

UiPath® on Tour

AI at Work



LONDON





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AI at Work

Combine traditional lean methods with Intelligent Automation to deliver operational excellence



Agenda

- 1) Overview of Close Brothers & Our Automation Journey
- 2) Building an Operational Excellence Toolkit
- 3) Use Case – Transforming Our Underwriting Journey
- 4) Close Brothers Use of UiPath Document Understanding
- 5) Applying Lean Principles to your Automation CoE

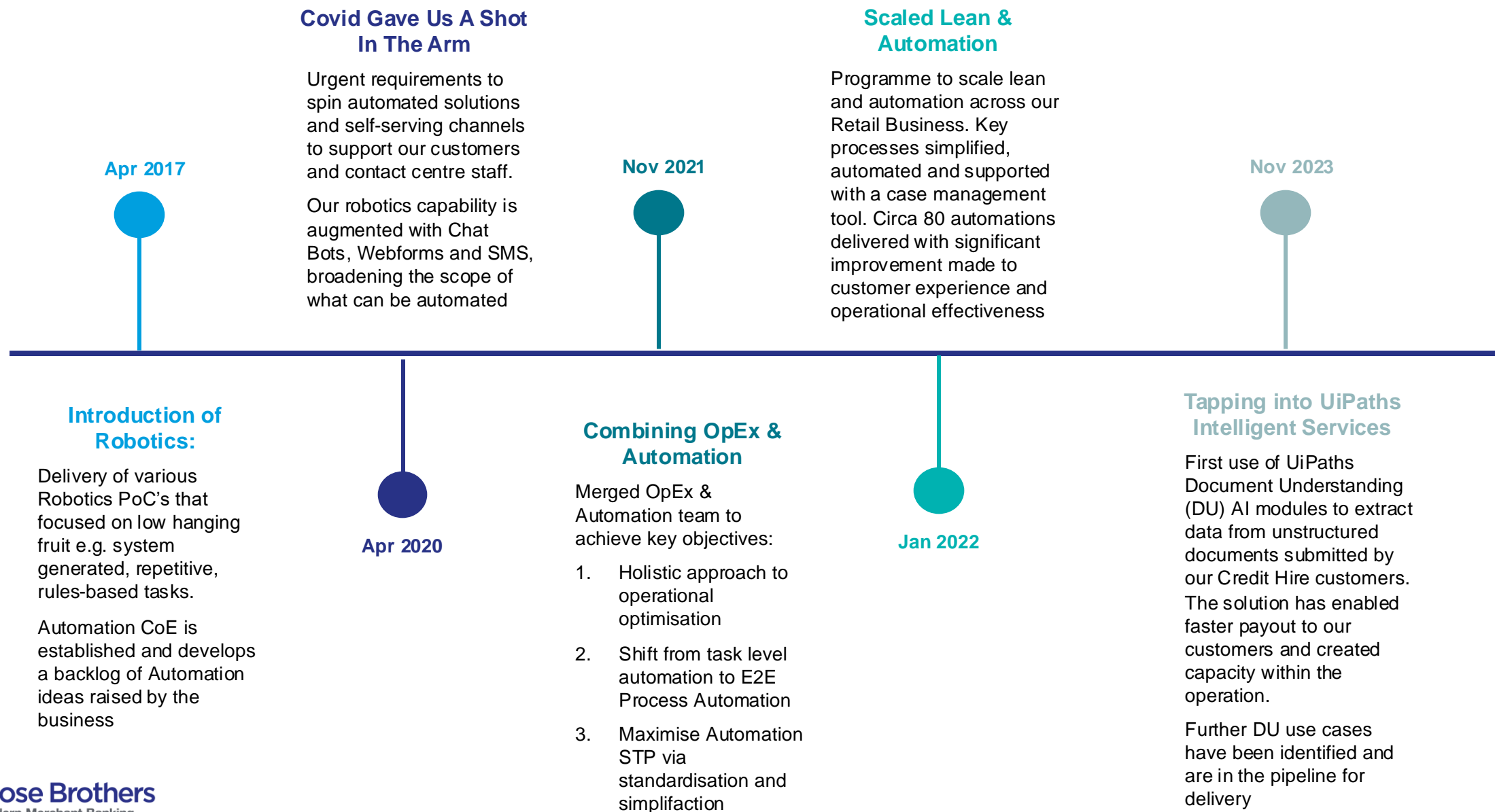
Operational Excellence and Automation at Close Brothers



