

REPORT

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AI AT WORK: TURNING AI POTENTIAL INTO RESULTS



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UiPath (NYSE: PATH) is on a mission to uplevel knowledge work so more people can work more creatively, collaboratively, and strategically. The AI-powered UiPath Business Automation Platform combines the leading robotic process automation (RPA) solution with a full suite of capabilities to understand, automate, and operate end-to-end processes, offering unprecedented time-to-value. For organizations that need to evolve to survive and thrive through increasingly changing times, UiPath is The Foundation of Innovation™.

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Foreword

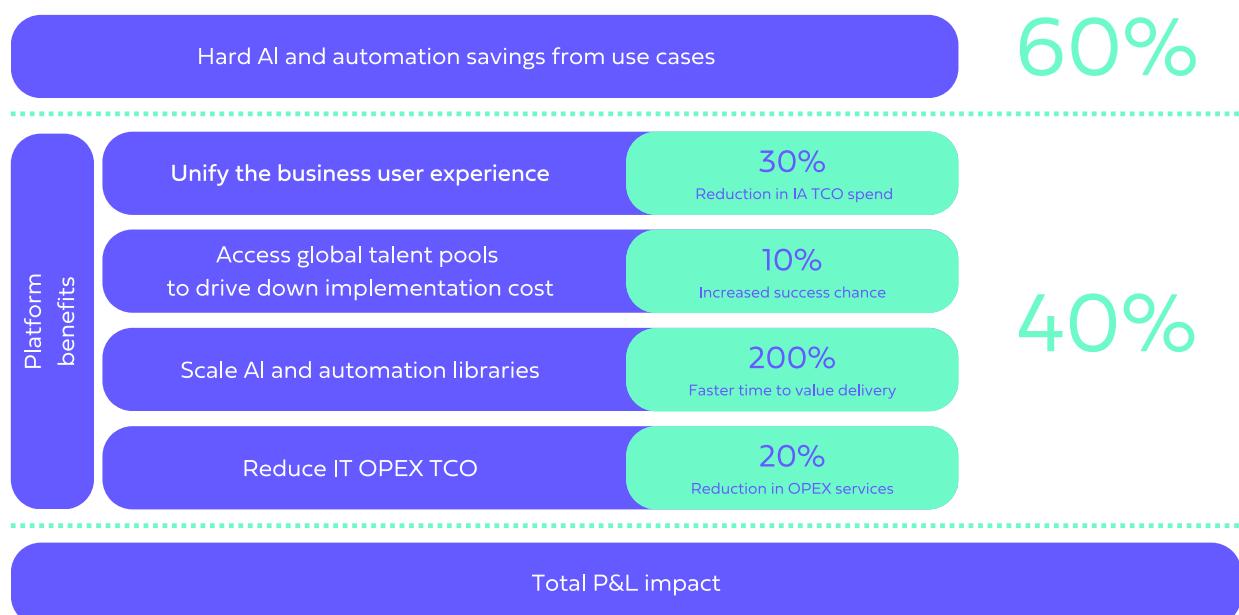
The promise of AI is impossible to ignore, particularly in banking which—as an industry still heavily reliant on manual processes and archaic infrastructures—is ripe for change. In fact, generative AI alone is expected to add up to \$340 billion¹ annually to the global banking sector, largely from increased productivity.

Banking leaders recognize the technology’s promise. Almost two thirds² (74%) of executives working in the industry anticipate a positive ROI from their AI-driven automation endeavours and over half³ (56%) believe that combining automation with AI and machine learning will have the most profound impact.

Leading banks are already realizing impressive results. Automation infused with AI and generative AI is supercharging the customer experience, boosting operational efficiency, facilitating better risk management and, by removing the burden of painstaking repetitive tasks, making life a whole lot easier for employees. Global bank SMBC, for example, has already achieved \$136 million in annual savings by adopting AI-driven automation technology and UK bank NatWest has reduced its test script build time by a massive 75%.

However, success to date seems to be reserved for a pioneering few. With squeezed budgets and limited in-house capabilities, many traditional banks are unsure of where to start. That’s without considering the risks and regulations that all financial institutions need to navigate effectively to avoid what could be a catastrophic complication.

There's value in AI and automation transformation beyond the hard savings delivered by individual use cases



Through extensive research, we have uncovered four key areas where automation, AI and generative AI will impact banking the most. As you will see from the chart above, AI and automation transformation will unify the customer experience, improve operational efficiency through reduced operational expenditure, and help increase the global talent pool which boosts the employee experience. We have also identified risk management as a key area of focus and an area which can quickly benefit from the improved evaluation of data.

In the pages that follow, we'll take a deep dive into each of these four topics and harness the opinions of industry leaders from banks operating across the globe to not only understand the hurdles they face, but to uncover the innovative approaches that have enabled them to navigate their way to success.

¹\$340 billion - Capturing the full value of generative AI in banking

²two thirds - AI at work in banking

³over half - AI at work in banking

Research methodology



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Nerissa Berba
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Security Bank, Philippines



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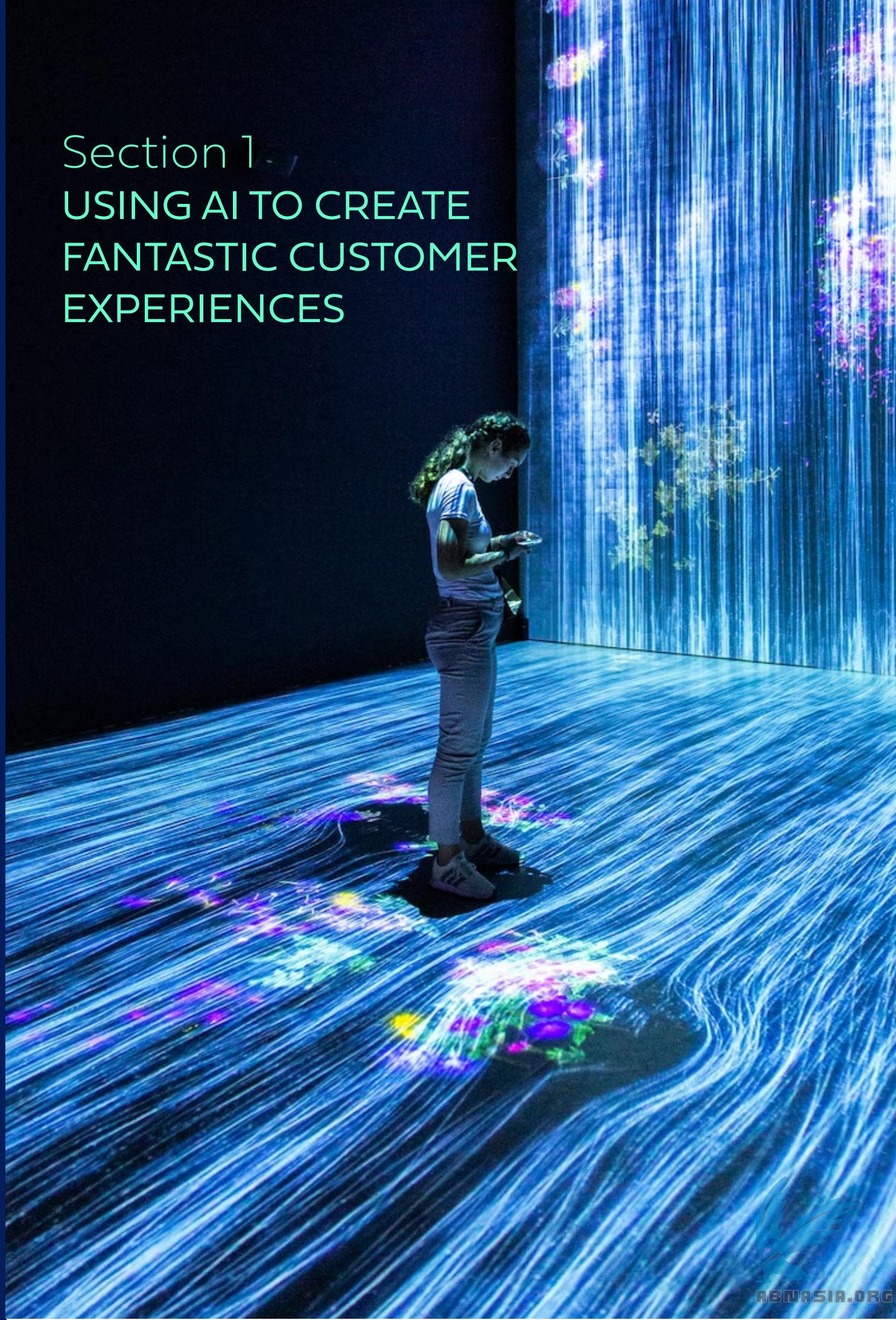
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Section 1

USING AI TO CREATE FANTASTIC CUSTOMER EXPERIENCES



USING AI TO CREATE FANTASTIC CUSTOMER EXPERIENCES

Give customers a great experience and not only will they buy more products or services from you, but they will increase their loyalty towards you too. This has a direct impact on the bottom line: over a ten-year period, experienced leaders in banking delivered 55% higher total shareholder returns compared to firms with low customer experience performance.

