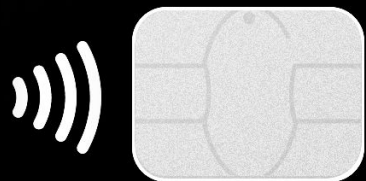# Tinkoff

by

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Tinkoff's Core

Vision

Tinkoff Bank's vision is to be the leading digital bank in Russia. The bank aims to constantly improve and evolve its services in order to meet the changing needs of its customers, and to leverage technology to offer an unparalleled banking experience.

Mission

Tinkoff Bank's mission is to provide its customers with a wide range of financial products and services that are easy to use, convenient, and accessible. The bank aims to deliver a high-quality customer experience through its digital channels, and to provide customers with the tools and information they need to make informed financial decisions.

SWOT
ANALYSIS

Weaknesses   Threats

Strengths   Opportunities

Strengths

- Strong **digital presence** and innovative technology
- Wide **range of financial products** and services
- Strong **brand recognition** and reputation

Weaknesses

- **Limited physical branch network**
- Relatively **new player** in the banking industry
- **Dependence on digital channels** for customer acquisition and retention

Opportunities

- **Growing demand** for digital banking services in Russia
- Possibility of **partnerships** with other companies to increase market share
- Potential for **international expansion**

Threats

- **Economic** downturns or **instability** in Russia
- **Geopolitical risks** concerned with available services to customers
- **Growing competition** in the digital banking space

Key objectives to stay competitive

Increase customer acquisition through digital channels by 20% within the next 12 months.

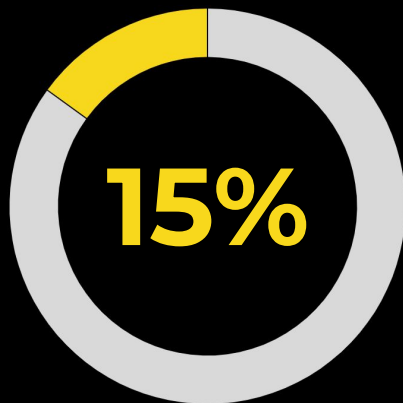Reduce operational costs by 15% within the next 12 months.

Increase customer satisfaction by 15% within the next 12 months.

SMART

Reduce operational costs by 15% within the next 12 months

15%

Specific: Reduce operational costs by 15%

Measurable: Track and measure the bank's operational costs and compare them to the previous 12 months

Achievable: Implement cost-saving measures such as automation of processes, outsourcing, and streamlining of operations

Relevant: Reducing operational costs is important for Tinkoff Bank's profitability and competitiveness in the market

Time-bound: Achieve this goal within the next 12 months

Digital information projects to reach the goal

Here are three potential digital information projects that Tinkoff Bank could consider to reduce operational costs by 15% in 12 months:

1. Automation of back-office processes: Implementing automation technology, such as robotic process automation (RPA). This can reduce labor costs, improve efficiency, and reduce errors.
2. Digital transformation of customer service: Tinkoff Bank could implement a digital customer service platform that enables customers to resolve issues and access information online. This could reduce the need for customer service staff, reduce call center costs, and improve customer satisfaction.
3. Data analytics and business intelligence: Tinkoff Bank could invest in data analytics and business intelligence tools that will help identify possible problems and reduce the work time of each specialist.

Automation of back-office processes

Business effect: Reduction in manual labor costs
Measurement: Reduction in full-time equivalent (FTE) positions and salary costs
Expected duration: 3 months
Difficulty/implementation risk level: Medium
Probability of success in developments: Medium
Potential for scaling: Low
ROI: 30%
NPV: $10,500
Expected cost: $35,000

Digital transformation of customer service

Business effect: Reduction in customer service costs
Measurement: Reduction in call center volume and/or customer complaints
Expected duration: 12 months
Difficulty/implementation risk level: High
Probability of success in developments: Low
Potential for scaling: High
ROI: 50%
NPV: $700,000
Expected cost: $1,500,000

Data analytics and business intelligence

Business effect: Identification of cost savings opportunities
Measurement: Reduction in marketing expenses or process inefficiencies
Expected duration: 6-12 months
Difficulty/implementation risk level: Low
Probability of success in developments: High
Potential for scaling: High
ROI: 40%
NPV: $50,000
Expected cost: $120,000

Preferable option - №3 (3,83)

Criteria	Project 1	Project 2	Project 3
Business Effect	2	5	3
Expected Duration	4	1	3
Expected Cost	5	1	4
Implementation Risk Level	3	2	5
Probability of Success	3	2	4
Potential	2	5	4
Score	3.16	2.67	3.83

* 1 to 5 scale stands for "worst-to-best" score (based on expert opinion)

Choice description

Ultimately, the choice of the best project for Tinkoff Bank will depend on its specific priorities, resources and strategic goals. However, our proposal will be based on the results of the matrix and the corresponding calculations, and these results suggest that the most optional is **Project 3** - Data Analytics and Business intelligence.

