



CUSTOMER DISPUTES AND RISKS? ROBOTS TO THE RESCUE.

Abstract

The pandemic severely challenged Olivia Wilson, a Senior Vice President at an American banking giant. With customers shifting to online transactions and rising cases of fraud, her risk teams faced an unmanageable number of disputes with pandemic-era regulations mandating drastic reductions in case resolution times. This case details how robotic process automation (RPA) not only helped Olivia side-step the financial and reputational implications of regulatory non-compliance, but also gain a promotion at the bank.

Rising Risks

Olivia Wilson is a Senior Vice President for an American banking giant, responsible for managing its risk, disputes, and claims processes for several lines of businesses. Since 2016, Olivia had outsourced several processes under her care to be managed by Infosys BPM from three delivery centers in India. With Infosys BPM's excellent service delivery, the partnership had grown from strength to strength, with the initial team size of over 200 expanding to more than 300 by 2020.

The bank was faced with unexpected change however, in 2020, when the COVID-19 pandemic struck. Customers increasingly adopted digital channels

for their banking needs and online fraud also saw a corresponding rise. Resultantly the volumes of dispute cases filed by customers regarding unrecognized or unauthorized transactions in their bank statements began rising. In addition, the Regulation E mandate that was issued during the crisis, reduced the timelines for settlement of customer disputes from 8 days to 3 days. The effect of both these developments — the greatly increased workload and sharply reduced timelines — was that Olivia's teams were beleaguered and unable to function effectively.

To avoid the financial implications of regulatory non-compliance and the

reputational risk of not addressing customer disputes in time, the teams needed additional support and needed it quick. So, Olivia called Rachit Shukla who headed the Infosys BPM team supporting the bank and asked him to quickly ramp up its headcount. However, because the dispute processes were fragmented, the new agents would need to be trained in all the sub-process' with frequent refreshers due to the steep learning curve involved. This would be both time consuming and cost intensive over the long haul, and so Olivia also tasked him with also automating the fraud management processes wherever possible.

