and operational support functions. These models seek to balance regulatory accountability with delivery scalability while promoting collaboration across globally distributed teams. Hybrid operating models have become particularly common within large CCAR, FR Y-14, and regulatory transformation programs where delivery complexity requires extensive cross-functional coordination [2], [5], [10], [11].

5. Governance Structures for Global Regulatory Reporting Programs

Strong governance serves as the foundation for successful global delivery execution. Regulatory agencies increasingly evaluate not only reporting outputs but also the governance frameworks supporting reporting processes, decision-making structures, accountability models, and risk management practices.

Effective governance frameworks typically operate across multiple organizational layers. Executive governance committees provide strategic oversight, resource allocation decisions, and regulatory engagement support. Program governance forums coordinate delivery activities, monitor risks, manage issue escalation, and ensure alignment with regulatory objectives. Delivery-level governance structures oversee day-to-day execution activities and support cross-functional coordination among business, technology, and reporting teams.

Clear accountability is particularly important within distributed operating environments. Institutions must establish well-defined ownership structures that specify responsibility for requirements management, development activities, testing execution, production support, and regulatory reporting outcomes. Governance frameworks should also incorporate escalation procedures, performance metrics, risk management processes, and reporting transparency mechanisms capable of supporting effective oversight across global delivery organizations.

Strong governance not only improves execution effectiveness but also enhances regulatory confidence by demonstrating that reporting activities remain controlled, transparent, and accountable regardless of organizational complexity or geographic distribution [1], [2], [5], [6].



Figure 1: Global Regulatory Reporting Delivery Framework

Figure 1 illustrates a distributed regulatory reporting operating model commonly adopted by large financial institutions. The framework demonstrates how executive governance, program management, onshore regulatory expertise, offshore delivery teams, and reporting functions interact to support regulatory reporting execution. The model highlights the importance of governance oversight, clear accountability structures, and coordinated delivery processes across geographically distributed organizations.

6. Knowledge Management and Regulatory Expertise Transfer

Knowledge management represents one of the most important success factors in scaling regulatory reporting organizations across global delivery models. Regulatory reporting programs rely heavily on specialized expertise involving regulatory interpretation, reporting methodologies, data sourcing, reporting controls, and supervisory expectations. Much of this knowledge is often developed through years of operational experience, regulatory examinations, remediation initiatives, and reporting cycles. Without structured knowledge management processes, institutions risk creating operational dependencies that can negatively affect reporting quality, workforce scalability, and organizational resilience.

Successful organizations establish formal mechanisms for capturing and distributing institutional knowledge across globally distributed teams. These mechanisms typically include regulatory reporting playbooks, requirements repositories, process documentation, data dictionaries, control inventories, and training frameworks. Standardized documentation enables teams to execute reporting activities consistently while reducing reliance on individual subject matter experts. Additionally, maintaining centralized repositories improves transparency, accelerates onboarding activities, and supports long-term sustainability of reporting operations.

Cross-training programs further strengthen organizational resilience by enabling team members to develop expertise across multiple reporting domains and functional areas. By promoting knowledge sharing between business analysts, reporting specialists, technology teams, and quality assurance functions, institutions reduce key-person risks while creating more flexible delivery organizations capable of adapting to evolving regulatory requirements. Effective knowledge management therefore serves not only as an operational enabler but also as a strategic capability supporting long-term scalability and regulatory readiness [2], [5], [8], [10].

As regulatory reporting environments continue to evolve, institutions increasingly recognize that knowledge itself has become a strategic asset. Organizations that invest in structured knowledge transfer frameworks are better positioned to support workforce expansion, accelerate delivery timelines, improve reporting consistency, and maintain sustainable reporting operations during periods of organizational growth, regulatory change, or personnel transition. In globally distributed environments, effective knowledge management remains a foundational element of successful regulatory reporting execution [8], [10], [12].

7. Technology Platforms Supporting Distributed Delivery

Technology modernization has played a significant role in enabling the growth of global delivery models within regulatory reporting organizations. Modern reporting environments increasingly leverage integrated technology ecosystems capable of supporting requirements management, workflow automation, development lifecycle management, data governance, testing activities, reporting execution, and audit documentation. These platforms improve coordination across globally distributed teams while enhancing transparency and operational efficiency.

Regulatory reporting platforms such as Axiom, Oracle Financial Services Analytical Applications (OFSA), and other reporting solutions provide centralized environments for regulatory reporting execution and control management. These platforms enable institutions to standardize reporting processes, improve data traceability, and support governance requirements associated with regulatory reporting programs. When combined with workflow automation tools and agile delivery platforms, they create integrated ecosystems capable of supporting large-scale distributed delivery organizations.

