The Espresso Guide to **Digital Banking Without Breaking the Bank**

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What's an "Espresso Guide"?

Here's the second in a series of "Espresso Guides" from Sinequa.

Full of fresh thinking, these e-books wake up a subject by concentrating solely on what you need to know. Just the beans!

Sip away. Enjoy *The Espresso Guide to Digital Banking Without Breaking the Bank.*

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Breaking the Bank

Digital disruption blew through banking leaving empty branches, silent call centers, and employees at home. Ready or not, the pandemic offered no choices. Banks who had spent years discussing digital transformation were scared into action in days. Financial Institutions hacked and scrambled digital banking services together to meet customer needs. These tactical responses worked. The banks survived. Yet frictions and gaps in the digital banking experience continue.

Banks still need to transform themselves strategically and sustainably. But they can't break the bank, in terms of either cost or risk, to achieve transformation. Meanwhile, bank profits flatten or fall and risks rise.

However, the sprawl of legacy systems beneath the typical bank makes delivering frictionless digital finance difficult. Dismantling these legacy systems is both expensive and risky.
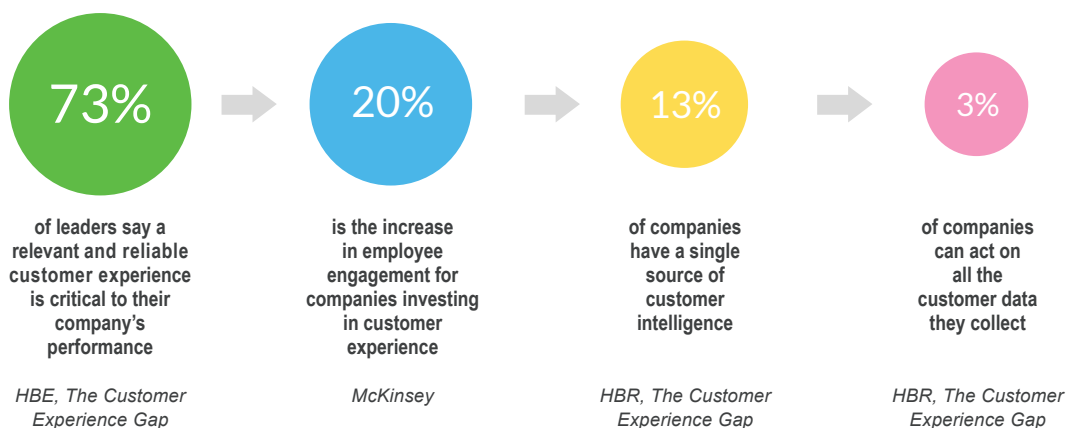
Digital disruption challenges all banks. These challenges range from broken views of customers to unfinished digital workplaces. In addition, some critical workflows, such as in risk management and internal audit, stay mostly manual.

Broken Views

A seamless digital experience means moving customers smoothly between each step in their journey. Customers may start with self-service. Then, they may want to talk to your call center. Finally, in normal times, they might walk into a branch, or during pandemics, they may make an appointment to visit.

Customers call, chat, or visit but can't get quick answers to their questions. This creates gaps in the customer experience. Employees could bridge these gaps if they had the right information at their fingertips. Meanwhile, a steady stream of new employees join banks eager to engage with customers but drown in systems-and-silos training. Still, banks embark on ambitious AI projects disconnected from everyday challenges. All this means banks have a broken view of their customers.

As with many companies, banks try to compete on better customer experience but lose the connection along the way. The *Harvard Business Review* calls this *The Experience Gap.*

73%	**20%**	**13%**	**3%**
of leaders say a relevant and reliable customer experience is critical to their company's performance	is the increase in employee engagement for companies investing in customer experience	of companies have a single source of customer intelligence	of companies can act on all the customer data they collect
HBE, The Customer Experience Gap	*McKinsey*	*HBR, The Customer Experience Gap*	*HBR, The Customer Experience Gap*

Successful digital banks bridge the gaps and connect every element of the customer experience by delivering information and insights to the right person, in context, at the right time.