Understanding this doesn't make it any easier to achieve. Delivering exceptional customer experiences has always been a challenging pursuit in banking, and it is only getting more difficult as expectations evolve. Today's customers want their interactions with their bank to match those they get from other digital players: they're looking for the hyper-personalized suggestions they get from their

streaming service, for example, as well as the speed they get from e-commerce. They also expect fast and hassle-free onboarding – they certainly aren't willing to fill out lengthy application forms and then wait weeks or even months to open an account, receive a loan, or get a mortgage.

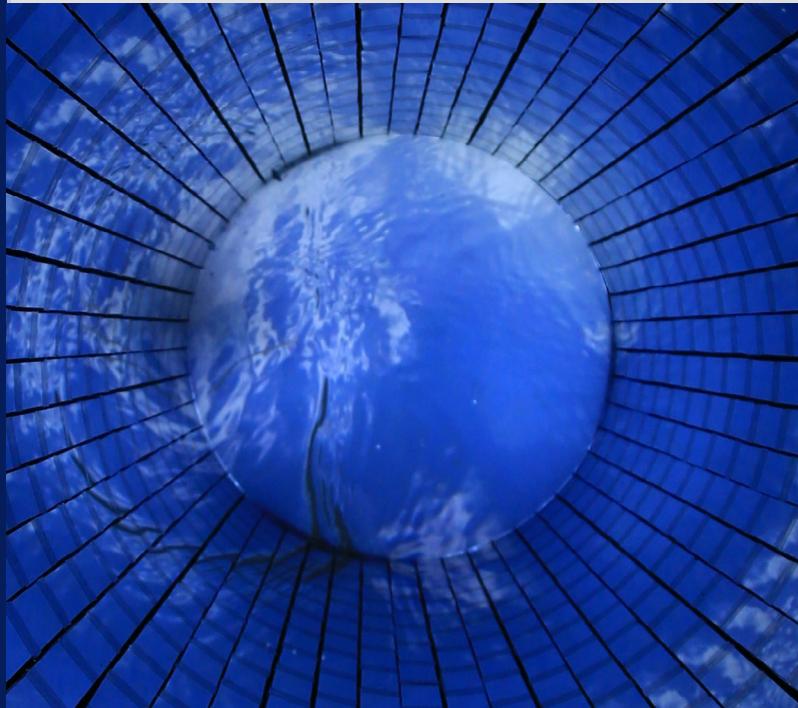
Banks are increasingly realizing they need a new approach—one that addresses new market demands by facilitating deeper personalization. While automation solutions offer significant benefits, the integration of AI elevates their effectiveness, equipping financial institutions with advanced tools to dramatically enhance customer service.

FIVE WAYS AI CAN ENABLE A BETTER CUSTOMER EXPERIENCE

AI solutions are providing new capabilities for banks to deliver exceptional customer experiences, and in five clear ways:

1. Enhanced personalization

Using AI, banks can analyze the data they already have about their customers and anticipate their needs. This allows them to make relevant suggestions at the moments that matter.



2. Better engagement

By taking an AI-driven approach to improving customer engagement, banks can go beyond today's chatbots and offer far more human-like conversations with customers. Improving engagement through digital channels can be a competitive differentiator for banks and help to improve NPS, especially at a time when less customers are visiting branches—the place they have traditionally engaged more deeply with a bank.

Bankers remarks

Humberto Dominguez, Director of Special Digital Projects at Santander Group Spain: "In this subscription economy we can use AI to gather insights on the services they are paying for on a monthly basis so we can understand their needs and predict future needs. We are just trialling using this data in a customer facing capacity. For example, we will see that a customer might not have enough funds in their account to cover the monthly payments, so we will send them a message to remind them to transfer some money. Or if their energy bill is particularly high, we might send them a message letting them know so that they can take action."

İtir Ürünay Aydoğan, Ecosystem Banking and Innovation Director, YapıKredi: "We have taken the time to really analyse our customers. We understand their lifestyle, whether they have a family, a house or a car. We understand how they interact with us as their bank. We are using AI and, more specifically, generative AI to support customers through their whole life scenarios with useful information and suggestions that are really relevant to them. This is boosting our NPS."



FIVE WAYS AI CAN ENABLE A BETTER CUSTOMER EXPERIENCE

AI solutions are providing new capabilities for banks to deliver exceptional customer experiences, and in five clear ways:

3. Seamless and integrated omnichannel experiences

Banks that use AI to enable customers to switch from one channel to another on their terms will achieve far better outcomes. This means harnessing AI's ability to analyze huge amounts of data in real-time to achieve the relevancy and consistency required for a superior omnichannel experience.

4. Convenient and fast onboarding

We know that speed and convenience matter to today's digitally-savvy consumers. Banks can use AI to streamline key tasks and minimize the steps a customer needs to take – by pre-filling applications with the information they already hold on their customers, for example.

5. Instant decisioning

By using AI for pre-approval and instant decisions, banks can expedite a customer's access to funds and improve the customer experience as a result.

Bankers remarks

Reinhold Rehbichler, Chief Technology Officer, TeamBank: "Our main goal with AI is to help ensure that customers get the right information about our services at the right time. By aggregating data, we can see, for example, that 20% of our customers will need a loan. This 20% will be contacted via our app when we have a new loan offer. We will only send them information about products that they are actually interested in. By doing this, we have better acceptance from customers."



Franc Bračun, chief data officer, NLB: "We developed several services using AI, which are now in production. One of them, which is quite popular among our customers, is prequalified loans, where we use several AI models focused on the customer view of banking products, as well as one model which is actually the banking view of the customer. This helps us balance risk and make offers quickly."



ADDRESSING THE CHALLENGES

There are clear opportunities to boost the customer experience with AI. But there are also several road-blocks that are holding banks back from taking advantage of these opportunities. Let's explore some of these and look at what pioneering banks are doing to meet the challenges they face.

Poor access to data

The challenge: A lack of adequate data can inhibit a bank's ability to leverage AI.

It makes it difficult to understand customers' behavior and therefore prevents the creation of personalized products and services.

The solution: Pioneering banks are meeting these challenges by leveraging data from a range of third parties using APIs. "Forward-thinking banks are addressing these challenges by harnessing data from a variety of third parties using automation and APIs," said Andrada Covaci, FSI Value Director, UiPath. "Additionally, incorporating process mining tools can significantly enhance their understanding of the end-to-end customer experience. This dual approach provides a comprehensive overview of customer behavior and preferences, enabling the creation of more personalized and effective products and services."

Bankers remarks

Humberto Dominguez, Director of Special Digital Projects at Santander Group Spain: "Connecting to customer data is difficult. Now, when a customer signs up for our digital services, we request permission to use their data so that we can deliver a more personalized service. It's taken us around two years to get to this point where we can use most of our customers' data. Managing the data is also a challenge – we need the storage and processing capacity to work with huge amounts of information, and that doesn't come cheap."

İtir Ürünay Aydoğan, Ecosystem Banking and Innovation Director, YapıKredi: "We integrate with various entities to provide the best solutions for our customers, including the government, e-commerce, hotels, and many other third parties. Additionally, we've launched the Yapı Kredi Fast FRWRD."

A siloed infrastructure

The challenge: Traditional financial institutions, in particular, hold their customer data in disparate systems across various departments. This siloed approach can prevent a bank from having a 360-degree view of its customers and can also minimize the effectiveness of AI.

The solution: By integrating and consolidating their data sources, banks can eliminate data silos and ensure they can get the best out of AI. Automation plays a pivotal role in breaking down barriers around data: it can help tag, classify and organize both structured and unstructured information.

Emel Cuhaci, VP and Head of Customer Experience, Emirates NBD: "We have a lot of data within the bank and the data departments are working on how to benefit from it. If we are aiming to build excellent journeys, we need to understand customer behavior. That's why we are working on implementing analytics tools to track customer behavior, but connecting these analytics to create actions is a challenge."

Jordi Vilanova Buxo, Channel Development and Customer Experience Director, VidaCaixa: "At VidaCaixa, we can share information to get a single view of the customer. Obviously, we have privacy restrictions: We cannot access non-insurance relevant data. But we can analyze our customers in terms of product tenancy and their behavior towards our products. Having this data makes the difference between us and other insurers in our market."

ADDRESSING THE CHALLENGES

There are clear opportunities to boost the customer experience with AI. But there are also several roadblocks that are holding banks back from taking advantage of these opportunities. Let's explore some of these and look at what pioneering banks are doing to meet the challenges they face.

Privacy and security

The challenge: Many customers are still apprehensive about sharing their data with banks, but being able to use this data—in a responsible way—is imperative to a bank's success with AI.

The solution: By being transparent about data collection and usage—and giving customers control over how a bank might use their data—financial institutions can foster trust.

The “newness” of AI

The challenge: Despite recognizing its potential, many banks are unsure about AI, particularly generative AI. A lack of understanding often leads to a risk-averse approach.

The solution: Leading banks recognize that, by partnering with experts, they can better educate themselves about AI. Running small, focused AI projects in the back office can act as a testbed for new ideas and help build confidence.

Bankers remarks

Reinhold Rehbichler, Chief Technology Officer, TeamBank: "There are a lot of concerns in Germany about data security. Therefore, we must use data sensitively. We are careful to always have legal acceptance agreements from customers that allow us to use and analyze their data in the right way. We then use APIs to integrate data in our data centers. From here, we can be confident that when we use our purpose-built AI services, we are doing so in a safe environment."

