KPMG

Three layers of automation can multiply speed, volume, and satisfaction

Deliver better customer experiences with automated financial services workflows

Financial services operations professionals have a lot on their plates. They are expected to onboard new clients, open new accounts, process financial transactions and maintenance requests, implement operational support for new products and services, and respond to regulatory requests—all in a timely manner and with increasingly lean teams.
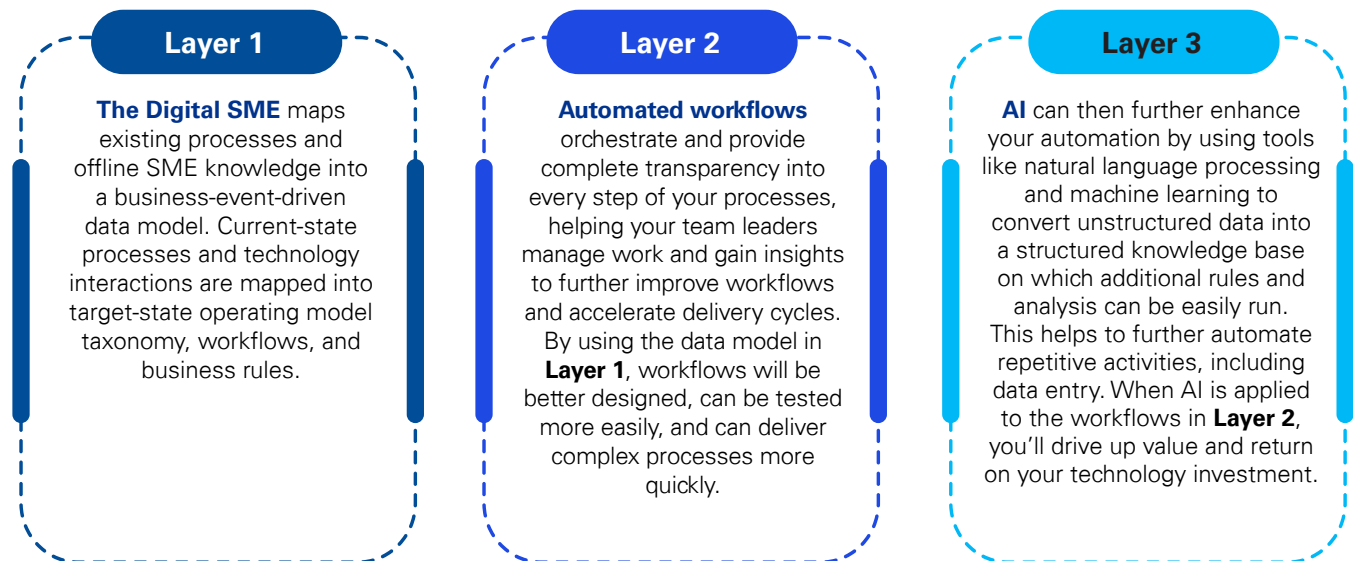
Too often, these processes are managed in a piecemeal fashion using legacy technology that is burdened with limitations, resulting in manual processes, lengthy timeframes, anxious customers, and overworked subject matter experts (SMEs) who serve as the backbone of the operations function.

Even when newer platforms, workflows, and artificial intelligence (AI)-based solutions are applied, the results tend to fall short—especially in operations functions that rely heavily on SMEs with complex institutional and domain knowledge that is not available within the systems. One key driver for this is that automation efforts tend to focus on providing the SMEs with "more automation" instead of reimagining the role of the operations SME in total.

Organizations that approach operational digitization by first examining and capturing this important offline SME knowledge tend to have greater success at transforming more complex operational functions and driving more value from their investments. After fully documenting what their SMEs know, they can then reimagine their technology-enabled operating model rather than increasing automation to serve existing process constructs.

The three-layer approach outlined below can help firms address this critical prerequisite for successful transformation of complex operations functions with speed, agility, and greater value:

Layer 1

The Digital SME maps existing processes and offline SME knowledge into a business-event-driven data model. Current-state processes and technology interactions are mapped into target-state operating model taxonomy, workflows, and business rules.

