

# Revolutionise document management in banking

As mobile technology continues to revolutionise the way customers approach financial transactions, banks are increasingly looking at business process outsourcing as a bridge towards modernisation. *Future Banking* talks to Joerg Vollmer, CEO of **Swiss Post Solutions**, about how the company is continuing to innovate business process outsourcing and robotic process automation solutions that reliably cut costs and maximise efficiency savings for clients across the banking sector.



“Our strong international client base relies on our ability to envision, design and build end-to-end solutions, as well as to be their trusted adviser for the key value drivers in business process management services,” affirms Joerg Vollmer, the CEO of Swiss Post Solutions (SPS). Employing more than 7,500 staff and with specialised partners spanning the full range of the financial services industry, SPS helps businesses across the world with a specific focus on Switzerland, Germany, the UK and the US discover new internal efficiencies through business process outsourcing (BPO).

“We cover the entire life cycle of document management,” says Vollmer. “These services span all physical and digital retail business processes, including payments, credits or investment advice. We achieve this by digitising paper-based information therein at the very beginning of the transaction’s life cycle.”

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The results of SPS’s interventions have been striking. One of the company’s most prominent clients in the banking sector was able to push through workforce savings of 30% by seeing over three quarters of all incoming mail electronically distributed according to Swiss Post’s recommendations. Another client – a leading retail bank in Switzerland – managed to reduce costs by almost a third when it let SPS optimise its payment transactions. A third client – Cembra Money Bank – achieved significant savings by outsourcing its internal mailing system to the company.

“Naturally, an institution like Cembra often has large fluctuations in the volume of its incoming and outgoing mail,” recalls Vollmer. “It has relied on the ability of SPS to handle varying volumes to an impeccable level of quality, thereby serving their customers quickly at all times. We implemented a system that scans all incoming documents and makes them available digitally to the individual departments on the bank’s IT platform. The physical originals are then archived by SPS in a 2,000m<sup>2</sup> archive and destroyed using a secure process after a set period of time.”

## Consider all the factors

All of this would not be possible without SPS having paid keen attention to the rapidly changing regulatory framework that governs the actions of financial institutions. Vollmer and his colleagues understand better than most the balance that needs to be struck in this area, between demands for increased transparency in day-to-day operations and the need for greater long-term resilience.

“Regulators have taken the lead, encouraging and, in some cases forcing, firms to address any underlying deficiencies that may be encountered in their organisational culture,” explains Vollmer. “However, many banks now fully understand that addressing behaviour at this fundamental level has commercial benefits far beyond mere regulatory compliance. The real challenge they face now lies in how to embed appropriate values in practice.”

The first challenge in meeting these requirements lies in keeping pace with the rapid technological changes that have helped transform the way customers approach making a financial transaction. One key example has been the increasing use of mobile banking channels; between 2012 and 2014, the number of customers using such products almost trebled.

“The problem for most banks is that their core systems were implemented before the internet was even envisaged,” says Vollmer. “They rely on a patchwork of legacy systems that aren’t fit for such a revolution in digital financial products. Bank branches, for example, originally emerged as transaction centres for depositing cheques and processing cash. As paper gives way to mobile interfaces, that model

has diminished in importance. Yet it does not mean that, in the 21st century, the bank branch is necessarily redundant, but it does need to be reinvented."

### Innovating futures

What SPS delivers to banking clients in this environment is two things: stability and precision. The firm has managed to maintain its position as one of the sector's leading BPO and DPO processors by drawing on the accumulated experiences and relationships of its time in the financial services sector while simultaneously remaining agnostic in its approach to service delivery models.

"That is enhanced by our capability to understand the work flow and business processes of banks and insurance companies, and our willingness to be flexible when it comes to new technology," says Vollmer. "After all, business processes can easily vary from one bank to another. Our aim is to analyse the entire life cycle of our client's documents and propose technological solutions that enable them to achieve their goals in terms of cost reduction and speed."

One of the key ways in which this is achieved is in robotic process automation (RPA). The solution gains efficiencies for the customer by leveraging software capabilities made possible by recent breakthroughs in computing power, including natural language processing, machine learning, and speech recognition. "RPA technologies can and will be used in a lot of different process areas," Vollmer explains. "It's designed to assist in areas that require a significant amount of creativity or intelligence, such as deal structuring."

### Repetition breeds perfection

While RPA is not designed to replace human input outright, it is extremely beneficial when applied to high-frequency processes or repetitive tasks. "It's certainly not about eliminating jobs," Vollmer explains. "Rather, it is intended to be used to support current staff in areas, such as customer service. Automation of this kind naturally allows banks to scale down the number of staff committed to certain processes and, in some cases, actually bring offshore processes back to headquarters."

This is buttressed by a firm commitment to the basic security of its software services. "Financial processes are commercially sensitive, so it is important to ensure that the processes that are deployed meet the organisation's security requirements," says Vollmer. "In fact, many of our new customers are amazed by the level of security that SPS is able to provide for the entire process chain. Integration with enterprise directories makes it easier to manage authentication and authorisation, and the virtual machines that run the robotic processes are also secured against tampering. Lastly, these security measures are backed by a robust auditing service that makes it possible to review the actions taken by the RPA platform."

Perhaps unsurprisingly, client IT teams aren't always so welcoming when it comes to the installation of RPA platforms by an external provider. Understanding of these concerns, SPS goes to

great lengths to allay any lingering worries about data and system security by including them in every step of the installation process. "We explain the safeguards inside the solution and include them on the governance team," says Vollmer.

Underpinning all this is SPS's tailored service level agreements, which grant the company's clients a vital level of flexibility with regard to the scaling of their BPO solution. "We see our capability to fulfil our service level agreements as a clear differentiator," Vollmer says. "All of our services include a 'business continuity' setup, where we can produce at an alternative site at any time, with new IT systems and trained personnel."

### Digital priorities

Vollmer and his colleagues fully realise that their work is part and parcel of the growing imperative within the financial services industry to keep pace with rapid technological change. "Digitisation [of the banking sector] is a phenomenon that is still accelerating in size and scope," he says. "At its core, it allows banks to automate and process reams and reams of data almost instantly. Therefore, it's always important to think hard about which technology investment will hold the highest strategic importance in years to come."

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It's an issue that's constantly in the backs of the minds of SPS's own C-suite. "Our focus will be to strive to keep up with technological development to create a truly engaging customer experience, which can attract and retain today's teenagers," says Vollmer. "After all, according to some scientists, children today may be the first among us to live to 150. What does that say about the future of mortgages, pensions and savings? And within the context of digital distribution of data within a networked world, what will money look like?"

Ultimately, Vollmer believes, turning to SPS for its BPO and RPA solutions allows financial institutions to cut down on the lengthy development time it takes to automate processes when relying on their own IT departments. "They want a partner who has opted for a technology that can be up and running smoothly in a comparatively short amount of time," he says. "Furthermore, we're able to offer flexibility and scalability on a level that keeps disruption of other resources within the organisation to a bare minimum." ■

### Further information

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