Close Brothers is a leading UK merchant banking group providing lending, deposit taking, wealth management services and securities trading

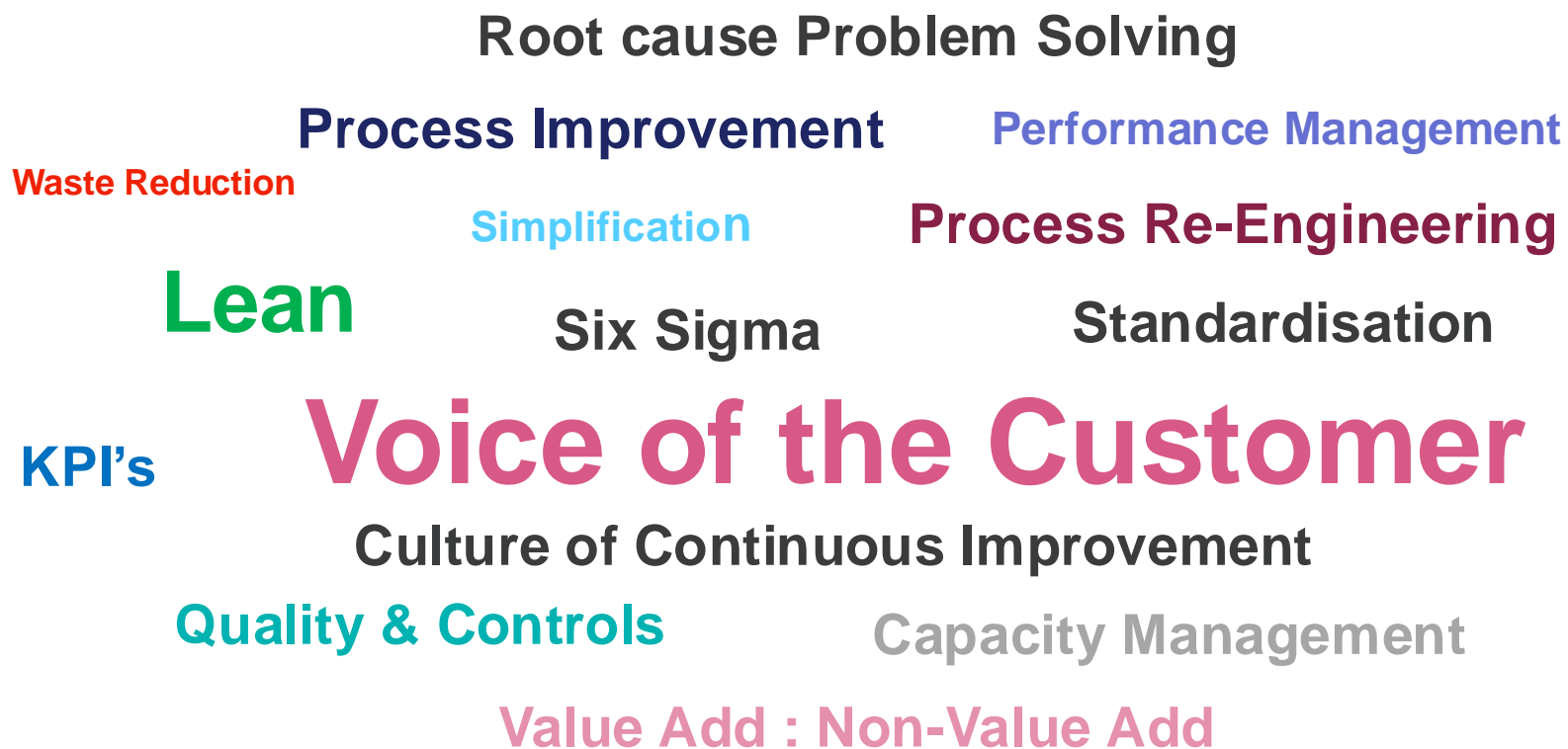


Overview of Our Journey



What is Operational Excellence?

Operational Excellence means a lot of things to a lot of different people



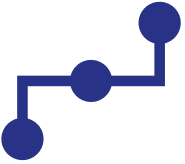
‘Operational Excellence is the output that can be **achieved through applying lean principles and techniques**; there is typically a focus on value for our customer, process & performance improvement, problem solving and creating a culture of CI’

Automation Alone Will Not Help You Achieve Operational Excellence

Common process and operational challenges that limit the effectiveness of your Process Automation



Lack of CI Culture – No desire to improve process, performance and service



