



# Automate Banking Compliance and Scale Innovation

There's no better time to automate than now. Robots work much more quickly than humans and can save banks hundreds of hours on completing mundane, repetitive tasks. They combine the insight and empathy of human beings with the intelligence and speed of artificial intelligence (AI) to ensure easier compliance and innovation at scale.

Employing the right automation program helps financial institutions meet compliance demands, control costs, and scale with ease. Inside, we explore how to apply the full range of automation offerings — including attended, unattended, UiPath Document Understanding, machine learning-based models, and hybrid robot models — to reduce regulatory compliance burdens, reduce risk of regulatory fines, and effective regulatory reporting.



# Contents

<b>03</b>	<b>Why Financial Institutions Need Automation: Save, Scale, and Succeed</b>
04	Understanding and addressing banking pain points
05	Not all automation programs are created equal
07	The right automation strategy for compliance
<b>08</b>	<b>Automation use cases for better banking compliance</b>
09	Envision a new future with automated customer onboarding
11	Master case management, alerts investigation, and fraud case analysis
12	Win at control testing and evidence requirements
13	How automation powers streamlined mortgage remediation
<b>15</b>	<b>Banking compliance needs innovation, and automation is the answer.</b>

# Why Financial Institutions Need Automation: Save, Scale, and Succeed

Banking compliance was already a significant challenge for financial institutions before the pandemic began.

Today, increasing economic uncertainty has sparked major industry changes around regulation and customer interaction. And as more customers seek financial support and guidance, banks need to respond promptly and gracefully to the demand.

Financial institutions have also come under more scrutiny to act responsibly and ethically over the past decade. As a result, regulatory requirements have only intensified. Adhering to regulations is important for maintaining industry-wide integrity, and the noncompliance raises the specter of limited growth and scale for financial institutions.

However, regulatory compliance is costly. Banks have spent billions of dollars on compliance operations and fines since regulations amplified in 2008. The yearly amount that banks spend on compliance operations is now estimated at \$270 billion.



The increasing pressure of current pandemic-initiated economic uncertainty only minimizes opportunities for financial institutions to spend vast resources on compliance, especially since research shows the cost of meeting regulations will reach **10% of banking revenue by 2021**.

It's normal to turn to hire when such difficulties arise. But bringing on new workers won't alleviate the heart of the problem, which is that regulations will only continue to make it harder for financial institutions to succeed.

**To thrive in the modern age, banks need a new approach. That's where automation can help.**

- Automate unstructured data such as proofs of identity, proofs of address, tax returns, articles of incorporation, payments, wire instructions or chats, from emails, PDF's, documents, and forms.
- Empower your customer facing functions such as second line of defense for Controls Testing, KYC analysts, AML analysts, Regulatory Reporting Ops team, with attended automations.
- Automate Customer Due Diligence, Alerts Disposition, Identifying Beneficial Ownership and Negative News Screening, no matter the scenario: attended, unattended or hybrid, with a human in the loop.



# Understanding and addressing banking pain points

## 1. Banks are grappling with massive amounts of unstructured data.

This information, which is crucial for creating strong customer experiences and delivering documents promptly, is spread across digital and paper documents like KYC documents, emails, legal contracts, and trade agreements.

Currently, Compliance teams have to manually scour over these documents, validate the veracity, extract the details and update the KYC platform. Thereby losing millions of hours in this repetitive work instead of onboarding the client or investigating an alert.

UiPath Document Understanding is a feature designed for managing the pain points of digital transformation, especially when it comes to handling information of this magnitude with ease. Without it, banks can't succeed automating because they're too bogged down by multi-platform content.

## 2. Banks need to adopt automation to better complete customer-facing tasks.

Specifically, those involved in onboarding and financial advising are of utmost importance. Without a clear way to apply automation to these tasks, however, they continue to waste the time of dedicated financial experts, even when their time would be better utilized elsewhere.

Automation should be user-friendly and easy to apply across all areas of an organization. Applied correctly with a tool like UiPath, automation can save significant time while freeing up employees to apply their skills where it matters most.

## 3. Implementing an effective range of attended, unattended, and hybrid models isn't easy.

The personalized complexities, regulations, and security requirements of banking institutions mean they cannot solely rely on unattended robots. Yet finding harmony between attended and unattended automation is difficult without the right tool.

UiPath specifically created a hybrid-friendly platform that makes it easy to harness the best of both attended and unattended robots. With this guidance, financial institutions can use automation to their advantage to create a strategy that works.