Layer 2

Automated workflows orchestrate and provide complete transparency into every step of your processes, helping your team leaders manage work and gain insights to further improve workflows and accelerate delivery cycles. By using the data model in **Layer 1**, workflows will be better designed, can be tested more easily, and can deliver complex processes more quickly.

Layer 3

AI can then further enhance your automation by using tools like natural language processing and machine learning to convert unstructured data into a structured knowledge base on which additional rules and analysis can be easily run. This helps to further automate repetitive activities, including data entry. When AI is applied to the workflows in **Layer 2**, you'll drive up value and return on your technology investment.

In short, you can support your team members with connected automation that multiplies their productivity and boosts their ability to get work done.

Let's take a closer look at what can be achieved with each step.

1. The Digital SME translates unstructured SME knowledge and processes into a structured data model

An estimated 80 percent of complex operational processes rely on SME knowledge not captured in any systems.[1] Transformation or automation initiatives that fail to capture and consider digitization of this offline knowledge will yield far less business value. This digitization of SME knowledge is a critical prerequisite to determining future-state operating models and technology and automation solutions.

This SME-centric discovery and digitization step identifies, maps, and translates SME knowledge and how it interacts with processes and systems in the current state. It forms a structured data model of business events, workflows, business logic, and data attributes that enable future-state solutioning. This process and knowledge data helps those who are designing the future-state solution understand and collaborate with the operational stakeholders using a common taxonomy and data-driven approach.

2. Automated workflows use technology to design better process integration

Solutions teams can now leverage this data model created in **Layer One** to build more intelligent, automated **workflows** quickly using low- and no-code platforms. These workflows can be built and rolled out in a matter of weeks and can be maintained by business teams, reducing your reliance on overstretched technology engineers. And, when built on a digital interaction layer, the team can communicate directly with legacy technology through application programming interfaces, creating a single interface to manage workloads rather than entering and pulling data from multiple systems. This can also eliminate manual steps to analyze and report on the data.

These automated workflows can be easily designed to enable straight-through processing with clearly defined exception queues, freeing up your team's time to focus on value-added activities.

Also, automated workflows and exception management provide a superior experience for your employees and agents and will help you attract and retain top talent. By enabling your business analysts to become tech-savvy engineers, you can better control your fate, while allowing employees to learn new technology tools. And that helps you harness the true potential of your workforce.

3. Artificial intelligence helps digitize even more

By using AI tools like natural language processing along with optical character recognition, you can easily digitize unstructured and semistructured documents, create a knowledge base, and automatically apply workflows and rules from your workflows to build end-to-end automation. This is especially helpful in more complex workflows as you build on the streamlined processes you gained from **Layers One and Two.**

AI-based models allow you to automate manual tasks that need to be done over and over again, potentially saving your business tremendous amounts of time and money. This can lead to reduced labor costs, higher accuracy rates, consistent workflows, and lower overhead costs.

Whether used during customer onboarding, loan underwriting, or regulatory change management, many facts are used repeatedly to complete data requirements. At KPMG, we've built AI-based models to help our clients extract and refresh this data automatically.

Do more with a holistic approach to data and workflows

As KPMG clients have learned from using all three steps, the advantages can make a dramatic difference.

Business and client agility

- Respond more effectively to new business and client needs by leveraging workflows and analytics

- Achieve more meaningful and near-real-time, data-driven analytics and insights

Operational efficiency and resiliency

- Reduce time-consuming manual or piecemeal work that requires accessing multiple systems and offline data analysis

- Gain a clearer picture and an automated view of your customer knowledge

- Increase organizational capacity with the use of a holistic approach that doesn't depend heavily on offline SME knowledge as you transfer knowledge through the system

Cost reduction and accelerated transformation

- Reuse existing critical information with digital glossaries, business rules, and automated testing, saving time and expense

- Reskill and reposition your team more quickly to use and accept new processes and speed up your digital transformation to achieve value more rapidly

