

## AI - The value architect for Banking

Vishal Khurana, SVP Middle East & Africa, shares his views on evolution of AI-use cases in BFSI in Middle East



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### AI MAKES IT POSSIBLE!

- **5X** Increase in bank's Relationship Managers productivity
- **90%** Reduction in ave. loan disbursal time via algorithmic risk analysis and automated underwriting
- **Less than 5 mins** for 'time to approval', **Less than 12 hrs** for 'time to cash' possible via AI-driven lending workflows

This article does not discuss the potential of Artificial Intelligence (AI). I think much water has flown under that bridge, and the consensus worldwide vouch for its colossal power. Rightly put across via an estimate, the potential impact of AI for the Middle East amounts to US\$320 billion by 2030! The UAE government also recognizes AI as one of the key tools to achieve its objectives of the UAE Centennial 2071.

UAE has witnessed a fintech revolution of sorts propelled by the digital revolution over the last decade. AI is being leveraged across the back end to the front end of the banking tech stack for various use cases, some more mature than others. Chatbots, biometrics, anti-fraud & risk assessment, complex legal and compliance workflows, credit underwriting, intelligent contracts infrastructure, and KYC.

## ► Practical AI use-cases

AI can be used to build a sustainable, real-time, hyper-personalized, and structured banking ecosystem. Talking of specifics, from delivering augmented analytics on customer data, enabling automation, and building intelligent customer 360 for hyper-personalization, AI can be used for fraud monitoring and real-time issue resolution!

- Facilitating hyper-automation for loan or credits decision to deliver efficiency with minimum to zero errors, compliance risks, and quicker decisions. It can help eliminate the risk of duplicate data entry, prepopulate customer information from multiple systems seamlessly, assist in accurate information capture, and speed up the identity verification process. Beyond this, it can cull out specific customer patterns to evaluate creditworthiness and customer lifetime value and also alerts if there is a probability of default!

AI/ML models can power intelligent, customizable journeys and lending workflows, and enable hyper-automation through robotic process automation (RPA) for speeding up operations, reducing operating risks, and keeping cost to serve within tight limits.!

- Transformative customer experience vows to be the key differentiator amongst enterprises across. For customers, convenience and quick redressal are given, however a wow service goes beyond this. Tailored financial products or services that match their financial goal, Voice stimulated banking service for efficiency, a completely digitized documentation process, auto-filling and data extraction with OCR capabilities, 24X7 omnichannel access to the banking services etc are fast-turning benchmarks. Banks delight customers with speed, transparency, payment flexibility, and convenience.
- Avoiding risks but boosting instant decisions via AI-driven models that enable banks with automated underwriting and faster disbursals. The model analyses the risk in each customer transaction, thereby giving a holistic risk profile, translating into wider coverage and inclusion. Hyper automation automates identify verification and its validation. Smart, configurable business rule engines backed by automated underwriting allow for disbursals in minutes.

## ► Getting Ready for The Autonomous Banking

In the digital-first world, AI is only set to chart newer benchmarks for banking, an era of Autonomous banking – a 'Zero Ops Model' where BFSI delivers services with no human intervention and in real-time! These banking services would have to be intelligently automated by reassembling, rearranging, and reorienting banking tech stacks to design customer journeys and better anticipate customer needs intelligently. The suitable suite of composable tools can enable a robust zero-ops model and reinvent customer expectations!

While this is a futuristic idea, the evolving infrastructure capabilities and adoption of innovative and disruptive technology aided by a progressive fiscal environment at the helm in UAE can be a reality very soon!