**“Our employees are happy because of two reasons: One, Robots ease their workload. Two, they don’t need to do the stuff that is boring anymore.”**

**Wojciech Szremski,**  
eurobank Process Automation and  
Process Optimization Director





# Not all automation programs are created equal.

The first step in leveraging automation to meet the challenges of modern financial institutions is understanding that not all automation programs are created equally.

For example, some financial institutions have experienced sub-par results with previous automation initiatives, which can make it challenging to make another investment in such technology. However, the continued success of automation for the trailblazing financial institutions of our era serves as a model for what automation really can do — and how not to use it.

One reason banks who've invested in other automation platforms are unsatisfied is that the platforms are difficult to use, and they don't demonstrate clear ROI.

Moreover, previous automation initiatives have focused solely on tactical, task-based automation using unattended robots, which greatly limits the capabilities of automation and doesn't cater to the dynamic needs of regulatory compliance. Another common challenge with implementing automation for compliance is that ordinary platforms don't offer room to scale and flex.

**Adaptability is a crucial component for financial institutions that want to succeed in the uncertainty of modern times, and automation programs should put this front and center.**

## The pillars of a successful—and transparent—automation initiative



### RAPID RESULTS

RPA practitioners can record and create their own automations. Administrators can deploy and scale quickly with shared components, configuration and upgrade tools, and centralized license management. Developers can work more quickly using task recorders, templates, and over 300+ drag-and-drop activities.



### SKILLED ROBOTS

UiPath supports the widest set of applications. Robots can work unattended, with humans in the loop, or in hybrid modes. Our AI Computer Vision technology reads screens and documents in a human-like manner and improves over time.



### DEFENSE GRADE SECURITY

The UiPath Platform is certified as meeting the highest level of the Veracode program: Verified Continuous.



### DRAG-AND-DROP AI

Bring your own machine learning models, or easily deploy native or partner-built skills including AI Computer Vision and natural language processing.



### SCALABILITY

UiPath has a proven, scalable architecture that can be deployed on-premises or in the cloud (or hybrid cloud). It also includes a DevOps approach to create, deploy, manage, and share workflows across large teams.



### TRANSPARENCY

Employees demand that digital technology benefits are both ethical and transparent. UiPath automation log files capture every Robot action. Attended Robots keep users in control. And drag-and-drop AI lets your operations teams choose the most appropriate models.





Pragmatic AI capabilities make it easier to establish a realistic AI strategy, which is crucial for succeeding with automation and wielding ROI over the long term. The technology may be futuristic and complex, but using it shouldn't be.

**When choosing an automation platform, financial institutions should look for the following key components:**

- End-to-end compliance that synthesizes with all internal applications and databases
- Flexible, nimble programs that can meet the changing demands of compliance
- Cost-effective platforms that show a high ROI now and overtime
- User-friendly robot programming that demonstrates high yield
- Scalable, enterprise-wide capabilities that can meet the needs of varying demographics

### **Risk & Compliance**

#### **Corporate KYC & Client Onboarding**

- Data Extraction from KYC Docs
- Proof of listing registration check
- UBO & Sanctions
- **30% effort reduction**
- **>90k hours saved**

#### **AML Alerts Case Management**

- Case Investigation
- Case Management
- SAR Reporting
- **40% effort reduction**
- **>20k hours saved**

### **Lending/Mortgage Operations**

#### **Mortgage Operations**

- Document Ingestion and Indexing
- Data extraction and validation
- Update LOS
- Onboarding & Submission to UW
- Post Close Audit
- Loss Mitigation & Default Servicing
- **70% improvement in agent productivity**
- **50% reduction in cycle time for loan**
- **>100k hours saved**

### **Customer Servicing**

#### **Contact Centre**

- Eliminate application swivel chair by providing a single automation interface
- Account Servicing
- **20% AHT reduction**
- **>1MM USD saved across 200 agents**

#### **Email Servicing**

- Classification of email & auto response
- **>30k hours saved**

#### **Chatbot Servicing**

- Integration with Chatbot
- Improved response rate

### **Legal & Audit**

#### **Legal Doc Processing**

- Categorize and extract data
- Policy & Contract data validation & administration
- **Reduce backlog**
- **136k hours saved**

#### **Testing & Control**

- Data sampling
- Execution
- **20X increase in sample size**
- **35X increase in speed**



These factors are crucial for financial institutions that want to empower faster, smarter regulatory compliance processing with robotic process automation (RPA). More Automation Opportunities in Risk, Compliance Customer Servicing & Controls .