- Reduce manual data entry and validation, and reduce operational errors as automation moves data to downstream systems

Better navigation and integration

- Increase navigation and connection across the organization with automated processes that often result in new client and account dashboards and tools

- Streamline reviews and approvals as information flows more easily between stakeholders and compliance processes are built in

Transparency and auditability

- Automate performance management with the ability to track key performance indicators and key risk indicators and manage audits more efficiently

Employee and customer experiences

- Streamline functionality between client onboarding and account maintenance applications to give clients better service and allow your team to focus on growing the business rather than performing operational tasks
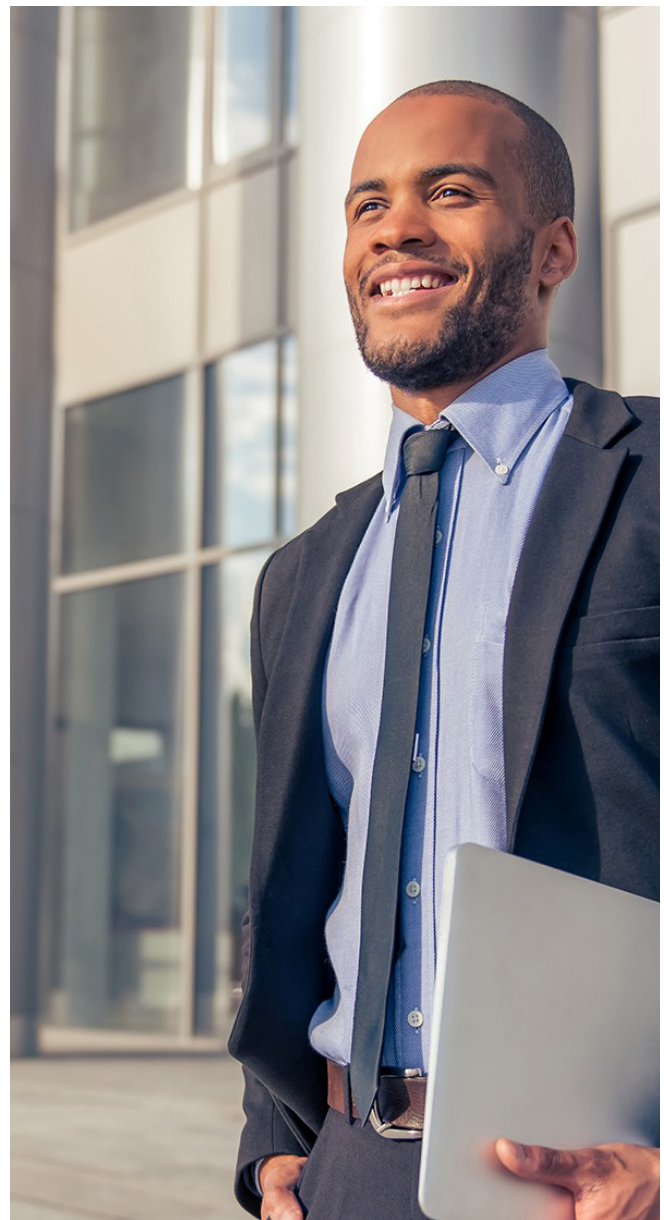
How can KPMG help you?

KPMG has a long history of helping financial services clients improve productivity and customer experience. Our professionals can help you answer questions like:

- How can I reduce manual processes that undermine our customer experiences?

- How can I reduce reliance on a handful of my SMEs?

- How can I drive predictable outcomes?

- How can I better use technology to reduce operational costs while providing a superior customer experience?

We help you achieve your goals faster

Our objective is to accelerate your digital transformation and create a vision for more connected, efficient, and agile operations. We help you:

- Look at root causes that are preventing you from achieving your operational excellence and cost reduction goals

- Take a strategic and holistic approach to creating and mining the value from your processes and data

- Create a collaborative environment where SMEs, analysts, and technologists work together to support your business and operational aspirations.

If you'd like to learn more about how the three-layer KPMG data and workflow approach can help you, please contact us.

Contact us

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