Unfinished Digital Workplaces

Banks must modernize how they work. A complete digital workplace enables employees to work anywhere by giving them all the information they need. Employees need the ability to work in the office, at home, or anywhere in between. Before Covid, most banks were building digital workplaces, even if they lacked a business strategy and a complete plan. Too often, these were collections of technologies with clouds, content platforms, apps, and analytics. Without the basic building block of a unified view of information and insights, these workplaces were unfinished when Covid came.

Digital workplace projects planned to last years were compressed into days. Employees who had only ever worked in a physical office were sent home to work. After the initial lockdown, 71% of call center agents worked remotely compared to 14% before Covid, according to Genesys.

In particular, call center workers struggle to work in this new world.

> "Advisors have turned into call center agents, but from home. They no longer have easy access to their colleagues, so they can't confer easily on difficult customer questions,"
>
> —John Finneran, Financial Services Marketing, Sinequa

Isolated at home, agents were stranded trying to answer questions without all the information they needed.

> Sinequa recently researched digital workplaces across Europe. For example, in the UK, 61% of surveyed employees said it was harder to find information when working remotely.

To do their jobs, employees spend hours searching across silos and systems for information. Well-designed digital workplaces ensure these problems stay at the office.

Digital bank workplaces won't work without information and insights — the missing building block. Bank employees need a unified view of their information delivered in a familiar search-based experience. Designing digital workplaces around the well-understood search concept also increases adoption.

The Analog Auditor

Long an area of resource and time-intensive research and analysis, bank risk management functions need to transform digitally too.

Internal audit, in particular, strains to satisfy all their stakeholders. Starting at the top, bank executives seek assurance of that all material risks are identified and reviewed by an independent audit organization. Simply sampling sections of the bank's business may mean missed risks and a qualified sense of assurance.

Meanwhile, internal audit has to confront the alphabet of regulatory acronyms and try to keep up with the multitude of financial regulators. In the European Union, regulators include the EBA, ESMA, and ESRB. For the U.K., there's the FCA, OPBAS, and the PRA. Finally, in the U.S., regulators include FDIC, FinCen, FINRA, OCC, and the SEC. Compounding the challenges for internal audit, there are the expected (and unexpected) regulatory examinations to handle too.

Often the tools for internal auditors trend more analog than digital. This stresses internal audit team members. It's the same story for the bank supervisory teams. Digesting piles of structured data is hard enough. But that's minor compared to understanding the 90% of data that's unstructured and hidden in documents, such as board presentations and asset-liability management reports.
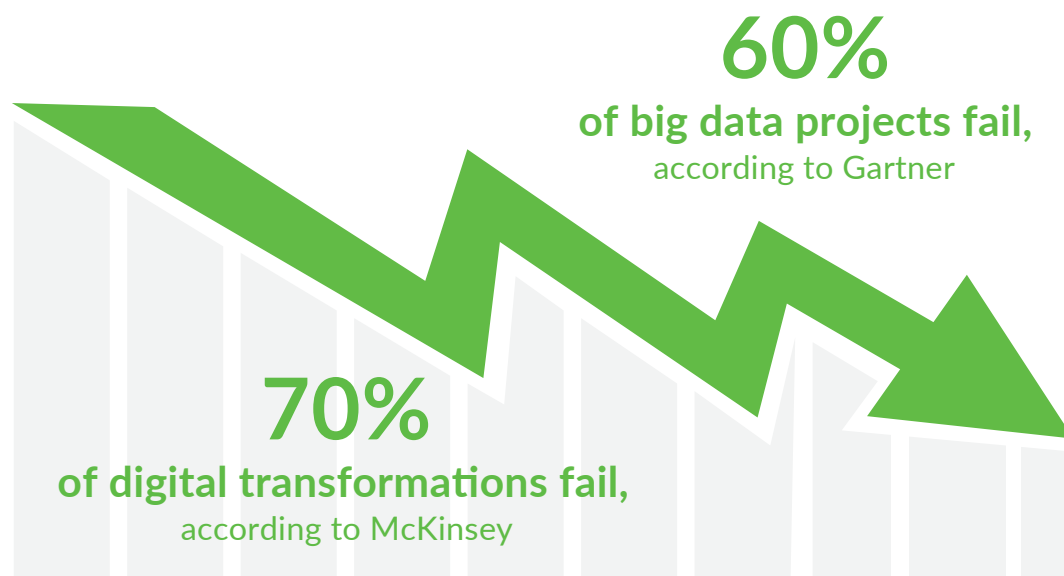
Neither the regulated banks nor their regulators can do their jobs effectively with the current tools.