# The right automation strategy for compliance

New regulatory compliance measures only heighten the need for innovative solutions to compliance management. Automation offers a myriad of flexible, customizable automation solutions that can scale to meet your needs unlike ever before.

Adaptability and personalization are key for financial institutions, which must meet the unique security demands of regulatory banking compliance. Robots can power many aspects of banking, but other sensitive details require human insight and decision-making.

**Rather than downplaying the importance of tasks that only a human brain can perform, the UiPath platform empowers the individuals in these positions by automating the repetitive, time-consuming tasks and data collection required to make smarter, safer decisions.**

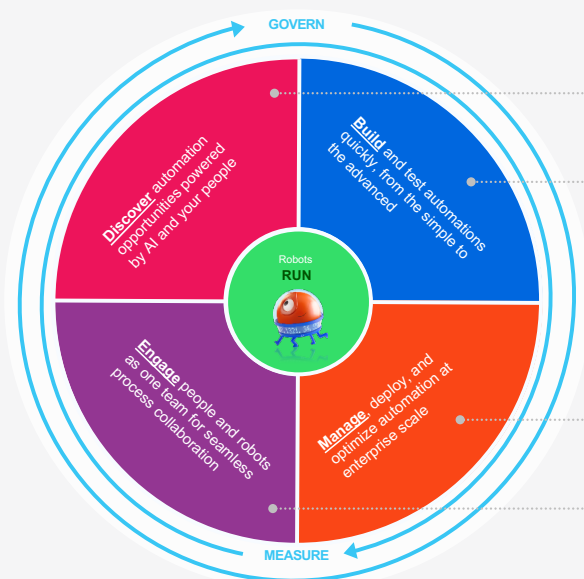
**Attended robots are best-suited for tasks that require human review or sign-off on important documents, like Identification documents, Source of Income**

**documents submitted as part of the KYC Process for account opening applications.** Humans are always present when attended robots are working, meaning they can review tasks as they're completed, every step of the way. This is important for managing access to secure documents and is essential for banks to meet regulatory compliance demands.

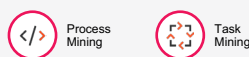
**Unattended robots are best for mundane, repetitive tasks that can be completed according to a rule.** This type of automation doesn't require human input, so it can be running all day and all night to power productivity. Batch tasks, like creating regulatory reports, performing rule-based data reconciliation can be completed more easily with unattended robots.

**For complex processes, a hybrid model along with AI capabilities is best.** Financial institutions will benefit most from personalized automation models that allow them to work in tandem with robots. Such hybrid models are most valuable for helping banks deal with semi- and unstructured data inputs, dispute management, exceptions handling, alerts management, and risk approvals.

## The UiPath platform enables: **unleashing AI across every facet of work**



### Scientifically identify automation opportunities



### Teach your robots new AI skills



### Deploy, scale, and manage AI



### Bring humans in the AI loop



# Automation use cases for better banking compliance

Understanding how a financial institution can succeed with an automation program is key to minimizing the burdens of compliance regulations and scaling for long-term prosperity.



## Capitalize on your RPA investments with new use cases

Break free from previous limitations and invigorate your automation initiative

- Process work end to end, faster and easier
- Deliver new compliance use cases with attended and hybrid automation
- Realize the full benefits of a more complete and expansive RPA opportunity



## Get control of your bank's compliance costs

Use intelligent technology instead of manual effort to achieve compliance productivity

- Rapidly reduce compliance backlogs
- Eliminate wasted efforts by making your processes more intelligent with pragmatic Artificial Intelligence (AI)
- Evolve your workforce strategy to meet today's banking demands



## Improve your bank's risk profile

Reduce regulatory risk and fines by leveraging a digital workforce

- Reduce manual errors down to near-zero
- Refocus your team's efforts on investigation and analysis
- Update automations as quickly as regulations change to keep pace with requirements

Below, we explore real-world examples of how financial institutions like City National Bank and Federal Bank are saving time and resources with attended, unattended, and machine learning automation across the four major automation use cases that can help financial institutions thrive, including:

- KYC and Customer onboarding
- Alerts Case management and fraud analysis
- Control testing and evidence requirements
- Mortgage remediation

**Automation isn't just a buzzword for the future. It's key to stop wasting resources on banking compliance demands and create a more innovative, future-forward financial institution.**





# Envision a New Future with Automated KYC and Customer Onboarding

Onboarding new customers is a highly regulated process that protects both people and their banks. However, customer due diligence (CDD) and know your customer (KYC) functions are bogged down by manual onboarding processes that are lengthy, complicated, and lacking in customer satisfaction.