Humberto Dominguez, Director of Special Digital Projects at Santander Group Spain: "AI is going to change a lot of industries and banking is no exception. But we are adopting a wait-and-see approach so that we can invest in areas where we see success. At the moment, it's too early for us to go big in this area."

Jordi Vilanova Buxo, channel development and customer experience director, VidaCaixa: "AI is quite new, and we are not particularly comfortable with it yet, particularly when it comes to putting it in front of our customers. We want to test and learn about AI via small and focused projects to enhance our branch managers' capabilities or our operations capabilities – areas that don't interact directly with our customers."

AI IN ACTION

Here's our roundup of some of the most compelling implementations of AI that are resulting in a better customer experience:

Yapı Kredi Turkey

Yapı Kredi has developed an app called "My World", which is now used by over 7 million Yapı Kredi customers. Its motto is "Yapı Kredi Mobile is the app of your life!" The bank started with My Car+, which aims to approach car owners' needs uniquely by enabling customers to access numerous services related to their vehicles —whether that's insurance, tax, or even parking tickets—from a single point. In the same way, My Home+ enables customers to monitor their household expenditures on a monthly basis and to manage numerous transactions related to home, such as credit and insurance. Leveraging AI, Yapı Kredi Mobile sends My Car+ and My Home+ users smart notifications at the moment of truth. For instance, if your insurance is about to expire, My Car+ not only reminds you in advance but also offers an insurance proposal for policy renewal.

Bank Negara (BNI) Indonesia

BNI² has developed an API portal that it believes will redefine user interactions through the implementation of an intelligent chatbot. Trained meticulously with BNI's API specification documents, this chatbot serves as an invaluable resource for potential clients who are seeking information. Instead of relying on manual responses, its AI-driven chatbot is poised to swiftly and accurately address inquiries, enhancing the overall user experience.

Taking innovation a step further, BNI's AI is not confined to simple questions and answers. The bank has extended its capabilities into its sandbox environment, where it becomes a real-time troubleshooter. When users encounter errors while testing APIs, the AI steps in to analyze the issue directly, providing immediate insights into the root cause. This dynamic integration ensures a seamless testing experience, reducing friction in the development process and accelerating problem resolution.

Intesa Sanpaolo Italy

Since 2019, Intesa Sanpaolo has offered its customers an AI-based digital assistant called Ellis³. The service was initially offered via chat on the bank's mobile and internet banking channels. Since 2022, the service was expanded and can now be accessed via voice through the bank's toll-free number. As a result, customers can communicate their needs over IVR in a natural way, as they would with a human: Ellis can recognize the customer, understand their requests and provide solutions 24/7. It can also transfer the customer to a human agent if necessary.

In 2023, Intesa Sanpaolo also ran a proof of concept for a new co-pilot powered by Generative AI to facilitate its agents' contact management. Following the success of this project, the bank is now looking to scale up the solution so that it can provide agents with fast and accurate information on products and services, summarize the contents of key information and advise agents of what product or service they should recommend to a customer. The bank expects this to be a powerful solution that will transform the lives of agents and enable a far better experience for customers at the same time.

Deluxe USA

Global payments provider Deluxe⁴ is leveraging the Document Understanding product within UiPath's Business Automation Platform to extract, interpret, and process data from more than 900 lengthy and highly complex legal documents. This is delivering the information the team requires at an astonishing speed, and with greater consistency. Using the Action Center within UiPath, the data can then be validated, adding confidence. Deluxe is now looking at more applications of the technology, including onboarding customers faster, automating our billing and invoicing processes, and automating order entry.

¹ My world - Yapı Kredi Mobile "My World" Super App

² BNI - BNI API x Gen AI Integration

³ Ellis - Ellis: Cognitive AI & Gen. AI to revolutionize Intesa Sanpaolo's world-class Customer Service

⁴ Deluxe - GenAI takes the pain out of pricing for Deluxe

Section 2

USING AI TO IMPROVE OPERATIONAL EFFICIENCY

USING AI TO IMPROVE OPERATIONAL EFFICIENCY

Today's slowing global economy, teamed with shrinking margins, tightening regulations, higher customer expectations, and greater competition, has created an operating environment that is more challenging than ever for banks to navigate.

As a result, even the smallest increase in operational efficiency can have a substantial impact on the bottom line.

However, banking is full of manual, fragmented, and labor-intensive processes. Staff must often navigate multiple systems, comb through mountains of paperwork to verify information or make decisions and spend a significant amount of time answering simple questions from customers. This impedes productivity, contributes to escalating costs, and hampers customer satisfaction.

With this in mind, what can banks do to improve their operational efficiency?

One approach is to automate. Automation is a remedy for the daily challenges faced by many of today's banking employees.

Hassan Abouzeid, Chief Operating and IT Officer at BBK:
 "The sky's the limit when using AI in banking. We have begun our journey, but it is in the early stages. Our approach includes automation that combines robotics and AI.

Irena Rushaj, Head of IT, Union Bank Albania: "We have started using some robotic process automation solutions to relieve branches and operation departments from manual, repetitive work. We have streamlined card and pin stock management, for example, so that the branches can focus on their real business. We've also automated execution orders as well as life and property policies management."

It removes the manual, repetitive, and often monotonous parts of their jobs so that they can concentrate on more valuable, strategic activities such as providing bespoke advice and customer acquisition.

This is just the start. When we combine automation technology with AI and we can derive even more value from it. It can surface important customer insights, make intelligent predictions, and offer recommendations about credit risk or how to best respond to a customer, for example. Ultimately, it can make the banking experience more enjoyable for everyone.

FIVE WAYS AI CAN TRANSFORM OPERATIONAL EFFICIENCY

AI is facilitating a step change in operational efficiency for banks, transforming five key areas:

1. Document review

AI-driven automation can review documents such as application forms for key customer information, saving bank employees hours spent manually scanning through paperwork that can be hundreds of pages long. Missing or erroneous data can be identified automatically, minimizing delays later in the process. AI-driven document reviews can not only improve efficiency and speed, but also increase accuracy by eliminating the propensity for human error.

2. Verification

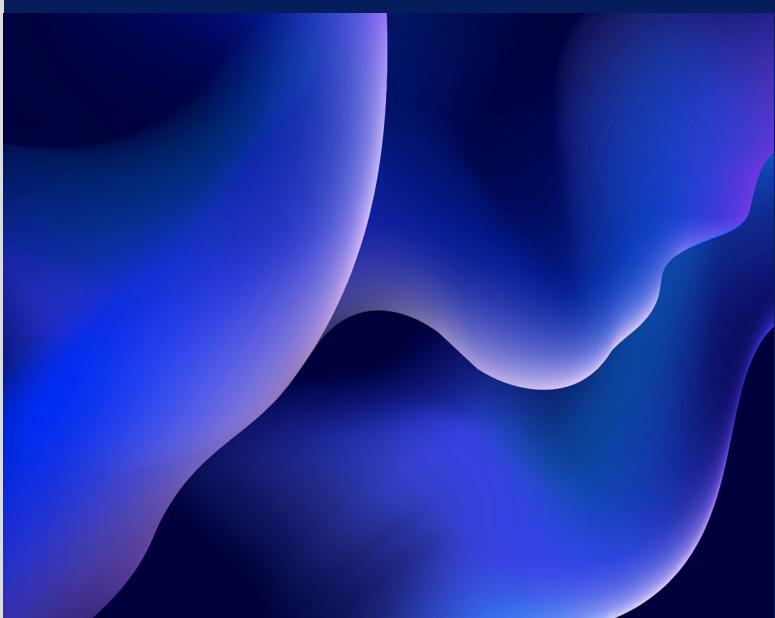
In the past, banking staff have had to request various physical supporting documents from customers to verify their identity or income, for example. This can take a significant amount of time and lead to lengthy delays. A new generation of AI-driven automation solutions—along with the connectivity to assets, payroll or tax accounts via APIs—can provide instant verification of documents, right at the time of application. This reduces the workload of the bank worker and results in a faster, more efficient experience for the customer.

3. Underwriting and credit checking

When infused with AI, automation solutions can analyze customer data or behavior and apply pre-set risk rules to provide instant decisions or verified pre-approval. This streamlines the manual underwriting and credit checking process, shortens the time to loan, and improves the customer experience.

Bankers remarks

Hassan Abouzeid, Chief Operating and IT Officer at BBK: "We have seen opportunities in areas that are repetitive. For example, in Bahrain, we often need to obtain wet signatures on account opening applications, which we need to upload to a system. We found an amazing opportunity for AI to actually take a wad of paper, search it, find what looks like human handwriting and scan it. That frees up two full-time employees to do more productive tasks."



Hassan Abouzeid, Chief Operating and IT Officer at BBK: "We've used AI to scan through customers' behaviors and see what factors might determine if this customer is likely to pay back his loan on time or maybe give us a hard time giving us our money again. And we found some interesting correlations between certain behaviors and the history of the customer paying back the loan."



FIVE WAYS AI CAN TRANSFORM OPERATIONAL EFFICIENCY

AI is facilitating a step change in operational efficiency for banks, transforming five key areas:

4. Call center operations

AI-driven chatbots can deliver personalized human-like support to answer common customer questions. For more complex issues, call center agents can rely on AI-driven assistants that leverage natural language to flag key pieces of data and insights about the customer and provide contextually relevant suggestions about the agent should respond—and all in real time.