The Digital Dilemma

With fintechs seducing younger customers with exquisite user experiences, customers won't wait for the incumbent banks to catch up. Banks must transform digitally to:

- Bridge the gaps in digital customer journeys with information.
- Finish building the digital workplaces for every employee.
- Assist audit and risk management professionals with AI-powered tools.

But there's a dilemma. Digital transformation comes at great expense and high risk.

60%
of big data projects fail,
according to Gartner

70%
of digital transformations fail,
according to McKinsey

Digital banking initiatives cost tens or hundreds of millions. That's a big bite out of your bank's budget, even if you're a banking behemoth spending billions every year on technology. But what if you're a regional or smaller bank. You can't afford to mimic the banking giants. Yet, you still need to make your bank digital. The traditional approach of overhauling legacy systems and indefinite integrations is too slow and expensive. And despite your excellent relationships, your customers won't wait!

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Digital Banking Without the Disruption

Digital banking doesn't have to mean disruption. With intelligent enterprise search, your bank can:

- Deliver digital sales and service without disrupting legacy systems.
- Build digital workplaces for your branch bankers and call center agents, so they have the information they need wherever they work.
- Retrain staff quickly as you reinvent bank branches to serve customers digitally.
- Achieve M&A benefits faster using a no-integration approach to post-merger integration.

Traditional approaches that require heavy integration or dismantlement of legacy systems, won't work for banks who need to transform digitally. They take too long, raise risks, and frustrate employees. Customers want a seamless, digital-first experience.

But banks can transform faster with lower risk using a search-based approach. Rather than rebuilding and integrating multiple systems, banks simply index all their content across every location and format.

Here's a visual overview of the benefits for Sinequa's low-integration approach to digital transformation.

Read on to learn about four use cases where Sinequa's intelligent enterprise search platform has helped customers move to digital banking without breaking the bank.
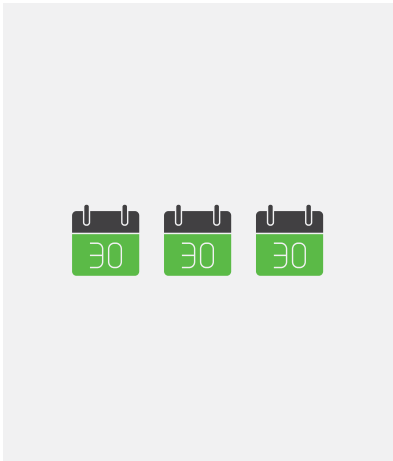
Time to Benefits

Employee Disruption

Traditional Integration
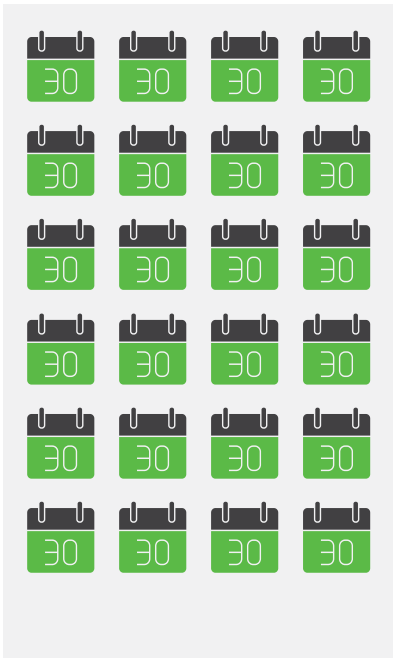
2 Years +

Learn many disparate systems

Low Integration

1-3 Months

Single familiar search interface

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Use Case 1:
Digital Workplaces That Work

When customers called one of France's largest financial institutions, they presented a challenge to call center agents. The call center agent didn't know the nature of the policyholder's query until the call began. Then, the policyholder asked their question...and waited.