SMART

Data analytics and business intelligence

30%
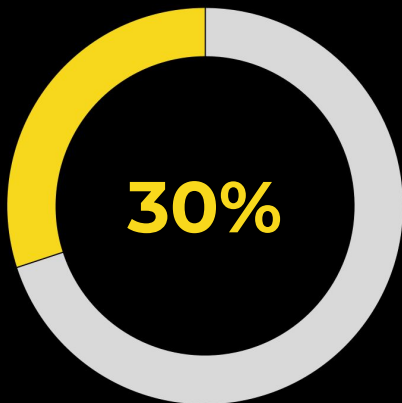
Specific: With the help of an operational team of analysts, create an extension to existing processes, the main mission of which will be to reduce the time costs in the most relevant and profitable products.

Measurable: Reduce total man-hours costs in the targeted products by 30% at 50% conversion rate of man-hours cost to operational costs.

Achievable: Utilize existing data resources and work with data analysts and business intelligence experts to build the system.

Relevant: Reducing operational costs is important for Tinkoff Bank's profitability and competitiveness in the market

Time-bound: Complete development and implementation within 6-12 months

Change management plan

Identify stakeholders and their expectations: Include both internal and external stakeholders. Communicate with each of them to understand their needs, wants, and concerns to determine their understanding of the success

Define the change: Involves setting specific goals or objectives. Ensure that the change is well-defined, measurable, and achievable within the given time

Execute the change: Create a plan of action: Train employees on new software, collect and analyze data, or implement new policies or procedures. Ensure that the project is staying on track and that any issues are addressed promptly.

Monitor and evaluate the change: Measure the success of the project against the defined goals and objectives, as well as gathering feedback from stakeholders. Ensure the project has been successful and that the changes made have been effective.

Identify stakeholders and their expectations

Define the change

Execute the change

Monitor and evaluate the change

Identifying Key Risks

The inability of the analytics team to onboard into existing workflow in a given timeframe

The risk of lack of meaningful channels to improve performance

Resistance to collaborate among coworkers

Data privacy and other security risks

Technical challenges in data integration and system scalability

Resistance to change existing workflow

Key risks comparison

		Impact		
		Low	**Medium**	**High**
Probability of risk	**High**			🙁
	Medium	🚫	🧑‍?	⚙️
	Low		🔀	🛡️

🛡️ Data privacy

🚫 Resistance to change

🙁 Lack of meaningful channels

⚙️ Technical challenges

🧑‍? The inability to onboard

🔀 Resistance to collaborate

Risk mitigation strategies

Avoidance	Reduction	Transfer	Acceptance
Avoid high-risk activities or implement measures to prevent risks	Reduce the likelihood of risk being occured	Transfer the risk to another party	Accept the risk and develop a plan for response

Data privacy

Technical challenges

Resistance to change

The inability to onboard

Lack of meaningful channels

Resistance to collaborate

Analysis: Low Cost, High Value

Risks

All of the risks we described earlier are based on typical data issues, such as technical difficulties, data privacy, and the difficulty of changing workflow. It was concluded that such risks are to occur during a project like this and can be mitigated through several strategies

Cost

- 10 employees
- ~20000$ expenses per month
- 6-month project
- Total: 120 000$

Value

All other things being equal, the value of the project is rather difficult to assess fully, however, when examining existing processes there is the possibility of stumbling on an element that significantly increases the overall cost of the company. Thus the value of the project cannot be questioned

Highly promising project

In the larger picture of the business, the data analytics project would be one of several initiatives that company is pursuing to maintain its competitive edge in the digital financial services industry. By leveraging data to inform decision-making, Tinkoff can continue to innovate, improve customer experience, and drive growth.

This project, like the other two, corresponds to the vision of Tinkoff as a leading digital bank in Russia and its mission to provide innovative, convenient and reliable financial services to customers. However, the data analytics project seems to be the most promising in terms of costs, complexity of execution and other aspects. In addition, the project complements other initiatives of Tinkoff in the field of digitalization, automation and customer orientation.

Enjoyable Q&A for everyone