



**NICE**<sup>®</sup>  
eBook

# 8

## Microsoft Teams Compliance Recording Must-Haves



# Are you thinking about using Microsoft Teams?

In recent years, Unified Communications Platforms like Microsoft Teams have enjoyed growing popularity among back office departments in trading firms, for their ability to support multi-channel communications in one unified platform. While total deployment across the organization has been limited due to the inability to record all communication modalities embedded in platforms like Teams, this has started to change. If your firm uses Microsoft Teams or has started investigating how to deploy it across the Enterprise, it's important to ensure you have the right technology in place to record these communications.

Today, there are more regulations than ever around trade conversations, and this includes all types of communications such as voice, chat and video. As a result, you have to think carefully about how your firm will capture, archive and retain them. Regulations like Dodd Frank and MAR require trading communications to be recorded. MiFID II goes a step further, stipulating that ALL communications that result in transactions (whether intended or not, across ALL modalities (PBXs, turrets, mobile phones, video, chat, email, unified communication platforms, etc.) must be recorded.

If you're struggling to find a better way to record Microsoft Teams and all of your trade-related communications, this eBook was created just for you. In it we highlight eight things you should look for in your next recording solution.



Compliant recording of  
all modalities

Voice



Chat



Video



Screen



# Must-Have #1: Enables Compliance to All Applicable Regulations

Unified communication and collaboration platforms are transforming the way millions of people work every day, including those in financial services firms and contact centers. It combines chat, video meetings, voice calling, document sharing and online collaboration in a single application. In order to effectively roll out this type of application to all users, including those which are regulated by various global regulators including the SEC, FCA, ESMA, MAS and more, you must understand what the regulations dictate and how technology can effectively record how your employees are communicating.

Depending on the regulation, simply recording these communications is not the only challenge. You also must take reasonable steps to retain them for at least multiple years, and be able to provide full reconstructions of trades to clients or regulators on request. In certain cases, your firm might only have a mere 72 hours to gather all of the evidence around a questionable trade and reconstruct a timeline of events. You also need to be able to monitor 100% of these communications, across all modalities, for market abuse (and intent). And if that were not enough, some regulations have imposed new requirements around proof of compliance.

First and foremost, when selecting a recording solution for a platform like Teams, you have to understand how your employees are communicating and how that fits into the broader compliance landscape. Select a recording platform which is able to reliably record and reproduce all communication modes your regulated user leverage and media sources exchanged through Teams – from video to chat to screen-sharing and A/V calling. This platform must also be able to work with various compliance and surveillance systems to ensure all regulatory obligations are met. A system like the NICE Trading Recording System (NTR) is an all-in-one compliance-focused trade conversation recording platform used by most of the world's leading banks and investment firms to ensure regulatory compliance.



## Must-Have #2: One Solution for All Compliance Recording

Firms should consider one solution that can adapt to all of the ways your regulated employees communicate today: not only just with unified communications platforms (like Teams, Symphony and Cisco Jabber™), but also turrets, mobile phones, and PBXs (desk phones). Look for a solution that provides centralized recording, storage, search, reconstruction and replay capabilities for all trade-related communications. Why? Having one system to record and manage all communications means you don't have to maintain and work in separate recording systems and databases. Having a single recording platform within Teams for video, chat, screen-sharing and voice enables you to maximize the functionality of your unified communications program while keeping overhead costs low.

Another major benefit is that with one solution, it's easier to correlate all of the communications across different channels to uncover hidden connections. Also, having access to recorded multichannel communications from one portal lets you reconstruct entire trade conversations, and fulfill requests and complete investigations in a fraction of the time.

Having a single platform for capturing and archiving all compliance content also means you can apply the same archiving and retention rules across all of your communication channels, to easily adhere to all regulatory requirements. Finally, you also benefit from workflow efficiencies and lower cost of ownership. As you add regulated users, locations and new communication modalities, you can streamline your compliance work processes and achieve economies of scale. The NICE Trading Recording (NTR) solution, and MS Teams integration, addresses all of these requirements and more.