> "In eighty to ninety percent of the calls, policyholders ask for information, not to buy something," says Stephane Kirchacker. "They call to find out what their policy covers. They ask very specific questions."

Finding accurate information quickly was difficult for these agents. Then, they had to help the policy holder before their patience ran out.

> "The agents had to search through tens of thousands of documents that described the insurance products. The annual revisions to policy language made this even more complicated. They had to find the policy from the year the coverage was issued ... find the answer ... and deliver it to the caller. All this had to happen while that person waited. It was a mess to find information and this caused customer satisfaction scores to go down."

> — Stephane Kirchacker, Head of EMEA Sales at Sinequa.

Actions

Sinequa deployed its enterprise search platform to help this financial institution answer questions for its millions of customers. To do this, Sinequa transformed the existing body of 50,000 documents, so users could search for a document with just one click. Then, Sinequa developed the vocabulary dataset, so call center agents could identify the key concepts hidden in the caller's query. With this, they could quickly search what the caller needed, and locate the relevant answer. Sinequa's NLP solution reduced the wait and average-handle times. Critically, this solution also met the key customer requirement of using the existing interfaces and databases. Legacy systems stayed untouched.

Results

Through close customer collaboration, Sinequa delivered a tool with built-in NLP that gave call center agents not just the right document, but the right part of the document. To save call handling times, the solution did not require agents to open the documents. Instead, it delivered the answers to their queries in preview form, so they could digest the information easily and satisfy the caller.

Digital-first customers expect reliable, accurate, and immediate answers. Sinequa's search platform helped to:

- Reduce confusion and the time needed to address caller queries.
- Progress towards digital banking without overhauling the firm's legacy systems.
- Answer nearly 90% of customer questions input into Sinequa Search with high relevance and speed. This has improved customer satisfaction and employee engagement.

Use Case 2:
The Complete Customer View

Challenge

Crédit Agricole, the world's 10th-largest bank, with over 140,000 employees working to satisfy over 50 million customers in 47 countries. Their retail bank needed a faster way to personalize customer experiences when starting a new in-branch interaction with a customer. However, the bank faced a huge challenge. Employees wasted time searching siloed systems to find content and records. Even establishing customer identities across systems was hard.

Crédit Agricole wanted faster responses to customer calls. They needed to give their bankers a complete view of a customer across the bank's many systems.

> "Every process in the bank's branch or the call center starts with identifying the customer, looking them up in the system,"

says Stephane Kirchacker.

Indeed, Crédit Agricole couldn't help customers before they were identified. This created gaps in the customer experience and frustrated employees. Crédit Agricole needed a solution to access customer information quickly and suggest new products promptly.

Actions

To assist agents search its database of millions of customers and find answers, Crédit Agricole partnered with Sinequa. Together, they developed and implemented AI-Powered Enterprise Search.

Crédit Agricole chose Sinequa for two major reasons:

- Create great user experiences and accelerate adoption with a simple, familiar search interface and continuous iteration with business users to expand adoption.
- Maximize ROI with a single platform to enable many use cases across multiple lines of business.

> "Our primary goal was to combine ease of use, relevancy of results and the best possible service to our customers. Sinequa understood our requirements and, more importantly, our business."
>
> — Patrick Kleer, a Deputy Managing Director at Crédit Agricole

In partnership with Crédit Agricole, Sinequa deployed its intelligent enterprise search platform to:

- Consolidate five data centers into a single green data center.
- Create a unique, highly interactive end-user application.
- Extract and interpret data from over a billion documents.
- Add dynamic contextual analysis for faster, more accurate search results.

