Revolutionizing banking with intelligent automation: KeyBank Chief Transformation Officer -

Transcript:

(00:06) we've heard Mahir and the automation anywhere team talk about not only where we're going as an industry but where automation anywhere is going which was very exciting to me so I'm going to talk to you a little bit today as Gary said about everything old is new again and if I did this right in the next 13 to 15 minutes in conversation you'll understand what that means because you're probably all thinking that's an interesting title right now I'm going to walk through some themes and Frameworks that KeyBank has used

(00:37) over roughly the last five to ten years I'm going to talk a little bit about why we use those Frameworks and I'm going to talk a little bit about did I think if they were successful or not so as we go in I first want you to read the tagline and I want to see this question have the tech advances or are the tech advances that we have now enabling us to reach our objectives to reach them differently to reach them more effectively than they have in the past if you heard a little bit about what Mahir said earlier

(01:10) he may have gave the answer away slightly but that's the thing that I've been thinking about probably for really the last eight to 12 months is is Tech has just continued to go faster and faster and the Key Bank we've been on a five-year hyper automation Journey and I'm going to talk a little bit about that as well so as we jump in I want to get to our first framework straight through processing by raise of hands how many have tried to get end-to-end processes or straight through processing within their company

(01:41) okay keep your hand up high if you've successfully achieved that kind of cheating me here I had to put my hand down and I'll talk a little bit about why and I saw most of you in the audience and do the same as well straight through processing is a great framework and how it gets you to think but I'll talk a little bit about why I think we need to adjust that as we go forward in the future another one lean Six Sigma I don't know if there's any black belts in there I'm a black belt so I feel licensed to pick

(02:12) on it a little bit here and yeah I see a bunch of hands coming up so lean Six Sigma is a framework been around for quite some time in the financial industry I would say probably the last 10 to 15 years it's been much bigger and the question I go back as I have I looked in retrospect over what we've been doing at key is has lean Six Sigma help us drive true transformation or significant step change in really pushing the boundaries of what we've been trying to achieve again it's a great framework as a leader

(02:46) it's a framework I will always carry with me and I use almost daily but are there some adjustments we need within lean Six Sigma the last framework build versus buy I've heard many cios in companies vacillate back and forth between build versus Buy I would say the last decade roughly quiche started shifting from a build more to a buy company a lot of that was Around Talent trying to get full stack Developers the little thing you call translation here's what I want boy that's what you delivered

(03:22) I'm sure no one in here has ever seen that before and that problem so we shifted to buy really looking for Simplicity speed to Market ease of relying a little bit and leveraging subject matter expertise and concentrated companies competing with fintechs over the last five to eight years we've had to move faster so some of that was either getting Partnerships with those fintechs or with buying software solutions to allow us to have that speed and that ease if we go forward I'm going to talk about how I think these have helped us

(04:05) and in some ways how they have it over the last decade so I'm going to go straight through processing straight through processing again from a concept it's great how do I open a checking account hopefully in minutes in the future versus a day or two how do I get mortgage down from industry average probably 25 28 days to seven days that appraisal thing kind of still messes that up so we still got to figure that out but we can get down to a week we've modeled it out it's possible the issue with straight through

(04:41) processing and I'll keep on the mortgage lens if you look at mortgage and a client coming straight through generally what we do as Banks is we'll offer you points if you have direct deposit with us so now you need a checking account maybe we want a credit card or you want a credit card coming in well now we do what what we call the swivel chair experience I got to ask you a set of questions over here hold on I'm going to ask you the same set of questions over here and maybe a third time just for fun because you want three

(05:08) products and we love you so that swivel chair experience is a bad client experience that's a bad employee experience it's clunky it's convoluted so while we made a mortgage experience it was really good we didn't think horizontally we just thought vertically we didn't think about how the ecosystem from a process perspective works together and generally on average for us a consumer coming in is a brand new consumer if they're getting a mortgage they're getting at least one or two other products at the same time all the

(05:37) time so that means a hundred percent of the time there's a clunky experience that's not good that's not what we want so how do we think vertically in understanding what we want to drive but how do we understand that horizontal ecosystem around it and really make sure that that end-to-end process is is holistic so again a very good concept not one I would throw away one I want to bring forward I just want to tweak it a little bit in how we're thinking lean Six Sigma for all the yellow belts green belts

(06:08) black belts Master black belts in the room again core part of of what I've always done where I look at lean Six Sigma there's two things I'll pick on and I think some people have gotten through this with the Coraline Six Sigma lean Six Sigma you focus on the how I always talk with my team Miku who's up here has seen this the art of the possible when you walk in and look at a process and you map it your art of the possible goes from here to here you now are looking at constraints within that process