5. Marketing asset creation

AI-driven automation will enable banks to tailor marketing materials and emails to suit individual customers, making them more personalized.

Bankers remarks

İtir Ürünay Aydoğan, Ecosystem Banking and Innovation Director at Yapı Kredi: "AI is changing the way we work. Generative AI is taking over tasks like writing emails, analysing customer journeys and preparing workshops, freeing up our time to focus on new projects with the help of AI. That means we're more productive and efficient. When we introduce AI assistants to our sales team, they'll have more time to focus on important tasks."

İtir Ürünay Aydoğan, Ecosystem Banking and Innovation Director at Yapı Kredi: "We use AI tools to create the images and videos for our important communications. Not only does this result in better resources, but it also saves us a lot of time."

Hassan Abouzeid, Chief Operating and IT Officer at BBK: "Authorities contact us occasionally asking for records about customer transactions over a certain period. The template is always the same. Today, we have fully automated the process of reading their email, and determining the start date, end date, and identity of the customer. The email response is sent back with no human intervention."

ADDRESSING THE CHALLENGES

While there are widespread benefits to be realized by leveraging AI to improve operational efficiency, there are also hurdles that many banks need to clear first. These include:

Integration

The challenge: For decades, banks have relied on mainframe systems that haven't been optimized to integrate with new AI solutions.

The solution: Moving mainframe workloads to the cloud and developing robust APIs can help banks create a more modern environment that lays the groundwork for AI systems. "Transferring mainframe workloads to the cloud and developing robust APIs can help banks establish a more modern infrastructure that paves the way for AI implementation," said Andrada Covaci, FSI Value Director, UiPath. "But the transition doesn't stop there. By adopting technology specifically designed for cloud deployment, banks can gain increased agility, reduced costs, and improved scalability. This comprehensive digital shift not only facilitates the adoption of AI but also broadly enhances operational efficiency."

Cultural change

The challenge: Many banks face issues in getting employees to accept new AI tools.

The solution: It's important to democratize the use of AI right across the bank. This means getting buy-in from the top and demonstrating the successful use of solutions in smaller projects so that wider teams can understand the benefits.

Bankers remarks

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Humberto Dominguez, Director of Special Digital Projects at Santander Group Spain: "We are changing our group vision. In the past, everything was local and on-premise, but now we have the confidence in the security of the cloud and so everything we do will be cloud-based."

Hassan Abouzeid, Chief Operating and IT Officer at BBK: "When deciding where to start, the theoretical answer would be where it would make the biggest impact. Operations is a clear candidate, followed by retail banking because they have large volumes of work where automation can make a substantial difference. However, the practical answer is the division that will offer the least resistance. This allows us to showcase technology and convince other departments to adopt AI solutions, too."

Irena Rushaj, Head of IT, Union Bank Albania: "Cultural change is the biggest challenge because people do not accept new technology. Cultural change has to come from the top in order to be accepted at the bottom. All employees need continuous training, continuous collaboration, and continuous communication of the strategy for it to be successful."

Resource allocation and job security

The challenge: Headlines across various media outlets tend to intensify fears that the advent of AI will lead to a considerable contraction in job opportunities across many sectors.

The solution: The primary focus of AI and automation is not to replace human labor, but rather to enhance its potential. It can create ample capacity by automating routine tasks, while reducing bottlenecks, especially during peak periods when activity is seasonally high. This allows employees to move away from repetitive work and instead concentrate on more intellectually stimulating and value-added tasks. This reassessment of resource allocation improves productivity and enhances job satisfaction. It underscores that there is still a significant need for human talent, even in sectors where AI is becoming increasingly prevalent.

Regulations

The challenge: While some banks face more restrictions than others, all banks must contend with regulations around how they use AI. These regulations can be complicated to navigate.

The solution: By partnering with a third-party provider of AI solutions with a well-documented approach, banks can offload the compliance burden and still get the most out of the AI tools.

Bankers remarks

Hassan Abouzeid, Chief Operating and IT Officer at BBK: "We have seen opportunities in areas that are repetitive. For example, in Bahrain, we often need to obtain wet signatures on account opening applications, which we need to upload to a system. We found an amazing opportunity for AI to actually take a wad of paper, search it, find what looks like human handwriting and scan it. That frees up two full-time employees to do more productive tasks."

İtir Ürünay Aydoğan, Ecosystem Banking and Innovation Director at Yapı Kredi: "Here in Turkey, the government has mandated that we can only use the local cloud. That means that we cannot directly use many of the mainstream generative AI solutions that are available to us. This means we need to find ways to integrate AI solutions into local clouds. We're also running Hackathons to try to help us solve this problem through the creative use of local, no-code AI tools."

ABN AMRO Bank Netherlands

ABN AMRO is the first Dutch bank to use generative AI to empower call center agents with automated call summarization¹ and real time answer suggestions.

This service allows agents to quickly answer customer questions by efficiently searching the internal knowledge articles using natural language. They can then make a post-call summary for future use.

This innovation is in line with the bank's strategy to be a personal bank in a digital age. By empowering its call center agents in their daily work, they can focus all their energy on helping customers.

Feedback by agents has been overwhelmingly positive; agents can spend their time on the things that matter—helping customers—and make their jobs more enjoyable.

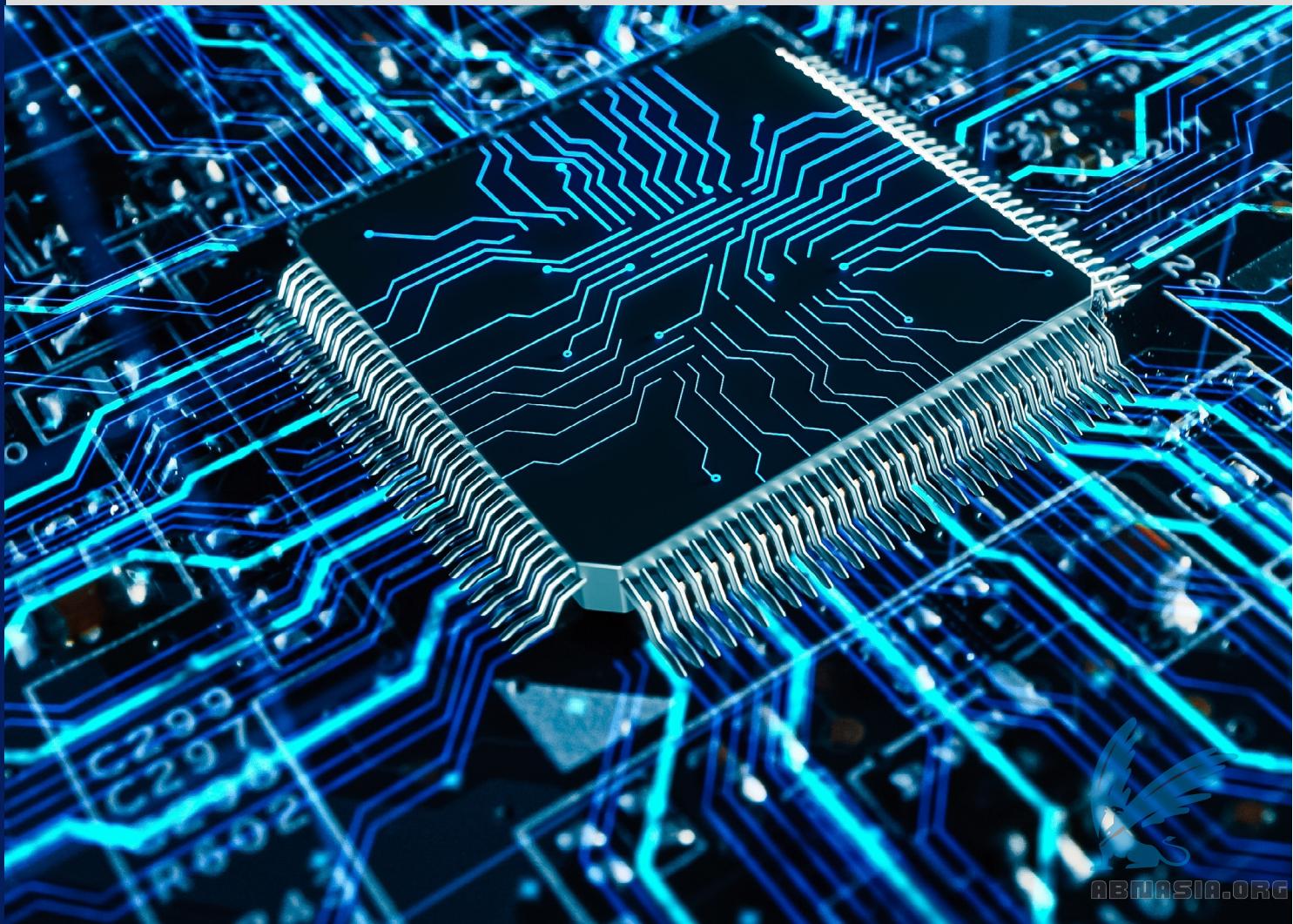
Lazard USA

Using UiPath² automation with Generative AI, financial advisory and asset management firm Lazard³ has been able to automate the task of creating pitch books. As a result, the company is saving 100,000 hours of manual work. Further benefits include accurate and error-free work, improved employee satisfaction, and higher retention of highly skilled investment banking talent. Moreover, there is an inherent impact to customer satisfaction because now bankers can spend more time developing personal relationships with their clients versus doing work behind the scenes.