## Must-Have #3: Capture Techniques

Look for a recording solution that uses capture techniques to ensure greater functionality, flexibility and features that simplify set-up and maintenance, ensure reliable recording and resiliency, and keep costs in check.

### Active Recording

Opt for a solution like NTR that offers active recording for your unified communications, for greater resiliency, functionality and flexibility. Active recording is more suitable (than passive recording) for highly regulated environments, and for many reasons. First of all, it's infinitely more challenging to achieve resiliency (through a dual data center implementation) with passive recording, and harder to detect recording lapses, because you never really know if a recorder simply isn't working, or there's no audio to record. Additionally, passive recording systems are more difficult to configure and maintain, which means higher overhead for you and more work for your technicians. Active recording, on the other hand, overcomes these limitations by enabling faster deployment, simplified set-up, centralized administration, fool-proof fault monitoring, and seamless geographic resiliency.

### Microsoft Teams Codecs

Teams leverages a variety of codecs for 'adaptive bandwidth management,' and these codecs can change 'on the fly' depending on specific scenarios and parameters. Make sure your recording solution supports all of these codecs to ensure there are no gaps in recording.

### Selective Recording

With NTR's active recording, you're also in complete control of who you record. You can choose to record only regulated users to satisfy compliance requirements and keep storage costs in check.



# Must-Have #4: Highest Levels of Resiliency

With financial compliance recording, there's no room for error. You need complete confidence that your recording system is capturing all communications, for all regulated users, all of the time. Whether your personnel are communicating via turrets, mobile phones, PBX desk phones, or unified communication platforms (like Teams), the NICE Trading Recording (NTR) solution provides the highest levels of recording resiliency.

## 2N Resilient Recording

Unlike other recording systems that only offer hot standby (failover) recording, NTR features parallel, redundant recording on two separate systems. There's never a gap in recording should one system fail, and everything is recorded and archived in duplicate.

## Geographic Redundancy

The 2N configuration provides the added benefit of geographic redundancy. You have the option to house your resilient recording and database servers in separate, geographically remote data centers. In addition to ensuring business continuity, geo-replication means your compliance recordings will always be available, even in the most unpredictable of circumstances.

## High Availability Recording

Teams ensures high availability with server pooling. Pools at one data center can serve as backups for servers at a different data center. If one pool goes down, the other pool of servers provides service to users at both sites. Similarly, in a geographically redundant set up, NTR works in concert with Teams to ensure no disruption to recording.

## Local Survivability

Enterprise telephony networks are often set up in "hub and spoke" topologies where branch offices connect via WAN to a centralized site where calls are routed. But what if there's a WAN failure? Fortunately, both Teams and NTR were created for 'local survivability.' This means that unified communications services and recording will continue to function even in the event of a WAN failure.

## Compliance Assurance

The NTR was also designed to work with NICE's one-of-a-kind compliance assurance solution, NICE COMPASS. NICE COMPASS features automated system health checks, so you can rest assured your communication and recording systems are fully operational at all times.



# Must-Have #5: Scalability and Flexibility to Adapt as Your Business Evolves

Your business is constantly adapting, evolving and growing. Look for an enterprise-wide compliance recording solution capable of adapting, evolving and growing with you, to ensure you're recording each and every regulated employee across all global locations. Whether you need to add Teams recording for chat, A/V calling, video or simply record more regulated users at more far-flung sites, the right enterprise recording solution should scale with minimal effort, be simple to manage, and keep cost of ownership down. The NICE Trading Recording solution (NTR) was designed with exactly this in mind.

## Adding New Recording Modalities Is Easy

If you already rely on NTR to record your front-office trading turret communications, the solution for recording Teams is right under your nose. It's as easy as adding channels or users to your existing NTR system. No additional hardware or software is needed. For organizations migrating from Skype to Teams, or for those adding on new modalities like video, the migration path is plug and play. This ensures seamless recording of regulated users on the modalities they prefer and a painless migration.

## Flexibility for What Comes Next

You should also invest in a compliance recording platform that provides flexibility for whatever may come next. Regulations are constantly evolving and new technology is always opening up more ways for regulated employees to communicate. Make sure your compliance recording partner is a step ahead of technology trends and has partnerships with all of the leading communication technology providers.