(06:39) right you're going to look at how do we move those blocks maybe we automate something maybe we stop redundancy I would rather go in with the mindset of what is it we're trying to do go back to the mortgage example the client wants a mortgage well what do they want they want a mortgage fast right they want good rates they probably want other products how do I do that so things are funded very very quickly simply for the client how do I gather data through aggregator so I'm not asking as many questions

(07:13) lo and behold if they're already a key client somewhere how do I get that data faster and how do I decision their credit even faster than we can today right so I want to go in and I don't care frankly about how we do it today I'm going to understand what is it we're trying to do so we can set up a process for tomorrow and this always makes me think of Henry Ford as some of you may know this quote he always said if I ask my customers what they wanted they would have said Faster Horses so Henry Ford could have been the best

(07:41) horse breeder we've ever known he could have created grain maybe a worldwide veterinary services for horses but he understood what the client really wanted they wanted to get from point A to point B faster and more comfortably had nothing to do about the horse the mode now we have the automobile that's transformation that's what I want to try to drive a key that's what I'm getting cited about and we'll build up to because I think the technology is finally catching up to the concepts we've been driving

(08:14) so if we focus on the what we really want to do versus how it's done today we think about the ecosystem those two things together are game changing and in how we approach things and we've been leveraging that and building that scale over the last five years and having great successes the last as I brought up build versus Buy I would say initially we were faster to Market it helped us with costs it helped us with that subject matter expertise right it it hit those three things we also wanted to simplify

(08:49) we've heard from a couple people today I think the number was 800 almost 900 systems on average I can tell you we have uh just about a thousand what we call tlas systems it it key right does that sound simple to anybody that is highly complex and in a data-driven world a highly regulatory regulated world now you have to hire staff just to try to manage that so in the end going to buy I think it taught us some things I think we gained some speed for a purity over years I think we're now losing that speed

(09:26) the engines the engines running out and the car is slowing down how many here how many people here by raise the hands keep the energy going have over customized the system you bought nobody I'm just kidding lots of people raise their hand so what did you just do your cost of total cost of ownership or not your speed to Market just slowed down so again everything we tried to do with Buy has now reversed and it's hurting us the worst case and this is not automation anywhere but some vendors out there I

(09:55) call it the hostage situation they know they're in their hooks are in the costs go up every year the value doesn't necessarily go up every year but the cost goes up every year we can't sustain that as businesses so that's why I feel we need a shift from a from a buy to a build and I think the technology and I'll talk about hyper automation a little bit here is going to enable us to do that hyper automation to me and agam said this earlier to me I start with a base of reinvention again not looking at the how

(10:25) today but Reinventing what we want to do and then leveraging there'll still always be core systems but how do we use intelligent automation how do we use low code intelligent dock processing machine learning and the one I've been most excited about this kind of hanging off there is is AI or generative Ai and it's finally come to fruition those pieces are the glue that can help us with these ecosystems how do we intelligently tie those thousand systems maybe hopefully get down to 600 800 but how do we tie

(10:57) those together to be more intelligent to reduce hops not only from a human standpoint but from a technical standpoint how do we keep data pure within the entire system so we don't have data Integrity issues and how do we do it much like we've seen the examples up here at speed I truly believe we can do a mortgage in seven days I've modeled it we've run it we've done the numbers it's possible we need to get the architecture in there to support it and that's where I'll I'll kind of move

(11:29) which way do we go oh lost a slide there so change it up on me a little bit here but I'll roll with it so read the tagline That was supposed to come up last but we need to be customer driven business-led and Tech enabled and what I mean by that is a few things you've heard me talk about tech enabled no longer being a tech-led company I've stood up in front of crowds and said keybank's a 200 year old Bank they're trying to be Tech driven right or or Tech enabled we do need to be Tech enabled but we

(12:05) need to understand have business and Tech much more closely tomorrow than we do today we need to understand the ecosystem we need a president of a community bank or Commercial Bank to understand all the operations and in all the technology and how it works it'll make our lives much easier I think in in the end it's it's always kind of thrown over the wall in many cases and we need to stop that and really understand that the customer part again I go to Henry Ford truly understanding what the client wants

(12:36) and and how we get there so to me that's really important hear what the client wants understand the business so you know how to translate that forward and then how do we bring in that new tech layer I think we are in a new age I think the next three to five years are going to be amazing that's what energizes me every day when I come to work I get to work with a fabulous team and we get to continually challenge ourselves and innovate and I love having partners like automation anywhere and right now we're

(13:08) working with automation anywhere in Google on Jenny I bringing the two together AML was one of the things talked about it's it's something we're all getting hit with so it's something we're going to try to solve and we think we can get another 20 to 30 percent uh efficiency in that area with our small pilot that we're going to do here so I'll leave you with that please be energized Embrace Tech hear the client in what they're truly asking for and have fun enjoy imagine thank you

(13:37) [Applause]

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