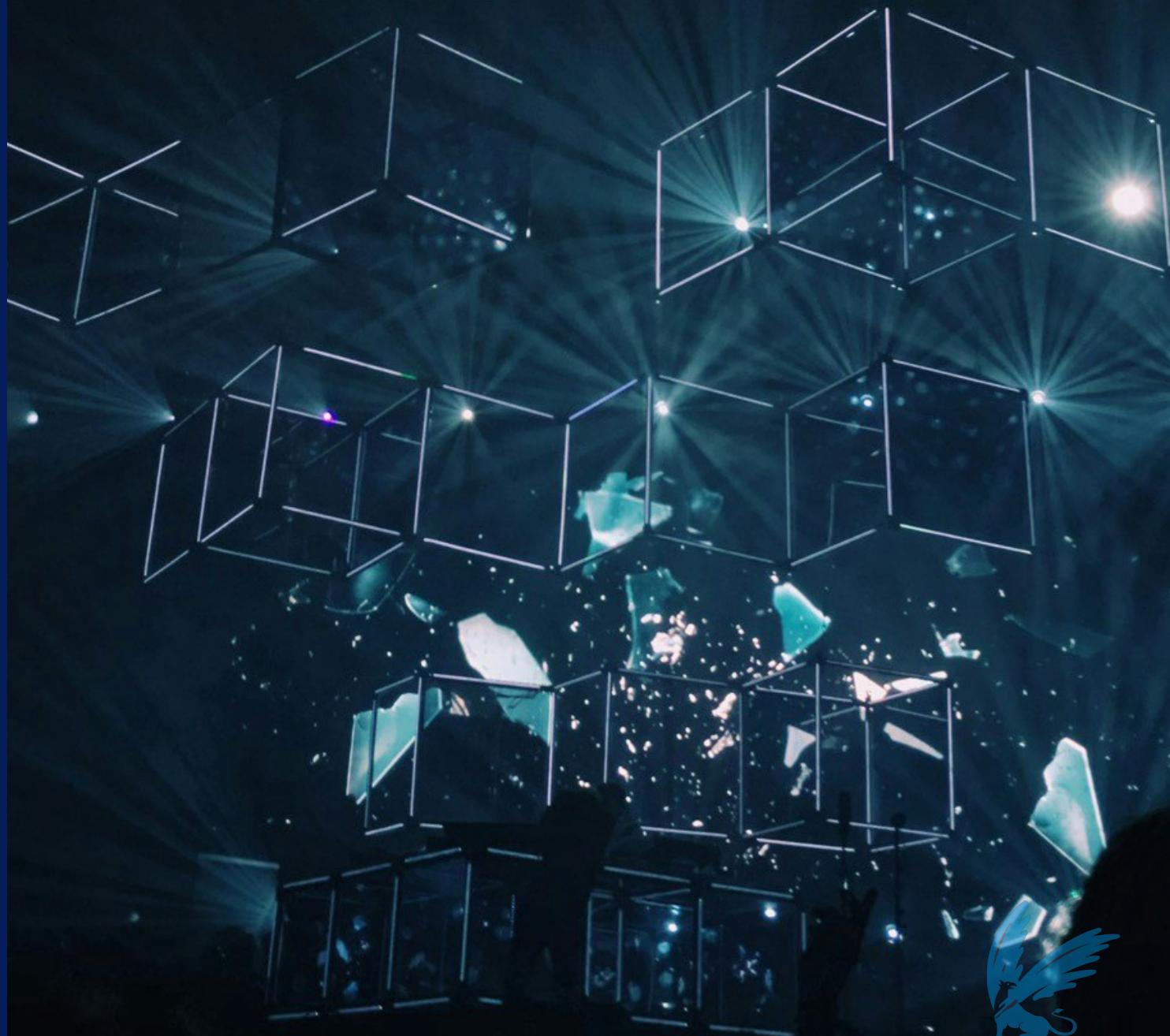
¹ Automated call summarization - [ABN AMRO Contact Centre GenAI](#)

² UiPath Awards Winners - [Meet the UiPath AI10 Award Winners: AI at work...that's working](#)

³ Lazard - [Lazard saves 100K hours annually with UiPath](#)



Section 3 MANAGING THE RISKS ASSOCIATED WITH AI



MANAGING THE RISKS ASSOCIATED WITH AI

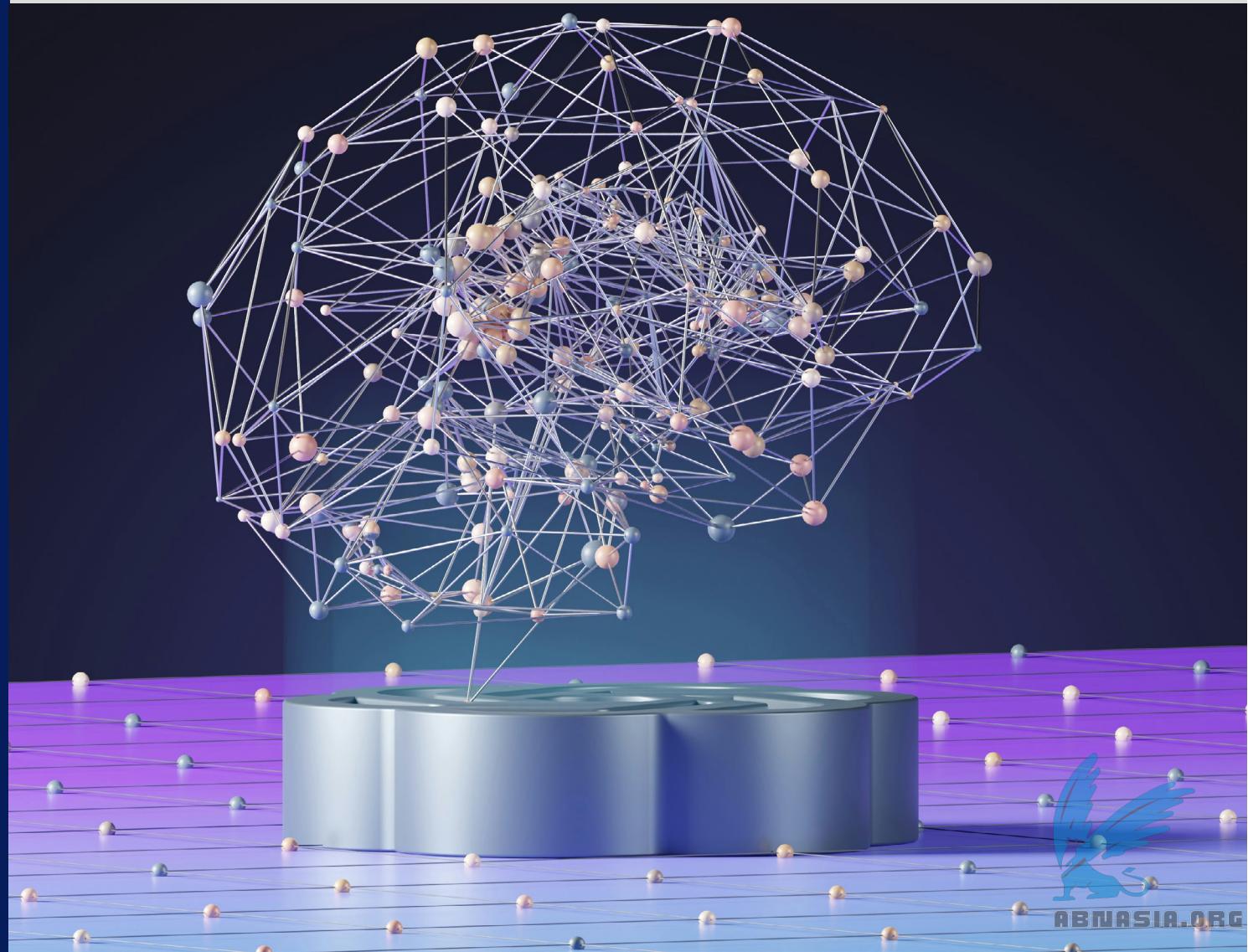
AI is now on the agenda for every financial services organization across the globe. It's easy to see why: from real-time analytics to automating laborious tasks to making sense of unstructured data, the technology is already transforming how banking functions operate – and generative AI comes with even more potential.

However, while there's a huge opportunity for banks to leverage AI to improve the way they operate and deliver better customer experiences, the risks shouldn't be ignored.

Ethics, data integrity, and security are all pressing issues that banks must look to address while simultaneously navigating the regulatory hurdles that are only growing more difficult to clear.

While the move towards generative AI will undoubtedly require significant changes for many organizations, those that manage to harness its capacity for innovation while navigating the risks will outpace the competition.

The good news is that progress is already being made. Pioneering banks are successfully managing the risks and setting themselves up to meet the new rules set out in the AI Act, which is the most comprehensive framework on AI worldwide. Some banks are even managing the risks of AI by using AI itself.



ADDRESSING THE CHALLENGES

AI introduces new levels of risk for banks in five key areas:

1. Ethical considerations

Ethical considerations for banks looking to leverage AI-based tools include algorithmic bias, which describes systematic and repeatable errors in a computer system that create unfair outcomes. Where machines learn like humans and from humans, unconscious bias is as much a threat as with humans.