An automation process that combines Document Understanding capabilities with attended and unattended robots can create a prompt onboarding process that accelerates adoption while maintaining security. Process intelligence has a big role to play in regulatory processes such as KYC and AML Case Management.

Handling KYC documents for retails, corporate, institutional customers is still very manual in the case of many financial institutions. Some of these KYC documents like passports, government IDs, tax returns can be standard, but a large number of documents like salary statements, registration certificates, company reports can be semi- or unstructured. Using a framework that allows extraction of data from these structured and unstructured documents can save a lot of human effort as well as reduce errors. This complemented with attended/unattended robot capabilities for validation of extracted information and data entry of information to onboarding platforms forms a perfect recipe for a robust end-to-end customer journey.

So, what does this look like in practice? Consider the influx of paycheck protection program (PPP) loans initiated at the beginning of the COVID-19 pandemic. To handle the surge in requests, City National Bank automated the SBA loan application to make it easier for customers to submit their applications.

**Using robots, City National Bank accelerated its capacity for processing PPP loan applications.** However, it didn't do so at the expense of customers or employees. Rather, this strategic response freed up time for their agents to meet customer demands, which has risen sharply during the pandemic. The best part? The SBA robot took just two days to deploy.

**There's no denying it: When a robot manages complex data and document preparation, it's easier for financial executives to review and sign reports when needed.**

This saves time and energy across all fronts. The humans in this interaction can also decide when correction is required, and they can establish clear control over the robot when necessary. This symbiotic relationship makes it easier to manage internal applications to oversee everything on your control testing checklist.

**“Client contact centers is going to be one of our next focus areas to see how we can implement automation and start to implement attended automation in all of our client-facing roles as well. We would like to get to a point where every colleague that’s client-facing has an attended bot to support them and to drive value for themselves and for the clients.”**

**David Hernandez**  
VP Process Excellence, City National Bank



## End-to-end automation can also boost speed and customer satisfaction.

Automation helped City National Bank save 40 hours per day across their team with the robots' help. As a financial institution trusted by celebrities and high-profile clients to deliver highly personal banking and investment services, City National Bank needed a faster, more efficient way to onboard.

They turned to UiPath, adopting two robots to assist clients with important onboarding tasks like ordering checks, requesting fee waivers, and ordering replacement debit and credit cards. All of these tasks, which once took hours when combined, now take mere seconds.

The increased processing of rudimentary tasks doesn't have to decrease customer touchpoints, however. **In fact, automation frees up employees to spend more time on mission-critical tasks like answering customer questions and interacting in a personalized, human-to-human approach that fosters customer retention.**

For more insights on how end-to-end automation furthers transformation across all areas of the financial enterprise, see our white paper on [business transformation](#).

### BY THE NUMBERS

**10x**

Client onboarding to under 1 min

**40**

Hours a day saved onboarding

**2days**

Time to deploy SBA robot

**3**

Unattended processes

## Automation of CDD/KYC for New Banking Customers



**1**

### Onboarding Request

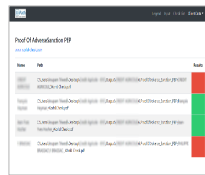
- Submission of requests through online channels or physically
- Initiation in attended or unattended mode based on channel



**2**

### Proof of Identity Verification

- Data Extraction from Identity docs & verification
- Human intervention for verification of cases with exceptions



**3**

### Sanction & PEP Screening

- Screening of name/s by searching on 3rd party screening solutions or through API calls if possible



**4**

### Risk Rating Approval

- Risk rating report preparation based on previous steps
- Analysis of risk rating and automated or human approval as per requirement



**5**

### Onboarding & Account Creation

- Account creation on core banking and other systems.
- Online banking activation & email to the customer

**Business Benefits:**  
hours saved per year

**>135,000**

Average cycle time went from 30 minutes to **3 minutes**

# Master Case Management, Alerts Investigation, and Fraud Management

Financial institutions have to screen millions of customers and transactions continuously. Most of the screening platforms produce numerous alerts, of which a large percentage of the alerts are false in nature. A lot of time and effort is spent in investigating these managing these alerts generated.