## Unlimited Scalability

Have tens of thousands of regulated employees who need to be recorded? Look for a solution with the scalability to match. With the NTR, there's no limit to the number of channels or sites you can record. The NTR's unique distributed architecture enables up to 40 server-satellites to be connected to a single core server (for recording up to 40,000 channels). Combine more core servers through NICE COMPASS and you can scale even higher. Another advantage of this approach is that all compliance-related processes – including search and replay of calls, trade reconstructions, retention and archiving, moves/adds/changes and other user administration functions – can all be centrally managed.



## Must-Have #6: Advanced Capabilities Required by MiFID II

### Automated Recording Announcement

With interbank trading, it has always been common practice to put fine print in bank contracts that stipulate that calls between traders will be recorded. But with regulations like MiFID II expanding the scope of regulated users to include any person within the firm involved in any communication that could result in a transaction (for example advisors, consultants and those involved in back-office operations) – there are new complexities around what and who needs to be recorded. This also throws the once-implicit understanding of which calls were being recorded out the window.

Additionally, regulations can also require that all internal and external parties engaged in regulated conversations are aware they're being recorded. NTR addresses this by automatically playing a recording announcement at the beginning of each call for every regulated user, regardless of the device they're using to communicate (for example a turret, desk phone, mobile phone, or unified communications platform like Teams). NTR's unique rules-based technology also gives you the ability to automatically trigger a recording announcement when recording is initiated on-demand. The announcement will play in different languages, depending on the regulated user's location. The NICE Teams integration features an indicator which will show both parties that the interaction is being recorded.

### Record on Demand from within Teams Client

Under MiFID II, all “communications that are intended to lead to a transaction” will need to be recorded, rather than the previous, narrower mandate of “client orders and transactions.” Additionally, every channel and mode of communication used by regulated users to conduct business – whether internal or external, inbound or outbound, pre-, during- or post-trade, front-office, back-office or mobile phone – must be recorded. This includes: voice calls, instant messages, emails, social media, SMS messages, chat, and unified communications platforms like Teams, Cisco and Symphony.

This new broader mandate means that employees (who might not have been regulated and subject to having their communications recorded in the past), need the ability to record on demand. NTR gives them the ability to do that, from directly within the Teams client application. They can easily initiate recording without having to log into a separate web page. With NTR, your firm only records what it needs when it needs to, instead of other solutions which record everything and require you to ‘keep or delete’ recordings after the fact.



## Must-Have #7: Complete Compliance Assurance

With financial compliance recording, there's no room for error. You need complete confidence that your recording system is capturing all communications, for all regulated users, all of the time. Whether your personnel are communicating via turrets, mobile phones, PBX desk phones, or unified communication platforms (like Teams), the NICE Trading Recording (NTR) solution provides the highest levels of recording resiliency.

### Automated Recorder and System Health Checks

Under MiFID II, firms must ensure that the systems used to conduct and record trading communications are fully operational at all times, and that captured voice recordings are of high quality and useable, to avoid additional scrutiny from regulators and possible financial penalties. Automated System Health Checks replace error-prone, inefficient manual testing to test all aspects of your communication and recording processes (and associated systems) to ensure flawless performance and call recording quality.

### Automated Compliance Assurance Reporting

MiFID II is the first regulation of its kind to impose an additional requirement around evidence of recording. With Automated Compliance Assurance Reporting you can confidently audit and document communications

recording compliance on a moment's notice, and provide evidence to regulators that call for all regulated users are being properly recorded, archived and retained.

### Automated Call Extraction

In addition to placing greater demands on firms to accurately record large volumes of trade conversations, regulations are also mandating that firms be able to provide information to regulators for investigations in a timely manner. Look for a solution with Automated Call Extraction capabilities to support highly complex and large investigations, which may require millions of recordings to be downloaded in a single day.

### Automated User Provisioning

Manually configuring and provisioning users is a cumbersome, time-consuming, and risky process. With Automated Provisioning you can centrally manage moves, adds and changes, and ensure compliant recording and retention for all regulated users across your enterprise. An expanded API (Application Programming Interface) enables your compliance assurance solution to automatically synchronize with your firm's golden-source systems for up-to-date information, eliminating errors typically associated with manual data entry.