2. Data integrity and security

Using AI-based tools to target customers relies on collecting, monitoring and exchanging customer data – and this brings challenges around data privacy.

Banks need to ensure data integrity and security while using AI applications.

Bankers remarks

Humberto Dominguez, Director of Special Digital Projects at Santander Group Spain: "We are changing our group vision, In the past, everything was local and on-premise, but now we have the confidence in the security of the cloud and so everything we do will be cloud-based."

George Panou, Head of Innovation Center at Eurobank Greece: "Of course we need to remove the biases from the GenAI algorithms. We need to ensure there is transparency in the GenAI decision-making process and make the algorithms accountable. We also need to ensure the decisions we make using GenAI are inclusive. We never want to get to a point where we are using digital assistants, for example, that discriminate or give false advice based on hallucinations. We have to be very careful."

Serkan Kirkkulaç, Data and Endpoint Security Manager at Yapı Kredi in Turkey: "There's potential for the use of AI to compromise security or make less trustworthy decisions. We build secure usage criteria of AI and carry out diverse security awareness activities to help address this issue."

George Panou, Head of Innovation Center at Eurobank Greece: "With all the new technologies, we need to be very cautious. We need to train our people. We need to take things seriously and keep our customers front of mind because you never know what might happen. A data breach would be devastating for a bank. That's why we are experimenting at taking things one step at a time."

ADDRESSING THE CHALLENGES

AI introduces new levels of risk for banks in five key areas:

3. Regulatory compliance

Ensuring that AI applications comply with industry regulations and standards is a growing yet crucial imperative for banks. It's important to introduce AI in a way that aligns with a bank's risk appetite and meets regulatory requirements at the same time.

4. System reliability

With a growing concern around the reliability and accuracy of AI systems, banks need to make sure their AI strategy stays effective as technology advances quickly and banking regulations change.

5. Cybersecurity

With advanced new technologies come advanced cybersecurity threats. Banks need to find a way to address potential vulnerabilities associated with AI technologies – and fast.

Bankers remarks

Franc Bračun, Chief Data Officer at NLB in Slovenia: "While traditional machine learning has become a business-as-usual activity within our bank, AI — particularly generative AI — presents unique challenges. We are working to control the model's responses, which is proving to be quite complex. Additionally, we are preparing to ensure full compliance with the upcoming AI Act in Europe."

George Panou, Head of Innovation Center at Eurobank Greece: "Generative AI solutions are generally pre-trained on specific data. So they can give general answers and they can create content, but if you get too specific it can miss certain things and maybe cause hallucinations. We are trying to train generative AI models with specific knowledge so it can excel at sector-specific tasks."

Franc Bračun, Chief Data Officer at NLB in Slovenia: "Tackling cybersecurity threats is a key priority for banks. Over the past year, financial institutions have faced a growing number of increasingly sophisticated attacks. Attackers, for example, may use avatars to impersonate identities. Only with AI will banks be able to effectively counter these types of threats."

MEETING THE CHALLENGES

Our conversations with a select number of banks operating across the globe have revealed some innovative approaches to navigating the new risk landscape presented by AI. These include:

Create a clear AI framework

Leading banks are building a clear AI adoption framework that sets out the capabilities and limitations of the technology.

Begin with a centralized approach

Many banks are finding that by separating their AI projects from the rest of the bank under a centralized model, they can achieve faster utilization and efficiency.

Bankers Remarks

George Panou, Head of Innovation Center at Eurobank Greece: "To meet new regulatory requirements, we must establish clear processes and documentation around how and where we share data. We continually carry out risk assessments to ensure that privacy is maintained."

Reinhold Rehbichler, Head of Data Analytics and AI at TeamBank in Germany: "We have a whole department for data governance as well as an AI unit. These functions support all departments within the bank so that we can mitigate risk appropriately. In the future, we will look to decentralize this approach, but for now this is the best route forward."

Reinhold Rehbichler, Head of Data Analytics and AI at TeamBank in Germany: "It is really important to have a road map for how you will implement AI technologies, as well as a strategy around architecture. We want to avoid our operational projects getting negatively impacted by AI so we have separated the AI topics and created a centralized approach. This will allow us to innovate a lot faster. Normally, we like our teams to think for themselves and implement their own projects. But AI is different. We don't have a lot of AI knowledge in our organization, so we have to take a top-down approach."

Collaborate with regulators

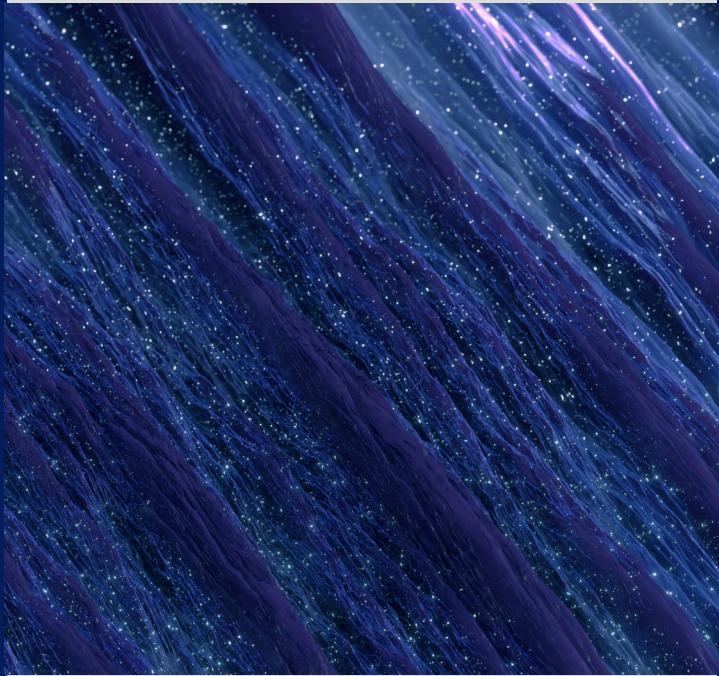
Ensuring that AI applications comply with industry regulations and standards is a growing yet crucial imperative for banks. It's important to introduce AI in a way that aligns with a bank's risk appetite and meets regulatory requirements at the same time.

Franc Bračun, Chief Data Officer at NLB in Slovenia: "I believe that as banks are learning, regulators are also learning. Banks and regulators should cooperate and share best practices to help the industry find an effective path forward."

Reinhold Rehbichler, Head of Data Analytics and AI at TeamBank in Germany: "In Germany, it's clear the regulators are still learning. Of course, there's the AI Act and the recommendations that come with that, but there's still a way to achieve a detailed approach. It's a learning process for everyone, so a collaborative approach is the only way forward in my opinion."

Experiment

With a growing concern around the reliability and accuracy of AI systems, banks need to make sure their AI strategy stays effective as technology advances quickly and banking regulations change.



Prioritize data management and security

Establishing a sound and secure data foundation is crucial to success with AI projects. Leading banks are focusing on data quality improvements and using AI itself to help standardize data.

Bankers remarks

Franc Bračun, Chief Data Officer at NLB in Slovenia: "We are conducting extensive experiments with generative AI models. While they perform well with general knowledge, they often lack accuracy when dealing with specialized knowledge specific to our industry or bank. Achieving precise and accurate answers remains a challenge, so we are exploring methods like more advanced Retrieval-Augmented Generation (RAG) and AI agents to improve outcomes. Simultaneously, we are experimenting with various safeguards to better control input data and the output of these models. It is essential that these models behave as expected and remain aligned with the bank's codes of conduct."

Franc Bračun, Chief Data Officer at NLB in Slovenia: "For generative AI to be truly effective, strong document management capabilities are essential. In our experimentation, we've found that AI models struggle when there are inconsistencies in how documents are structured and organized. Therefore, it is crucial to clean up and standardize documents. Most organizations have numerous internal documents, such as policies, manuals, and instructions. These documents must be properly prepared for use in generative AI applications if organizations aim for higher accuracy in the answers generated by large language models."

Serkan Kirkkulaç, Data and Endpoint Security Manager at Yapı Kredi in Turkey: "End-to-end encryption is really critical because all data, whether in motion or at rest, should be encrypted using the latest encryption protocols." We believe that ensures that sensitive information is protected from unauthorized access throughout its lifecycle. We also find it extremely important to implement strict access control measures to ensure that only authorized personnel have access to sensitive data and AI models. We use advanced monitoring tools to promptly detect and respond to unauthorized access attempts.

On top of this, we have a detailed, incidence response plan in place to quickly identify, contain and remediate any security breach. This plan is regularly tested to ensure it is more effective. By integrating this practice into our operation we strive to maintain high standards and of data security and integrity and while full harnessing the potential and AI application and technologies."

The most compelling implementations of AI to address risk

Ally Bank USA

Ally's first-of-its-kind personally identifiable information (PII) Masking module is an innovative solution that identifies and scrubs PII, allowing companies to safely leverage advanced AI models. Created in collaboration with LangChain¹, the solution addresses a significant challenge for all companies working with PII in highly regulated, consumer focused fields.