Attended robots can be triggered by the analysts for investigating these alerts. The robots can then perform activities like, pulling a report detailing past transactions, KYC data, and historical SAR filings to discover tangible evidence needed to demand justice. They'll also prepare a dossier for case analysts to review and intervene, ensuring there's always human contact for customers in distress.

**Attended robots are dependable partners in alerts investigations because they can scan through a customer's history in seconds.**

Once money laundering or fraud of any kind is detected, an automation program combining attended and unattended robots enables a quick review of all history. In fact, UiPath Robot has proven to access multiple applications across internal and external networks to detect suspicious activity.

Once this information is presented, it can be reviewed by a human fraud analyst trained in nuanced instances of mistrust.

Another area where financial services firms are introducing ML based automation is for the classification of alerts into different categories. With different alert and fraud scenarios requiring a specific set of actions, classification forms the first step before any investigative action can be taken. Firms have very easily trained the out-of-box classification models to suit their requirements and achieved accuracy results as high as 92%.



**The prompt, reliable identification of fraud, combined with the elevated oversight of expert analysts, helps banks boost compliance and prevent losses in the area of alerts investigation.**





# Win at Control Testing and Evidence Requirements

Control testing is essential for managing risk in all aspects of financial management. When it comes to sampling and collecting data, human error can easily interfere with efficiency and the ability to establish accurate results.

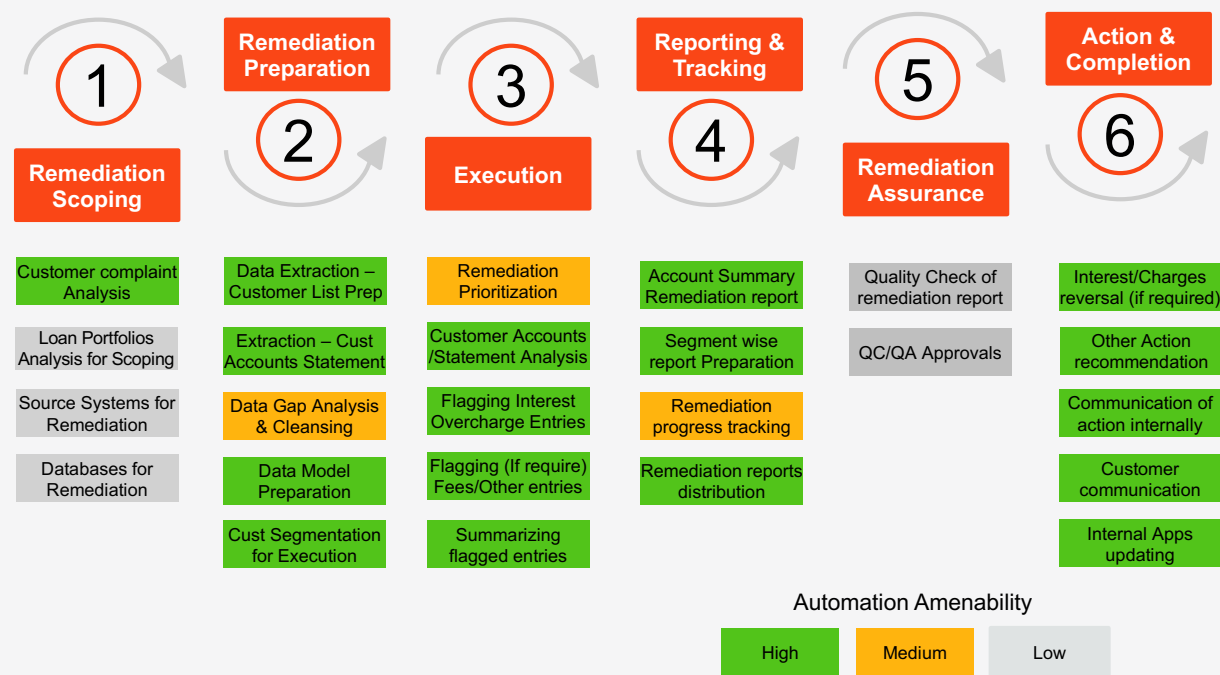
Fortunately, attended robots can conduct crucial data tasks, in addition to performing test procedures and performing exceptions. Another perk to using attended robots for control testing is that they can prepare documentation for a human auditor to assess.