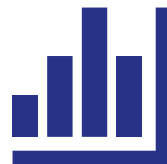
Inefficient Process Flow – Bottlenecks, rework, waste - a disjointed process



Lack of Standardisation – High variation in the process creating many exception paths



Misunderstanding of Customers Requirements – Services and Processes which don't hit the target



Limited Performance Mgmt Practices – What does good look like?

Building Your Operational Excellence Toolkit

At Close Brothers we're building a holistic toolkit to tackle a broad range of process and operational challenges



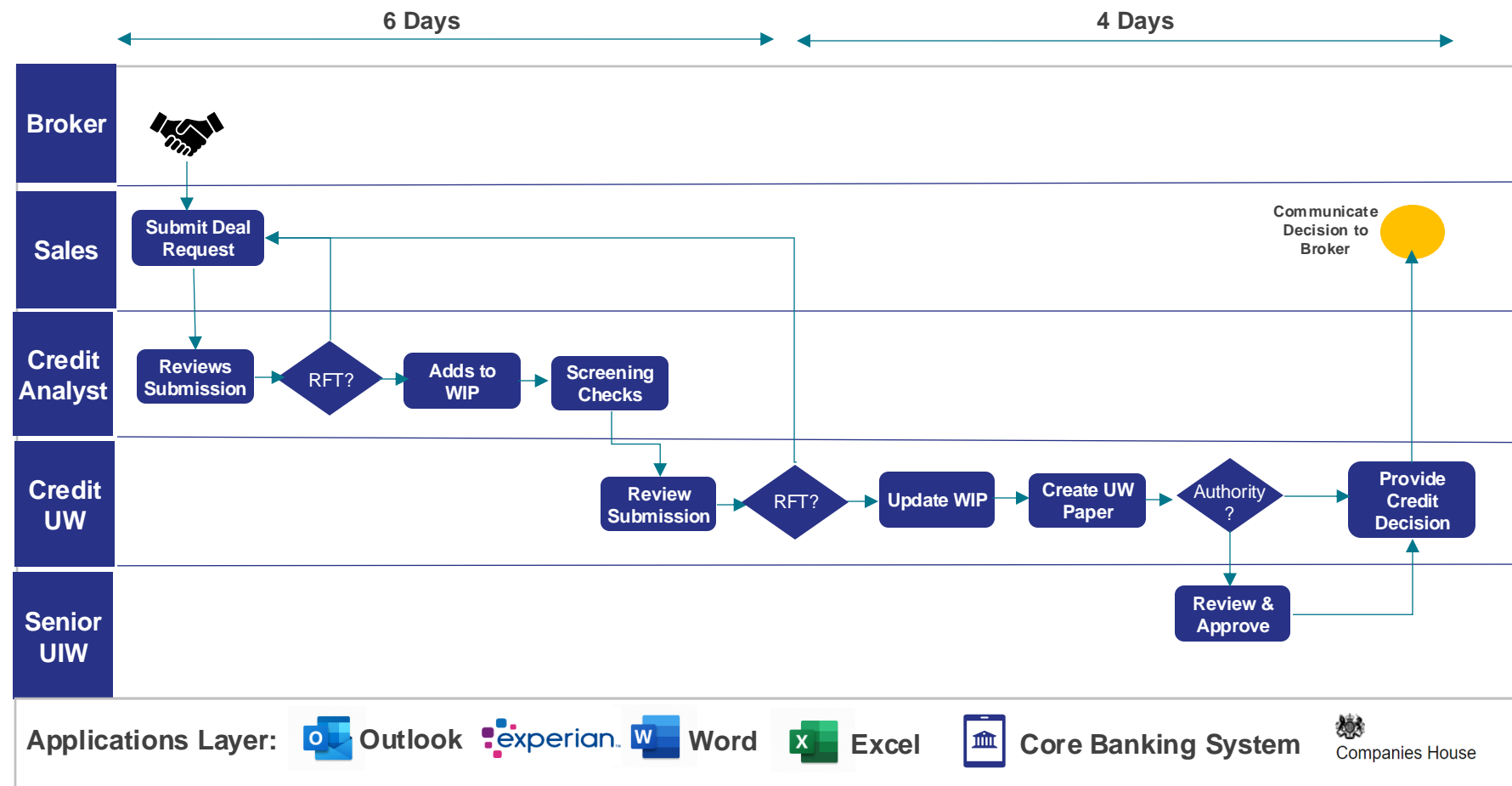
Bringing traditional Operational Excellence frameworks together with a suite of enabling technologies provides you with a flexible approach to tackling problems with your process. Implementing in isolation can limit value creation.