Within Ally, it has already transformed the company's customer care team, making it possible for Ally.ai to assist more than 700 customer care associates with thousands of conversations with Ally customers every day. The PII Masking module has made it possible to use AI to efficiently summarize these conversations, which has led to a better employee and customer experience. Ally.ai has reduced call duration between 30 seconds and two minutes per customer call. Additionally, upwards of 85% of call summaries require no additional edits from associates, a testament to the strength and efficiency of the platform.

Crédit Mutuel Arkéa France

Crédit Mutuel Arkéa³ has adopted a position of openness and experimentation with generative AI. As a result, it has approached the subject in an innovative and global way to effectively manage risks such as data sovereignty and hallucinations leading to incorrect customer advice. To accelerate experimentation on use cases, the group has adopted a hybrid 'make or buy' approach: opening the way to market generative AI solutions with a fast time-to-market (buy) or open-source alternatives for sovereignty (make). It has also defined a qualification process to catalyze experimentation, bringing together the data office, risk teams and business lines.

Scotiabank Canada

The rise of AI has led to calls for companies to manage and use data responsibly and ethically. Scotiabank² is taking a leadership position in this area, as one of the first organizations in the financial industry to tackle the challenge of moving beyond declaring principles to operationalizing data ethics – creating tools and processes that address ethical concerns throughout the data and AI lifecycles. The bank has been ahead of the industry in adopting a public data ethics commitment statement and creating and implementing tools such as the Ethics Assistant (EA) for both Trusted AI and for Trusted Data Use.

¹ LangChain - [Ally x LangChain](#)

² Scotiabank - [Extending trust beyond financials to customer data: Scotiabank's Approach to Ethical Data & AI](#)

³ Crédit Mutuel Arkéa - [Velocity and sovereignty : Crédit Mutuel Arkéa's hybrid approach to implement Generative AI](#)

Section 4

USING AI TO IMPROVE THE EMPLOYEE EXPERIENCE

USING AI TO IMPROVE THE EMPLOYEE EXPERIENCE

We all know how important the customer experience is in banking. But do you know that the customer experience is inextricably linked to the employee experience? Happier bank employees are more productive, more incentivized, and deliver better, more consistent levels of customer service as a result.

Yet mastering the employee experience isn't a straightforward task. As new technologies enter the fore at breakneck speed, new skills need to be honed and recruited for. How can you build a financial services team that meets and exceeds customer expectations? And how can you upskill your current team to meet these needs?

What's more, how can you ensure your employees are supported enough to do the best job possible while achieving a good work-life balance? Often working on the front lines, they are the first point of contact for your banking customers, so they need to enjoy their work and feel empowered to resolve issues as effectively as possible.

The good news is that automation solutions are already proving to help. And when this automation is infused with artificial intelligence (AI), even greater benefits can be realized.

FOUR WAYS AI CAN ENABLE A BETTER EMPLOYEE EXPERIENCE

AI solutions are giving banks the capacity to transform the employee experience in four key areas:

1. Skills development

As new technologies evolve faster than ever before, it's never been more important for banks to address the need for employee training and skills development. Using AI-driven solutions, leading banks are reducing the chances of their employees feeling out of their depth by delivering ongoing training that is personalized to their needs and skills. AI can help with the full spectrum of training pathways: for on-the-job training, it can guide employees through a workflow and answer questions; it can match mentors and mentees for coaching; and it can personalize digital learning, then identify weaknesses so that lacking skills can be developed.

2. Collaboration

AI tools are changing the way employees work together, fostering more insightful communication and collaboration.

With AI-enabled automation providing key insights and reports, employees have more time to contribute to strategic decision-making and more valuable teamwork.

Bankers remarks

Nerissa Berba, EVP/Chief People Officer at Security Bank Corporation in the Philippines: "We started transitioning to digital learning in 2020. By 2022, we started leveraging AI to identify the key skills our employees had and the skills we needed to be looking for. Now, we can identify the required skills and the level of proficiency of a particular employee. They then go through a process of self-assessment so we can identify skills gaps which we feed through our learning and development team who then come up with a hyper-personalized training program or a learning pathway for that particular employee. Of course, we're following the 70/20/10 rule where 70% of training is on the job, 20% is mentoring and coaching, and then 10% is delivered through our online platform."

Florence Bamwine, Strategic Programmes Lead at DFCU Bank in Uganda: "Our HR colleagues used to sit behind a desk and produce reports, but now they have far more time to go out and speak with people. I think AI tools really encourage more collaborative discussions. By talking more with each other and supporting each other, we are able to hold each other accountable, and that is better for both employees and the business."

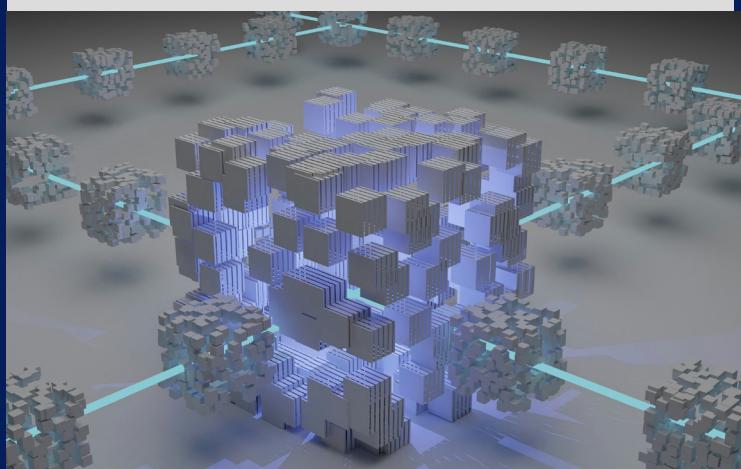
Nerissa Berba, EVP/Chief People Officer at Security Bank Corporation in the Philippines: "AI-enabled digital assistants are really useful for us in our weekly team catchups and in our meetings with stakeholders. For example, we're able to track exactly where we are in terms of what we said we were committed to do, or summarize relevant emails related to a topic we are meeting about. These tools create so many efficiencies. Not only do they give us time to have more focused discussions with peers, but they help us collaborate in a far more effective way."

Florence Bamwine, Strategic Programmes Lead at DFCU Bank in Uganda: "One of the inefficiencies I'm seeing in HR is the sheer number of manual tasks – like answering queries or writing minutes, for example – that are bogging everybody down. By rolling out a virtual HR assistant that leverages AI, we can reduce the amount of time HR personnel spend on these types of tasks by 30%. This frees up a significant amount of time that can be focused on more valuable activities."

3. Work-life balance

Bank employees often spend far too much on low-value, routine jobs that only serve to hamper productivity and heighten stress.

But this doesn't need to be the case. By empowering employees with automation and AI tools, banks can remove core, repetitive tasks and enable employees to achieve a much better work-life balance as a result.



4. Employee feedback

Collecting and utilizing employee feedback is necessary for a bank to create an environment that embraces AI as a catalyst for a new way of working.

By taking onboard employee opinions and feedback, more processes can be improved, saving bank workers more time and uncovering new ways to speed up human achievement through increased time for training, upskilling, and more creative pastimes.

Bankers remarks

Nerissa Berba, EVP/Chief People Officer at Security Bank Corporation in the Philippines: "We've implemented a new HR system that allows us to automate most of our processes. For example, our HR business partners no longer have to create reports on attrition and then spend time with stakeholders trying to interpret the data. Our system automatically generates a PowerPoint presentation, which can be filtered down by age, rank, and reasons for leaving. This makes the job of HR very different – their role is now to help analyze the data for the segment head and then jointly come up with solutions. It promotes a more strategic discussion."

Florence Bamwine, Strategic Programmes Lead at DFCU Bank in Uganda: "Being able to have people work from home and not have to sit in traffic commuting is really important for work-life balance. New AI tools such as HR assistants are enabling managers to follow up with people and manage their performance much more easily, giving them the confidence that people are actually working when they're out of office."

Nerissa Berba, EVP/Chief People Officer at Security Bank Corporation in the Philippines: "We use AI tools to garner feedback from employees on new systems we are about to roll out. We try to get insights on what they'd like to see more of and how they want the system to look. We can then accommodate changes before it gets launched."

Florence Bamwine, Strategic Programmes Lead at DFCU Bank in Uganda: "For me, collecting employee satisfaction data using AI tools and systems is so important because it happens in real time. We can tap into how employees feel more frequently by using weekly mini-surveys, for example. Instead of waiting for a quarterly one-to-one, we can leverage the findings from these mini-surveys and then delve further when there are issues. It means we can address problems early on."

ADDRESSING THE CHALLENGES

While AI offers huge potential for banks to improve the daily working lives of their employees, there are also some roadblocks to success. Let's take a look at some of the common issues that were raised by the banks we surveyed, and explore some of the solutions.

Innovation happens in pockets

The challenge: Allowing individual teams to run with their own AI implementations without collaborating across the business can be a surefire way to create more silos and limit AI's success within the bank.

The solution: Leading banks are centralizing their approach to AI with cross-functional innovation teams that ensure a careful and consistent rollout of new technologies right across the business.

Democratizing new technologies

The challenge: Without a clearly communicated strategy, many bank employees are unsure of the benefits of their financial institution's approach to AI. There's also a more fundamental concern: they believe that AI-driven technology might put them out of a job.

The solution: Implementing an AI strategy that aligns with the overall business strategy can be the difference between success and failure for a bank. Employees at every level need to be clear on what the AI strategy is and how it will benefit them and their team. They also need reassurance that the move to adopt AI technologies is in their best interests and won't leave them out of work.