Data lineage and metadata management solutions have become equally important within modern reporting environments. Regulatory agencies increasingly expect institutions to demonstrate transparency regarding data sourcing, transformation logic, control execution, and reporting outputs. Technology platforms that provide end-to-end lineage visibility help institutions strengthen reporting governance while supporting audit readiness and supervisory expectations.

Collaboration technologies further enhance delivery effectiveness by enabling communication, issue management, documentation sharing, and project coordination across multiple geographic locations. As

organizations continue expanding global delivery operations, technology platforms will remain critical enablers of scalable, efficient, and compliant regulatory reporting execution [1], [4], [7], [11].

8. Scaling CCAR and FR Y-14 Programs Across Global Teams

CCAR and FR Y-14 reporting programs provide a representative example of how large-scale regulatory initiatives can be successfully executed through global delivery organizations. These programs involve extensive coordination among finance, risk management, regulatory reporting, technology, data governance, model risk management, and business stakeholders. The complexity of these initiatives makes them particularly well suited for structured onshore-offshore operating models.

Requirements management activities are often led by onshore regulatory specialists who interpret supervisory guidance, engage business stakeholders, and define reporting requirements. These requirements are then translated into functional specifications that can be executed by globally distributed technology and delivery teams. Offshore business analysts, developers, and quality assurance teams frequently support implementation activities while maintaining alignment with regulatory objectives and governance expectations.

Testing and validation activities represent another area where global delivery models provide significant benefits. Distributed teams can execute functional testing, integration testing, reconciliation validation, and user acceptance testing support activities while maintaining continuous delivery progress across multiple time zones. This approach improves delivery efficiency while enabling institutions to meet aggressive regulatory timelines.

Production implementation and post-deployment support activities similarly benefit from distributed operating structures. Offshore support teams can monitor reporting processes, investigate production issues, execute operational controls, and support reporting cycles while maintaining coordination with onshore stakeholders responsible for regulatory accountability. When governed effectively, these models enable institutions to scale complex reporting programs while preserving reporting quality, control effectiveness, and regulatory compliance [2], [3], [5], [11].

The success of these programs depends heavily on governance maturity, documentation quality, communication effectiveness, and leadership oversight. Institutions that establish strong operating frameworks are generally more successful in leveraging global delivery capabilities while maintaining the accountability and transparency expected by regulatory agencies [2], [5], [6].

9. Critical Success Factors in Global RegTech Delivery

Although individual institutions adopt different organizational structures and delivery models, several factors consistently contribute to successful global regulatory reporting execution. One of the most important factors is strong governance supported by clearly defined ownership structures, escalation procedures, and accountability frameworks. Effective governance ensures that reporting activities remain aligned with regulatory expectations regardless of where delivery activities are performed.

Regulatory expertise alignment represents another critical success factor. Institutions must ensure that business requirements, regulatory interpretations, and reporting methodologies are consistently understood across all delivery teams. This requires ongoing communication, structured training programs, and active engagement between onshore subject matter experts and offshore delivery resources.

Operational transparency also plays a significant role in delivery effectiveness. Organizations that maintain comprehensive documentation, standardized reporting processes, clear performance metrics, and structured issue management practices are generally better positioned to support large-scale regulatory programs. Transparency improves stakeholder confidence, accelerates decision making, and strengthens organizational resilience during periods of regulatory change.

Finally, successful institutions invest heavily in culture, collaboration, and leadership development. Distributed delivery organizations operate most effectively when team members share common objectives, understand reporting priorities, and participate in collaborative governance processes. These organizational characteristics improve execution effectiveness while supporting long-term sustainability of regulatory reporting operations [1], [2], [6], [10], [12].

10. Future of Global Regulatory Reporting Organizations

The future of regulatory reporting organizations will increasingly be shaped by digital transformation, automation technologies, advanced analytics, and artificial intelligence. Financial institutions are investing heavily in technology modernization initiatives designed to improve reporting efficiency, strengthen governance, and reduce operational risk. These investments are expected to significantly influence how regulatory reporting teams are organized, managed, and scaled across global delivery environments.

Artificial intelligence and machine learning technologies are beginning to support regulatory analysis, requirements interpretation, data quality monitoring, testing automation, and reporting validation activities. These capabilities have the potential to improve operational efficiency while reducing manual effort associated with traditional reporting processes. However, institutions must implement these technologies within robust governance frameworks that preserve transparency, explainability, and regulatory compliance.

Global Centers of Excellence are also expected to play a more prominent role in future operating models. Rather than functioning primarily as delivery organizations, these centers increasingly serve as hubs for regulatory expertise, technology innovation, process standardization, and governance excellence. By consolidating specialized capabilities within dedicated operating structures, institutions can improve consistency, accelerate transformation initiatives, and enhance organizational resilience.