Bringing the Toolkit To Life

Transforming Our Credit Underwriting Journey

Underwriting Large Commercial Deals

A manual process that was elongated through unnecessary handoffs and high failure rates



Key Process Challenges

- **Manual Processing** - All deals received go through a manual underwriting process
- **Overprocessing** – Low risk deals treated the same as high risk
- **Poor Data Quality** – Only 25% of submissions received have the correct data, in the correct format
- **Duplication of Effort** – Multiple roles carrying out the same checks
- **Multiple Handoff's** – Non-value adding handoffs, creating wait time between stages
- **Process Orchestration via Excel** – Deals manually pushed through the process with limited control
- **Limited Underwriting Authority** – creating additional handoff for 4 eye review
- **Limited Visibility of Deal Status** – Driving high volume of chasers into the team

Applying Lean & Automation to Underwriting

By bringing traditional lean methodologies together with Automation and Low Code, we were able to transform our process

Lean Solutions



Process reengineering to create a fast-track journey for low-risk deals. Step away from a one size fits all and apply appropriate risk profiling



Rationalise the number of handoffs in the process – Extend remit of specific roles within the process to eliminate handoffs



Rationalise and define a standard set of Underwriting requirements and train these out to the Broker – Improving right first time on submissions



Define underwriting authority requirements and implement training plans – Reducing the number of deals that are escalated to Senior UW for review



Define key performance metrics and targets – Enabling appropriate performance management practices and the ability to drive continuous improvement

Technology Solutions



Structured Digital Input – Structured digital input to prompt Brokers to supply all information in the correct format. Improving RFT on submissions



Low code workflow to orchestrate the process – replacing management by excel / outlook and provide real time visibility of deal status