Aligning training to users' needs

The challenge: The banks we spoke to highlight the time required to evaluate employee roles so that personalized training can be delivered as a key challenge. Other banks noted a problem with rolling out online training platforms without ensuring they align with their specific needs.

The solution: Pioneering banks are leveraging AI-based training platforms that automatically evaluate an individual's key skills and shortfalls, ensuring appropriate and person-specific upskilling can happen quickly.

Bankers remarks

Florence Bamwine, Strategic Programmes Lead at DFCU Bank in Uganda: "To realize the most value from AI, we need widespread adoption. We don't want to implement lots of different tools that do not communicate with each other. That means ensuring all teams collaborate with each other and talk the same language so that we automate across the board and leverage tools in a consistent way."

Florence Bamwine, Strategic Programmes Lead at DFCU Bank in Uganda: "One of my KPIs is to make sure that everybody has at least two hours of training per month. We are having a big push to democratize data and analytics so that everybody across the bank can benefit from data-driven insights. We are also now starting to look at embracing virtual HR assistants and virtual customer service assistants. But what's key is that the knowledge and understanding is there so that all employees can use these tools effectively."

Nerissa Berba, EVP/Chief People Officer at Security Bank Corporation in the Philippines: "For us, one of the biggest challenges is reviewing what skills are required for each role within our bank. We have one representative from talent management who actually owns the process. We have subscribed to a system that provides an overview of 16,000 roles globally, so we have a skeleton overview, but these roles need to be reviewed by the subject matter expert from the business. And that's really very time-consuming."

Florence Bamwine, Strategic Programmes Lead at DFCU Bank in Uganda: "Delivering personalized training in an online environment has turned around our performance as a bank. We have seen a big shift in employee engagement because they feel that the company is caring for them and giving them the opportunity to grow. At the same time, the net promoter score for line managers has gone up since we have been very deliberate in the interventions that we have instigated on our e-learning platform. HR also benefits from this type of online training because, instead of having to sit down and have difficult conversations with employees about a lack of a specific skill set, the employees are able to assess themselves."

Here's our roundup of some of the most compelling implementations of AI that are resulting in a better employee experience:

OCBC Bank Singapore

Leveraging AI, blockchain, and IoT technologies, OCBC Bank Singapore's Digital Office platform has unified employee tasks such as managing requests, leaves, claims, and devices, while also offering self-service features to book hot desks and lockers. OCBC's generative AI chatbot 'Buddy'¹ assists employees in finding information quickly such as searching for OCBC acronyms and frequently asked information on the intranet. Meanwhile, the bank's 'Digital Service Desk' was rolled out to enable self-guided and straight through resolutions to save time for both employees and support agents. In-house blockchain allows employees to verify document authenticity and versioning. 'Speech-to-text meeting summarisation' on HIP enables employees to focus on meeting conversations rather than minutes-taking. Finally, 'Tellergram', the bank's internal social media platform on HIP, delivers bite-sized content and shares interesting news exclusively within OCBC.

Bradesco Brazil

In 2022, Bradesco initiated a plan to accelerate and expand the digital transformation of human resources. The project entailed mapping all HR products, services, technology architecture, and data, reviewing more than 755 processes and identifying 649 opportunities for technological input and 170 for automation. With a strategic vision extending until 2026, the company has established a new IT architecture map for HR and a new operating model. The results have led to enhanced employee experiences in HR, the organization, and across operational and financial areas. Additionally, the implementation of self-service, improved data management, and the development of customized HR solutions³ have been achieved. Furthermore, the attractiveness and implementation of people analytics have been realized.

BNP Paribas Bank Poland

BNP Paribas Bank Polska is launching GENiusz², an innovative generative AI-powered chatbot for employees. GENiusz is a game-changer in the world of information access. By searching internal knowledge resources and providing answers for employees, it is expected to improve customer satisfaction, decrease the cost of customer service operations, and reduce human errors.

¹ AI chatbot Buddy - [Empowering OCBC Employees with Digital Office](#)
² GENiusz - [GENiusz Knowledge Chatbot](#)

³ HR solutions - [Unlocking HR](#)

Conclusion

AI-powered automation is already hard at work delivering real impact across the banking sector, helping banks to increase revenue capture, strengthen their risk posture, raise NPS scores and lower operational costs.

All this is happening thanks to banks' current focus on four key areas:



While these are currently the areas offering the most potential, the opportunities for the future are endless.

"The sky's the limit when using AI in banking," said Hassan Abouzeid, Chief Operating and IT Officer at BBK. "We have begun our journey, but it is in the early stages. Our approach includes automation that combines automation and AI. Where there is a repetitive rule-based task—monkey see, monkey do, if you will—then automation is best for the job. Other tasks, particularly if there are no strict rules, require a bit more innovation and creativity."

What we do know, however, is that AI needs automation to work most effectively. UiPath has identified eight steps to help you apply the agility and speed of automation with new generative AI and specialised AI capabilities through a holistic strategy:

Start bringing AI to work at your bank. Listen to our AI in banking [webinar¹](#) or download our [whitepaper²](#) on the eight steps to success in AI banking.

¹ webinar - [AI in Banking: Success Stories, Challenges, and Future Opportunities](#)

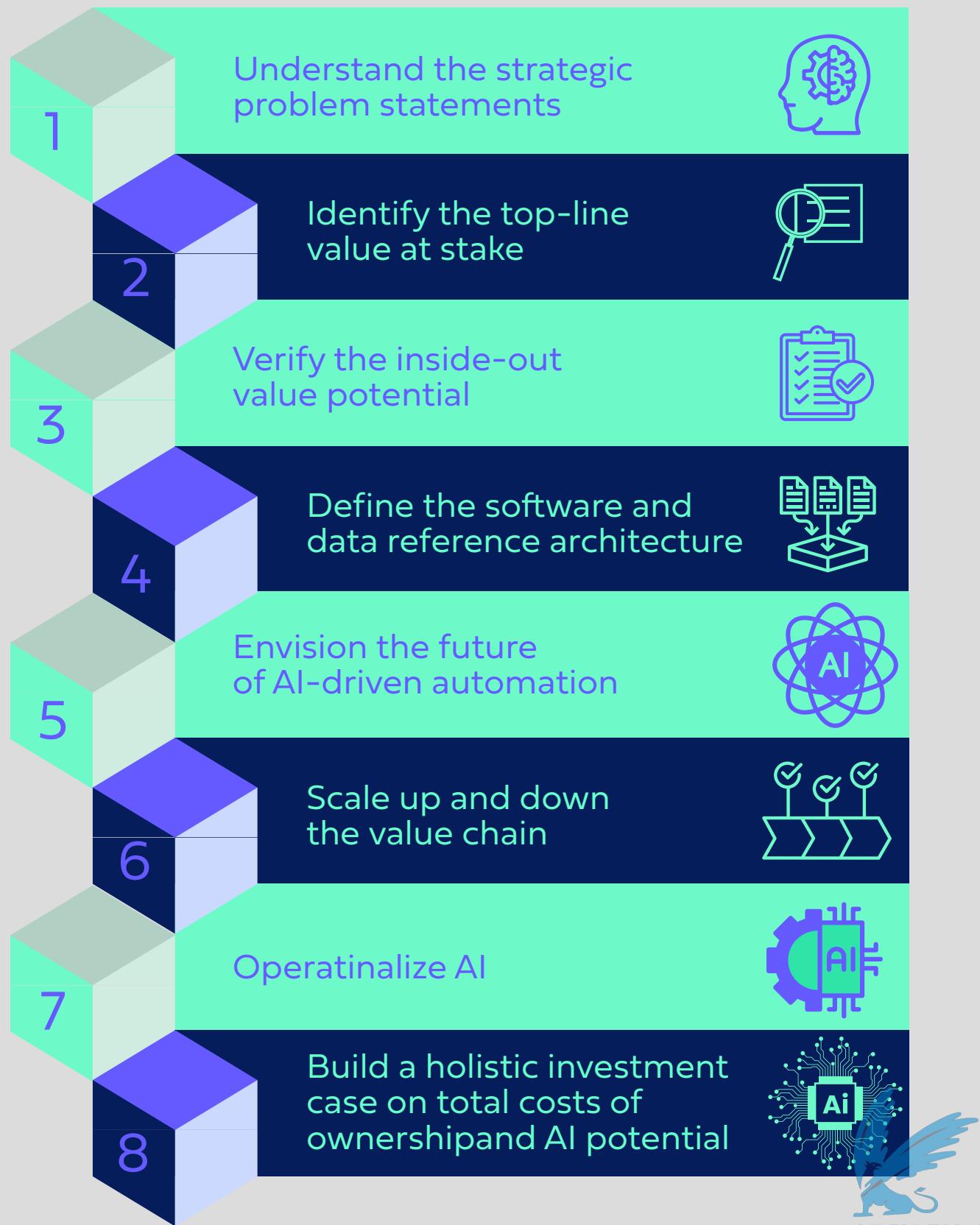
² whitepaper - [Turn AI potential into AI results: 8 steps to success in banking](#)

Conclusion

Build your transformation plan

Apply the agility and speed of automation with new Gen AI and specialized AI capabilities requires a holistic strategy

UiPath has identified eight steps to support your transformation





Further. Faster. Together.