## Must-Have #8: Automated Trade Reconstruction and Holistic Surveillance

Rapid trade reconstruction is mandated by a host of regulations, including MAR, the FX Code of Conduct, Dodd-Frank, and MiFID II. In some cases, firms must adhere to a demanding 72-hour turnaround time to provide reconstructions to regulators. At the same time, trade reconstructions are becoming inherently more complex as regulated employees have more ways to communicate (e.g. desktop PBX phones, turrets, mobile phones, email, instant messages, etc.).

When recordings are stored in separate silos, it makes the task of reconstructing trades far more complex. Compliance analysts need to manually search for relevant trade communications across different platforms, including voice, emails, and instant messages, and Teams, not to mention additional silos that house trade records and trade-related data.

To solve this problem, look for a Trade Reconstruction solution that brings all of the silos needed together through a data management layer, and then applies sophisticated natural language processing and text analytics to analyze data across communication channels and automate trade reconstruction. This will cut your trade reconstruction time from days to minutes and improve your responsiveness to regulators. MiFID II also requires firms to monitor 100% of communications for market abuse (and intent to commit market abuse). Using advanced speech and behavioral analytics, NICE's SURVEIL-X Holistic Surveillance solution works alongside NTR to detect even the hardest-to-find cases of market abuse and conduct risk, including collusion, benchmark manipulation and insider trading – by monitoring communications across all channels, including MS Teams.



## Must-Have #9: Security Focused Approach

With any technology deployment, security should be a serious consideration; unified communications is no different. Microsoft Teams is built on the Office 365 hyper-scale, enterprise-grade cloud, delivering the advanced security and compliance capabilities customers expect. Teams is Tier D-compliant, which includes the following standards: ISO 27001, ISO 27018, SSAE16 SOC 1 and SOC 2, HIPAA, and EU Model Clauses (EUMC). Teams also enforces team-wide and organization-wide two-factor authentication, single sign-on through Active Directory, and encryption of data in transit and at rest.

For any recording platform, understanding the nature of their security approach should be equally as important. For those customers leveraging an on-premise deployment of NTR, the connection between NTR and Teams resides behind your firewall. You can even leverage Direct Connect to enable for a more secure connection.



## Must-Have #10: Partner with a Vendor with Experience

Choose a compliance recording company with the expertise to help you integrate Teams, and all of the other ways your regulated employees communicate, into your existing trade compliance program. It is especially important to choose a vendor which has completed the Microsoft Technology Adoption Program, designed to provide a consistent experience for customers.

Moreover, our NICE Trading Recording (NTR) solution is the industry's only 'all-in-one' compliance-focused trade conversation recording platform used by most of the world's leading banks and investment firms for recording and retaining trade conversations from turrets, desk phones, mobile phones, and Unified Communications platforms, including Microsoft Teams, Symphony and Cisco Jabber™. NTR works in tandem with NICE COMPASS, a unique compliance assurance solution that features automation tools, monitoring dashboards and reports to enable financial institutions ensure enterprise-wide compliance with MiFID II and other regulations.

NICE is the world's leading financial compliance solution provider, serving more than 90 percent of the largest investment banks globally. NICE's compliance solutions assist customers in the capture of trade conversations and trades, analyzing them for potential risk, and correlating trade conversations with trades for trade reconstruction. The company's compliance solutions make automated and intelligent holistic trade compliance programs possible and enable firms to comply with regulatory requirements, including MiFID II, MAR, the FX Code of Conduct, Dodd-Frank and future directives.





## About NICE

NICE (NASDAQ: NICE) is the worldwide leader of software solutions that deliver strategic insights by capturing and analyzing mass quantities of structured and unstructured data in real time from multiple sources, including, phone calls, mobile apps, emails, chat, social media, and video.

NICE solutions enable organizations to take the Next-Best-Action to improve customer experience and business results, ensure compliance, fight financial crime, and safeguard people and assets. NICE solutions are used by over 25,000 organizations in more than 150 countries, including over 80 of the Fortune 100 companies.

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