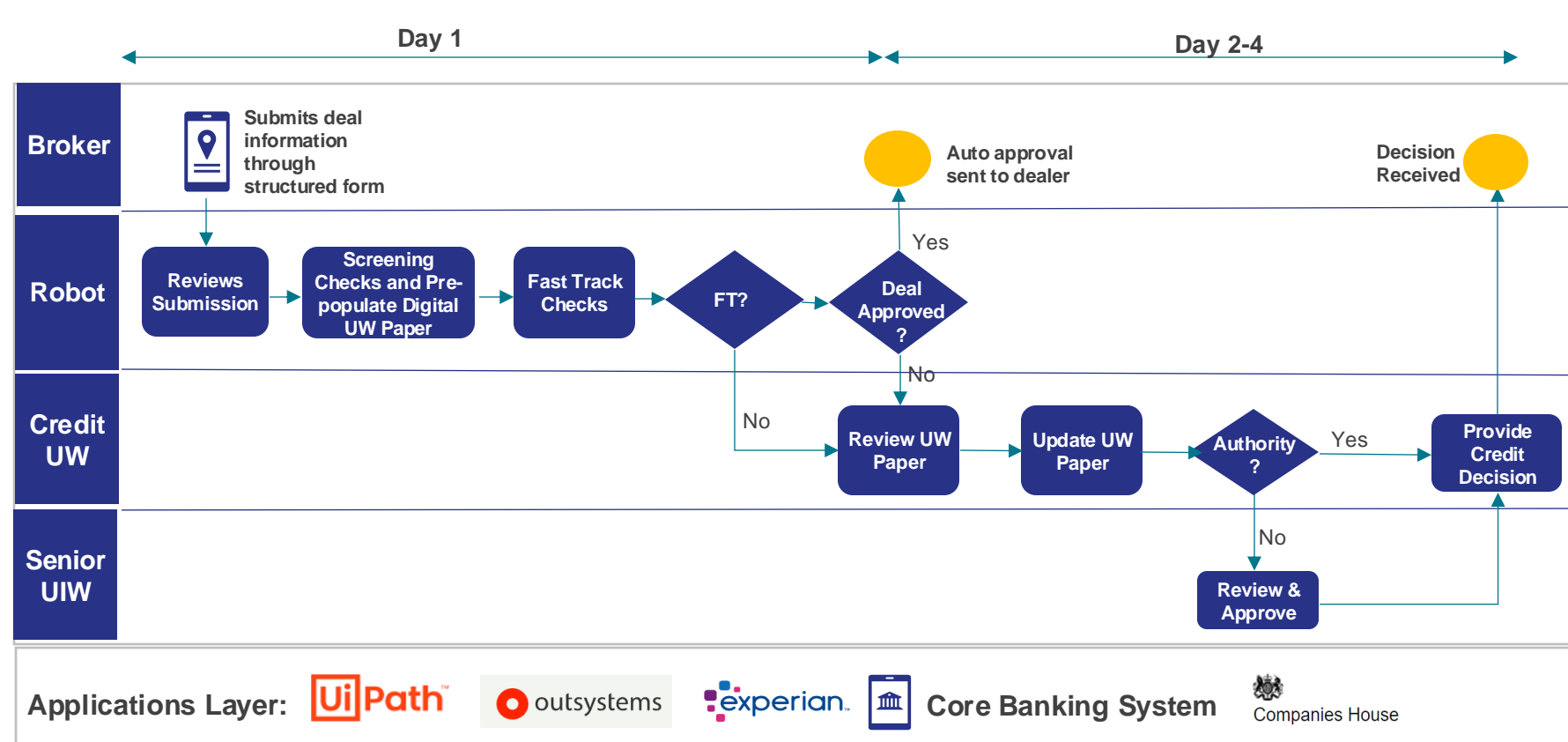
Automate deals which meet the fast-track parameters and affordability assessments across all deals – Reducing lead time and creating capacity



Interactive dashboards to provide visibility of key performance indicators, enabling performance reporting without manual effort

What Does Our Underwriting Journey Look Like Now?

