

The future of banking goes through Intelligent Automation (IA)

Banks are facing unprecedented challenges such as increasing customer expectations, the emergence of new fintech competitors, and growing regulatory pressure (Basel IV, DORA, ESAP, CBDC, ESG). To remain relevant and profitable in this new environment, banks must transform their operations through intelligent automation.

Intelligent Automation (IA) uses artificial intelligence, machine learning, and process automation to automate repetitive tasks, derive insights from data, and improve efficiency. When integrated into a bank's strategy and operations, IA can bring tangible benefits:

- **Customer Experience:** IA can power virtual assistants, chatbots, and robot-advisors to provide 24/7 customer service and personalized recommendations. Customers, especially millennials and Generation Z, increasingly expect self-service options and on-demand assistance.
- **Risk Management:** IA technologies like machine learning can analyze massive volumes of data to detect fraud patterns, monitor transactions for suspicious activities, and predict future risks. This can significantly enhance a bank's ability to manage risks and comply with regulations.
- **Cost Reduction:** Process automation can automate back-office tasks like data entry, payment processing, and account reconciliation. This reduces HR and logistics costs while improving accuracy and speed. Studies show that IA can reduce banks' operating costs by 20 to 30%.
- **Insights and Innovation:** IA and machine learning can generate actionable insights from customer data, market trends, and business operations. This helps banks develop new products, identify growth opportunities, and make better strategic decisions.
- **Staff Productivity Increase:** Rather than replacing jobs, IA can enhance the productivity of bank employees by automating repetitive tasks and providing data-driven insights. This frees up staff to focus on higher-value activities like customer service and product development.

Although the transition to IA is a challenge, the benefits are too significant for banks to ignore. Leaders must develop an IA strategy that identifies automation opportunities, invests in necessary technologies, and trains employees for new roles. An IA-driven approach will be essential for banks to compete in the digital age, improve efficiency, proactively manage risks, and develop new revenue sources.

The board of directors has an important oversight role to play in ensuring that the bank's management develops and implements a comprehensive IA strategy. The CEO, CIO, CFO, COO, CSO, and risk manager must work together to integrate IA into the bank's culture, processes, and systems responsibly, considering risks, costs, and opportunities. With the right vision, leadership, and execution, intelligent automation can transform your bank into a future-ready institution that offers more value to customers, employees, and shareholders.

In conclusion, becoming an IA-first bank will require changes throughout the organization, from strategy and vision to processes, skills, culture, and governance. The recommendations we have presented aim to provide a starting point to guide each leader's role in the bank's IA transformation journey.

The future of banking lies in the strategic use of artificial intelligence advancements. To do this, launching a "POC" process is more than recommended now. A POC, or Proof of Concept, is a feasibility demonstration of a method or idea. It is a small-scale project that verifies if the idea is technically, economically, and commercially viable. Sopra Steria consultants are well-versed in this methodology.



Luigi Chiavarini
Senior Business Developer BFSI
luigi.chiavarini@soprasteria.com

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