Yapi Kredi, one of the largest Turkish banks used Robots to perform Control checks across the Loans process in the branches. As part of the automation, robots performed the operation of collecting required information and documents, integrated with ML models for checking information and signature controls. And for suspect candidates sent automated alerts to Audit and Controls Analyst for detailed investigation of suspects. The automation of the workflow resulted in a 20 times increase in the sampling volume for control testing, reduced the amount of manual time taken for material gathering and anomaly search. And finally assisted the auditors by leaving them more time for focusing on suspect scenarios rather than non-value-add data collection.



# How Automation Powers Streamlined Mortgage Remediation

## Automation Opportunities across Mortgage Remediation



Remediations occur at large volumes for banking enterprises, and they’re important for upholding industry standards and ensuring customer satisfaction.

They most often result from audit findings, customer complaints, or regulatory guidelines, and can involve anything from incorrect interest rate charges to inaccurate equated monthly installment (EMI) deductions. Such circumstances are inevitable in the lifecycle of a financial institution — especially those dedicated to meet changing industry demands.

However, the high number of remediations required makes it difficult for financial institutions to respond to these requests in a timely fashion.

### Automation can streamline this process through a blend of attended and unattended robots.

Specifically, a banking agent can work in tandem with a robot to review customer complaints and audit and analyze loan portfolios. Then, an unattended robot can be programmed to extract data and put it into the proper format, identify overcharges and erroneous withdrawals, and report back with an account summary to ensure proper incident tracking.





**By automatically identifying complaints and promptly responding to discrepancies while keeping an accurate record of it all, robots empower financial agents with more control over mortgage remediation.**

Federal Bank used the UiPath platform to keep compliance costs at a minimum while meeting crucial regulatory requirements in half the time. Faced with an insurmountable amount of data that needed to be processed in order to meet regulatory requirements, they need a way to process information quickly and accurately. Another major challenge was transferring legacy customer data into a new system — a massive task that was projected to take ten people across the course of an entire year.

But with UiPath, Federal Bank was able to automate this task and complete it within just six months. They also streamlined the implementation of a QR code. Using RPA, a process that once took seven minutes each time now takes.

Federal Bank turned to UiPath for a scalable, error-free automation solution that helped them manage their most important tasks with ease and transcend their largest pain points.



India's Federal Bank uses RPA to achieve a 0% error rate in their reconciliation processes. They also decreased the amount of time required to meet regulatory compliance deadlines by 50%



**“The UiPath Robot helped us get it done in 50% of the time it originally took. We were able to get this important project done in six months as opposed to the year or more, that we first estimated”**

**Shalini Warriar**  
Chief Operating Officer, Federal Bank

# Banking compliance demands innovation, and automation is the answer.

A strategic automation program can help your company remain resilient despite local and national challenges. The result? A long-term strategy that helps you thrive now, and scale later. Increasing preparedness now only makes it easier to contend with the imminent challenges of the future.

Still, we understand that adopting an automation program is overwhelming. Our platform is specifically designed to be accessible and scalable for companies at all stages of the automation journey, regardless of your industry or long-term goals. We have all the tools and knowledge you need to leverage RPA to create a modern, efficient financial institution. Ready to get started?



Check these customer stories to learn more:  
[City National Bank](#) and [Federal Bank](#)



[Check this blog post](#) to discover the key trends shaping the use of AI in Banking and Financial Services.

.....

## Why UiPath?

UiPath has been named a Leader in The Forrester Wave™ Robotic Process Automation, Q1 2021 with the highest rankings in the Strategy, Market Presence, and Current Offering categories, of all evaluated robotic process automation (RPA) vendors.

The ability of automation to help humans remove the mundane parts of their jobs has led to significant growth in the past few years. UiPath has a vision to deliver the **fully automated enterprise™**, one where companies think **‘automation first’** and apply automation where it makes the most sense and can have the greatest impact.

We believe that automation as a boardroom priority shouldn't be new or surprising anymore. Now the race is on towards a greater vision for automation's role across the entire enterprise: scaling and scope extension. UiPath offers an **end-to-end platform for automation**, combining the leading RPA solution with a full suite of capabilities that enable every organization to rapidly scale digital business operations.

The world is changing every day and we're proud to continue to change with it while also maximizing the value automation and AI can bring to our customers all around the world. We are focusing on empowering every company to become a fully automated enterprise—unlocking unlimited potential—but that's just one of the many things in store for UiPath. We hope you'll join us every step along the way.



To find out more about  
UiPath, visit [uipath.com](https://uipath.com)