Lean, automated and providing faster credit decisions to our customers



Benefits of the New Process

- ✓ **Same day approval** for low-risk deals
- ✓ **Improved right first time** on submissions
- ✓ **Removal of 2 unnecessary hand-offs'** from the process
- ✓ **Capacity created** using automation and removal of unnecessary processing
- ✓ **Fewer deals passing to the Senior UW** for review and approval
- ✓ **Rich performance data captured** from the workflow enabling the team to identify and problem solve issues
- ✓ **No more excel and outlook** updates
- ✓ **Real time visibility** of case status, enabling quick identification of bottlenecks

Whilst, automation alone would have created capacity, leveraging a holistic lean and automation has transformed the customer experience and enabled increased automation throughput (98% STP)

Expanding the Toolkit

Close Brothers Adoption of UiPath Document Understanding

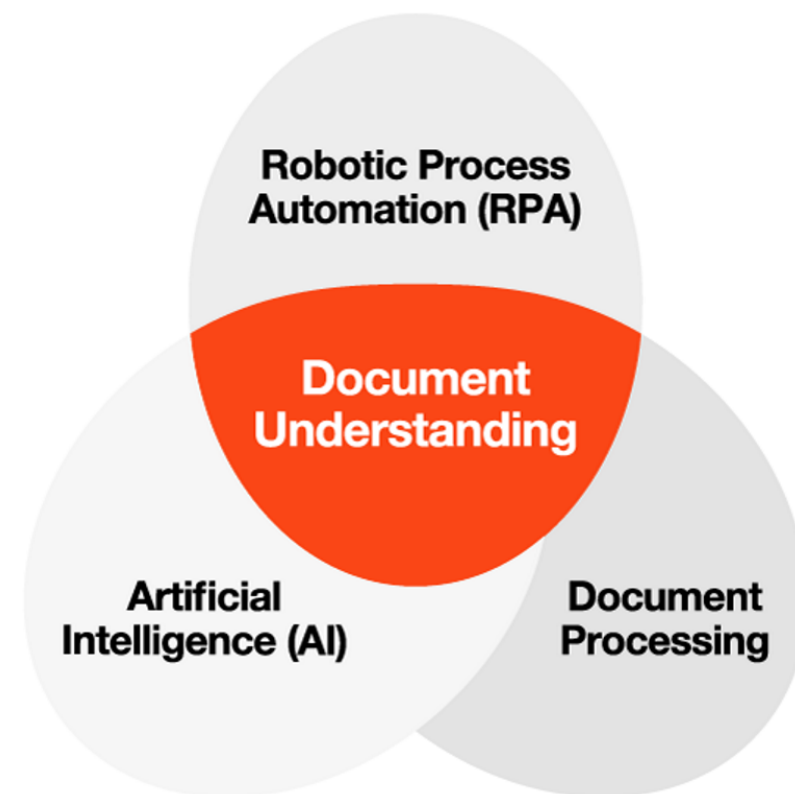
Leveraging UiPath Document Understanding at Close Brothers

Document Understanding has been a valuable addition to our toolkit - enabling automation of processes which leverage data from document types and storage formats such images, PDF's and objects (Logos, signatures etc)

Historic Challenges with Automation at Close Brothers:

- As a regulated lender, a high proportion of our **processes require customer authentication**, proof of funds etc
- This is often in the form of **semi-structured documents**: Invoices, utility bills, contracts etc. Inc Images and PDF's
- **High variation of documents received** – Content and layout
- **Traditional RPA methods have limited success** in consistently extracting information from the documents, rendering many processes 'not fit for automation'

Close Brothers are now leveraging Document Understanding to overcome these challenges:



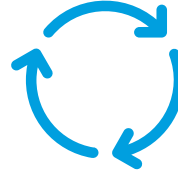
Document Understanding - Delivery and Results

Our venture started with a PoC – Allowing us to understand the effectiveness of the solution, create an operating framework and establish a set of repeatable security, data protection and resilience guardrails before deploying into production