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Results

Crédit Agricole and Sinequa worked together to build enterprise search that worked across the whole bank. The bank now uses Sinequa to provide 360° customer views spanning the bank's portals, emails, and business applications. Used in both the bank's branches and call centers, Sinequa Search quickly determines the customer's identity. Then, it delivers personalized product information and offerings to enable the immersive customer experience the bank sought.

Through its partnership with Sinequa, Crédit Agricole improved customer service and gave employees the contextual customer information they needed. The solution's built-in NLP cut the time needed to find content and enhanced the customer journey. The result: a seamless experience for both the agent and the customer.

With Sinequa's NLP enterprise search solution, Credit Agricole can now search content across the whole bank.

8 billion	**2.6 billion**	**2.0 billion**	**600 million**
customer transaction records	customer documents	internal bank documents	emails every year

To support this complex. multinational institution, Sinequa Search handles high peak volumes smoothly. This enterprise search application can accommodate some 1.3 million queries per day with a peak of 120 queries per second. This ensures a complete customer view is never more than a click away for the bank's customer-facing employees.

Use Case 3:
The Regulatory Radar

Challenge

The internal auditors at a public sector financial institution spent days assessing which regulations applied to their bank. During audit engagements, this bank's 1,000 auditors struggled to keep up with international, European, and country regulations. Working out how to test for these regulations in their audits was even harder.

This review of the regulations before, during, and after each engagement cost the audit group a lot of time. These wasted hours were better spent assessing bank risks, testing processes, and expanding audit coverage across the banks operations.

This internal audit group strained to fulfill its mission effectively and efficiently. They needed a better way to identify regulatory and compliance risks and evaluate the bank's risk-management practices to manage and mitigate them.

Actions

The bank partnered with Sinequa to help its internal auditors find a more effective and less time-consuming way to identify and understand the regulations that were relevant to the bank. As part of this initiative, Sinequa indexed some 500,000 regulatory and compliance documents from across all the countries where the bank operated. Sinequa then added the bank's internal policies and procedures—an additional 150,000 documents—to this effort.

Sinequa built an NLP solution to house these regulations. Adding a simple user interface made them all accessible. Auditors could now use the solution to identify internal policies, procedures, and external regulations relevant to their audit engagements. Then, Sinequa abstracted these documents into the NLP solution and indexed them for topics and keywords.

Results

With Sinequa Search, the bank's internal audit group could prepare for audit engagements more efficiently. This solution speeds up the day-to-day work of these auditors when they need to review or interpret a regulation.

Through the solution's built-in NLP, audit management found their staff spent less time searching for regulations. This freed auditors to spend more time testing and doing deeper audits. The increasingly digital audits assured bank executives that bank risks were managed proactively. It also helped the bank prepare for regulatory examinations.

With Sinequa's NLP solution, internal audit could provide deeper audit coverage in individual engagements and expand coverage across the bank's businesses. This provided management and other risk management stakeholders with a more complete view of the bank's audit and risk profile.
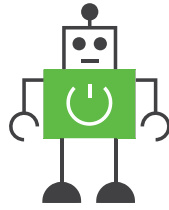
Use Case 4:
The AI-Assisted Auditor

Challenge

At a mid-sized regional bank, internal audit managers felt frustrated with how long some engagements took. They traced the problem to the checklists that auditors used to execute their audit programs. Even with the checklists, auditors spent entire days reviewing the hundreds of pages contained within the ten to fifteen supporting documents referenced by the checklists.

Internal audit management recognized the checklists helped make audits more consistent and documented comprehensively. However, the execution and documentation of audit testing took too many hours. This resulted in reduced audit coverage within individual audit engagements and the larger audit universe.

The audit department needed to make audits more efficient to cope with increasing demands on audit teams with limited resources. They needed to rethink their checklists and how they worked.