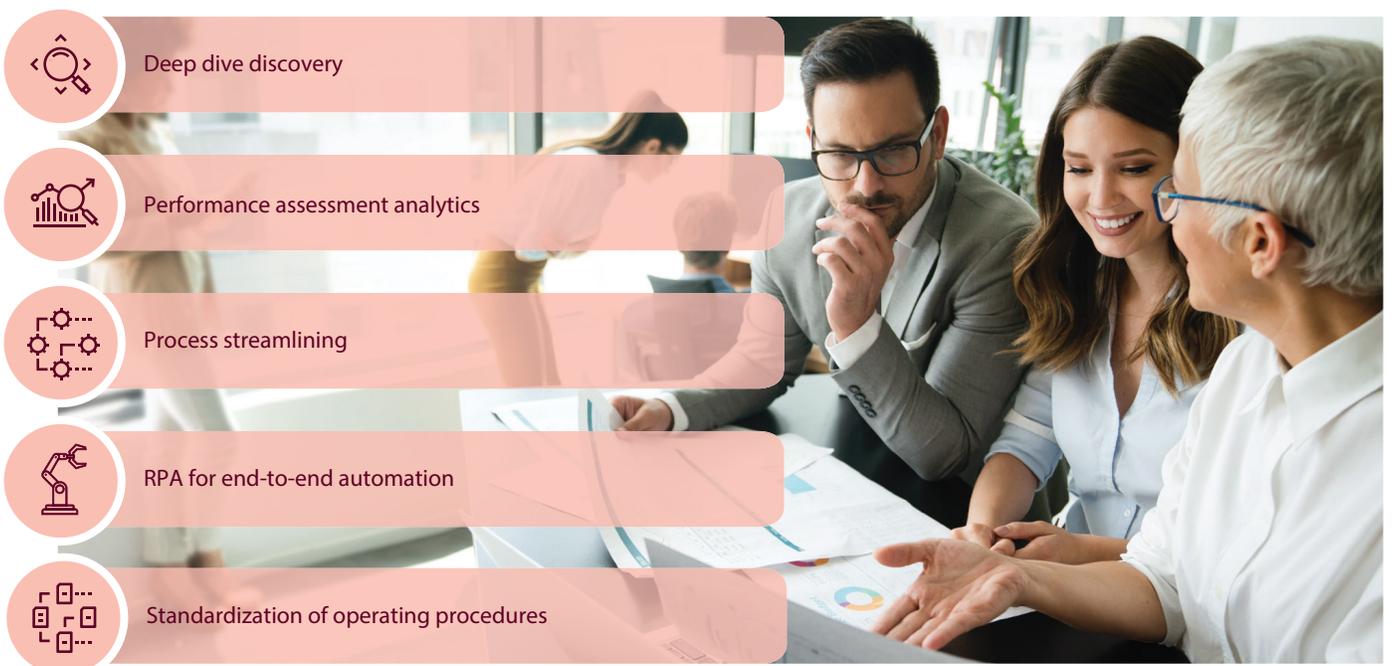
Raising up the bots

Rachit began the work on hiring for his team, which would eventually scale up from its strength of 300+ in 2020 to over 500 by 2021. In parallel, he started assessing the bank's enterprise fraud management processes for robotic

process automation (RPA) opportunities. These processes involved the Infosys BPM team manually reviewing the claims by customers of overdraft fees wrongly applied to their accounts due to fraud or incorrect debit and rebating them

where eligible. Sharma, Infosys BPM's transformation specialist deployed Infosys' Intelligent Document Processing (IIDP), which completely automated the process of bank data extraction.

Approach summary



Rachit's assessment involved detailed process walkthroughs with SMEs to determine their nature, complexity, and risk; technical assessments; and cost-benefit analyses. He quickly realized that the claims review processes involved monotonous, routine tasks wherein 80% of cases did not actually involve any incorrect application of funds and so did not require issuing rebates to customers. These claims could be easily closed by applying certain automated business rules. Only the remaining 20% of the cases required actual research by the agent to rebate the customers.

Based on the feasibility analysis, Rachit identified 70% of the process to be in scope for RPA implementation and submitted a detailed solution plan for approvals by the business stakeholders. The solution entailed automating all the rule-based activities that utilized structured inputs or formats. If structured inputs were unavailable, Rachit's team would re-design the process to ensure manual cleanup of the inputs for the robot. While the preference was to automate entire end-to-end processes, wherever

this was infeasible, Rachit had identified activities repeating across processes for automation, as well as processes with common rules or reliance on common screens for consolidation. The solution plan also detailed redundant activities that could be eliminated, towards minimizing human intervention and breaks in the RPA.

After obtaining a sign off on the plan, Olivia and Rachit set up a structured governance model with daily, weekly, and monthly cadences to ensure timely delivery of the automation milestones. Participation by both Infosys BPM and the bank's management, risk, and project teams would ensure that key issues and risks would be raised, discussed, resolved, reviewed, and mitigated.

Then Rachit's team carried out a detailed requirements gathering exercise to set-up the identified processes for automation, after which they proceeded to develop the RPA automation tool. It utilized a multi-bot architecture which would help reduce the pressures of the case load through multiple bot runners simultaneously working on varied processes based on their volumes.

The team developed and deployed all these bots as well as the applications they would use within a Citrix development environment to meet the stringent data security needs of the bank.

To reduce the development time, Rachit's developers used reusable objects and a step-up production approach. This involved slowly increasing the load on a bot from 10% to 100%, and then identifying and applying changes to the code based on the bot's behavior. This process continued for one month with proper manual quality checks to ensure 100% accuracy from the bots. The bots were also designed to handle any application access issues by reattempting access thrice at predefined intervals, failing which it would automatically send email notifications to the business and support teams. The bot would also automatically notify the support teams in case it faced any intermittent stoppages in its own operations, and the support teams could then use these notifications to trace the reasons, identify business exceptions, and measure bot performance.

The rewards of efficiency

The bots proved to be extremely efficient as well as 100% accurate once deployed across 96% of the bank's enterprise fraud management processes. With the average

process handling times reducing by 70%, from ~4 minutes to just over 1 minute, customers enjoyed a 62% reduction in lead time for closing their disputes, from the

earlier average of 8 days to just 3 days. The automation also proved to be extremely scalable with the bots processing up to over 1,100 requests a day.



Key benefits



The tremendous accuracy of the bots eliminated the need for Olivia to conduct quality checks on 80% of the requests, and their efficiency enabled her to reduce

her team's headcount by nine. And in addition to the bank gaining over \$73k in cost savings, and the customers enjoying faster resolution of their claims, the bots

delivered another impressive benefit. For successfully managing the entire project, Olivia was recognized and was promoted to Risk Director for her line of business.

**Names have been altered to preserve the identities of the people involved.*

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