Mobilisation to Design

- **Identification of a low-risk use case**, initial considerations around human in the loop
- **Engage key IT functions**: security, dp, compliance etc to bring them on the journey
- **Define and gather your data requirements** (Documents). To avoid retraining, be thorough in identifying the required fields for extraction



Training and Delivery

- **Training Document Understanding** – For our project, we trained the module on 500 documents (20 of each document type)
- **Set up action centre** to enable exception handling and feedback for the module
- **Define your confidence thresholds** that are appropriate to the use case – We started with <70% and later increased to 90%



Results and CI

- **Out of the box DU had a success rate of circa 55%** on our documents
- **Success rate of +95% post training** on the documents which we receive, this was achieved within circa 2 weeks
- **AI Centre is extremely user friendly** and doesn't require a Data Scientist to train the module

Applying Lean Principles to Your Automation CoE

**Continually Improving Your Service &
Proposition**

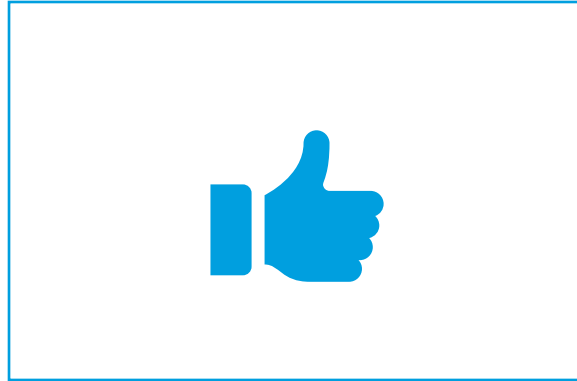
Applying Lean Principles Within Our Automation CoE

As an Automation CoE of 7 Years, it's important to continually improve and ensure the proposition continues to add value



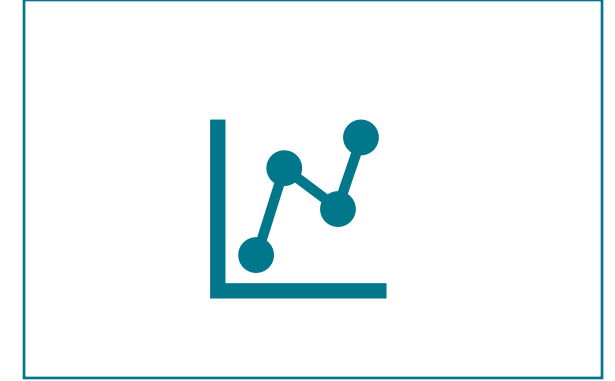
Listen to your Customers

- ✓ Have a mechanism for **understanding your clients'** challenges and requirements
- ✓ **Reach out for regular feedback** to ensure your services are continuing to hit the mark
- ✓ **Continually adapt your service proposition** to ensure it meets your clients' needs



Communicate Your Value

- ✓ **Transparency of Automation Performance:** Dashboards reflecting cases processed, capacity created etc
- ✓ Regular playback and **reporting of benefits to sponsors** and key decision makers
- ✓ **Look beyond cost benefit** – Improving customer experience, operational risk reduction, quality improvements etc



Continuous Improvement

- ✓ Create **an adaptive, agile delivery approach** – Regular retrospectives to identify improvement ops
- ✓ **Encourage Op Improvement** – License utilisation, automated control room monitoring, < incidents etc
- ✓ Challenge the performance of your automations – **problem solve exception trends**

3 Key Takeaways

- 1) Automation alone will not deliver Operational Excellence – Use it as part of an extended toolkit and you will reap more reward
- 2) Expand the use of Automation by tapping into UiPath's Intelligent Services – Document Understanding has enabled us to Automate processes which were previously deemed 'Not fit for automation'
- 3) Understanding your clients' challenges / requirements and adapting your service proposition is essential for adding continued value