Actions

This regional bank partnered with Sinequa to develop a search solution that automated the audit checklist. Sinequa's NLP-driven software would also provide more specific guidance to auditors as they executed their audit program testing. Requirements for the NLP solution included the ability to collate evidence and check test results This was crucial to audit management and external auditors so that they could understand the audit procedures and results.

Over several weeks, Sinequa worked closely with bank management and internal audit leadership. They enhanced the checklist so auditors could simply link to the paragraphs within the source documents they needed, rather than reading documents in full. They designed a user experience that integrated with the bank's legacy systems. Throughout this initiative, all parties targeted reductions in testing time and audit reperformance testing as important goals for the project.

Results

Sinequa's NLP solution transformed the internal audit testing process. These auditors moved from a mostly manual and analog process with auditors turning pages and searching for the passages they needed to a digital, automated workflow. Levering the AI built into Sinequa, auditors could find accurate answers faster.

> "For one checklist," says Stephane Kirchacker, Head of EMEA Sales at Sinequa, "it took an auditor a day to complete the checklist and then another auditor needed even more time to review the work before sign–off. With the Sinequa solution, this time was cut to just one hour."

Audit management saw the hours spent on audits fall. This allowed auditors to conduct their engagements more efficiently. Auditors also increase the scope and depth of their testing procedures. This allowed audit management to increase the coverage, depth, and speed of audit engagements across the bank.

Forward-thinking risk management and internal audit departments can realize financial and operational efficiencies by exploring AI-based search-and-discovery tools. With intelligent enterprise search, internal audit functions can reduce the time and resources needed to plan, execute, and report on their audits.
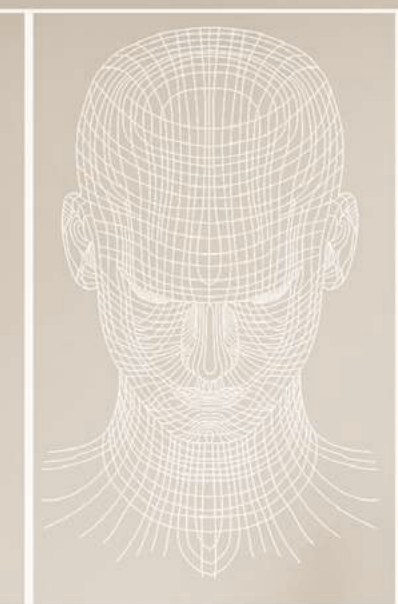
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Commit to The Enterprise Search Manifesto

If you want to achieve digital banking without breaking the bank, start by committing to *The Enterprise Search Manifesto*

Written in the same spirit and style as The Agile Manifesto, Sinequa can help you uncover better ways of developing search-based applications by doing it and helping others do it.

By working and helping our customers, we have learnt to value:

- Individuals and information over data and silos.
- One platform over a collection of point solutions.
- Relevance over random answers.
- Dynamic understanding of intent over static interpretation of queries.
- Build tailor-made search applications to get your specific job done better.

Do You Have a Secret Use Case?

You can use Sinequa's enterprise search platform for almost any use case or search-based application in banking.

The platform works across retail banking, wealth management, business/ small medium enterprise (SME) banking, and corporate banking. And we're taking enterprise search further into the future with deep learning. To stir your thinking, here's a handful of banking use cases Sinequa's platform can handle with aplomb:

- ◗ Fill the information gaps in new customer onboarding for consumers and businesses.

- ◗ Help relationship managers prepare for pitch and update meetings faster with a complete view of their clients.

- ◗ Assist wealth advisors with a 360-degree view of their clients financial well-being across systems.

- ◗ Do deals faster with low-integration M&A for both pre-deal diligence and post-deal integration.

- ◗ Dive deeper into assessing credit risks, especially, for privately held business customers.

Contact us with any use cases you can't keep secret anymore.

Learn more at www.sinequa.com
Schedule a demo