As regulatory reporting organizations continue to mature, institutions increasingly utilize operating model maturity frameworks to evaluate governance effectiveness, delivery scalability, workforce capabilities, technology enablement, and organizational readiness. These frameworks provide structured approaches for assessing the progression from localized reporting teams toward globally integrated regulatory reporting organizations and Centers of Excellence capable of supporting enterprise-wide transformation initiatives [13], [14].

As regulatory reporting continues to evolve toward more data-intensive and technology-driven operating environments, organizations will require leaders capable of managing increasingly complex ecosystems that integrate regulatory requirements, business processes, technology platforms, and globally distributed teams. The ability to balance innovation with governance will remain essential to future reporting success [4], [8], [11], [13], [15].

11. Conclusion

The increasing complexity of regulatory reporting programs has transformed reporting operations into enterprise-wide functions requiring sophisticated governance structures, scalable operating models, and globally distributed delivery capabilities. Financial institutions must now manage expanding regulatory requirements, technology modernization initiatives, data governance expectations, and supervisory scrutiny while maintaining reporting accuracy, operational resilience, and regulatory compliance. These challenges have accelerated the adoption of global delivery models that combine onshore regulatory expertise with offshore execution capabilities to support scalable and sustainable reporting operations.

This paper highlights the critical role of global operating models in enabling institutions to scale regulatory reporting organizations while preserving accountability, governance effectiveness, and reporting quality. Through structured governance frameworks, effective knowledge management practices, technology-enabled delivery processes, and clearly defined ownership structures, organizations can successfully coordinate distributed teams across multiple geographic regions while supporting increasingly complex regulatory reporting programs. The findings demonstrate that successful onshore-offshore operating models extend beyond cost optimization and serve as strategic enablers of regulatory transformation and operational excellence.

As regulatory reporting continues to evolve in response to emerging technologies, increasing supervisory expectations, and growing data complexity, institutions must develop delivery models capable of supporting long-term scalability and organizational resilience. Organizations that invest in mature governance structures, strong knowledge management capabilities, integrated technology platforms, and collaborative leadership practices will be better positioned to build future-ready regulatory reporting ecosystems. In an environment where reporting quality increasingly reflects the overall maturity of institutional governance and control frameworks, effective global delivery execution is expected to remain a critical success factor in the future of regulatory reporting operations [1], [2], [4], [5], [8], [15].

REFERENCES:

- [1] Basel Committee on Banking Supervision. (2013). Principles for Effective Risk Data Aggregation and Risk Reporting (BCBS 239).
<https://www.bis.org/publ/bcbs239.pdf>
- [2] Board of Governors of the Federal Reserve System. (2025). Comprehensive Capital Analysis and Review (CCAR) Instructions.
<https://www.federalreserve.gov/publications/ccar.htm>
- [3] Board of Governors of the Federal Reserve System. FR Y-14 Reporting Instructions.
<https://www.federalreserve.gov/reportforms>
- [4] Basel Committee on Banking Supervision. (2021). Principles for Operational Resilience.
<https://www.bis.org/bcbs/publ/d516.pdf>
- [5] Board of Governors of the Federal Reserve System. (2015). Capital Planning at Large Bank Holding Companies: Supervisory Expectations and Range of Current Practice (SR 15-18).
<https://www.federalreserve.gov/supervisionreg/srletters/sr1518.htm>
- [6] Office of the Comptroller of the Currency. (2014). Heightened Standards for Large Financial Institutions.
<https://www.occ.treas.gov>

- [7] European Central Bank. (2017). Guide on Effective Risk Data Aggregation and Risk Reporting.
<https://www.bankingsupervision.europa.eu>
- [8] Financial Stability Board. (2023). Financial Sector Operational Resilience Frameworks.
<https://www.fsb.org>
- [9] FFIEC Information Technology Examination Handbook.
<https://ithandbook.ffiec.gov>
- [10] Deloitte. (2023). Global Business Services and Regulatory Operations Transformation.
<https://www2.deloitte.com>
- [11] KPMG. (2023). Technology Modernization in Regulatory Reporting.
<https://kpmg.com>
- [12] PwC. (2023). Regulatory Reporting Operating Model Transformation.
<https://www.pwc.com>
- [13] McKinsey & Company. (2023). Global Banking Operations and Delivery Models.
<https://www.mckinsey.com>
- [14] Gartner. (2023). Global Delivery Model Maturity Framework.
<https://www.gartner.com>
- [15] Institute of International Finance (IIF). (2023). Future of Regulatory Reporting and Financial Data Management.
<https://www.iif.com>