IQ Bot and Enterprise A2019 help Patelco alert members about fraud in just seconds

Patelco CREDIT UNION®

AUTOMATION ANYWHERE®

ORGANIZATION PROFILE

Founded in 1936, Patelco is a full-service, not-for-profit established to serve the financial interests of the community. With $8B in assets, more than 380,000 members, and 6,000 shared branches nationwide, the organization is one of the largest credit unions in the United States.

CHALLENGE

Patelco had been growing significantly (averaging more than 11% growth per year over the last five years). Membership, loan, and transaction volumes were growing, and the company was quickly approaching $10 billion. When a financial institution crosses that mark, it faces new, more rigorous levels of regulations and an increase in expensive compliance guidelines. With the speed it was expanding, the credit union had to ensure its service levels remained high and its operating expenses did not exceed its rate of growth. Using RPA was a way to improve operational efficiency and scale without having to dramatically increase expenditures.

SOLUTION

In the fall of 2019, Patelco partnered with Automation Anywhere for a workshop to gather information from internal departments vying for automation. Using a test-and-learn strategy, the company then developed proofs of concepts in just a few days for consumer lending, fraud prevention, and the member contact center. Processes that were manual and repetitive, based on a set of rules, executed frequently, and tasks that required higher human time and effort, were then piloted and finally moved to production.

Patelco chose the Enterprise A2019 platform, the world's only web-based and cloud-native RPA-as-a-Service platform, because it matched its corporate strategy to gain efficiencies and resiliency by moving most of its technology to the cloud.

BENEFITS

90%	75%	62%
Faster fulfillment	Faster loan payoff calculation	Efficiency gain

100%	$39K	88%
Accuracy	Saved annually with automated Falcon Alerts	Decrease in processing time

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Processes Automated
- 10-day loan payoff
- Falcon fraud alerts

Industry
Financial Services

"Our members' financial health is our top priority. Enterprise A2019 and IQ Bot help us improve service, fight fraud and keep our members' money flowing."

— **Kevin Landel,**
 Senior Vice President, Innovation and Payments Strategy

"We work hard to protect our members from card fraud. But high volume and false positives create havoc and our existing manual processes were unsustainable. With Automation Anywhere, we dreamed big and came up with a solution that's having an immediate and huge impact – both on improving our cardholder experience in a fraction of the time it took previously."

— **Erin Morasch,**
 Card Fraud Manager

STORY DETAILS

The first process automated was for 10-day loan payoffs. When a member wants to refinance or pay off an old vehicle to purchase a new one, they need to pay off the original loan. When this happens, the credit union calculates the balance due and includes any interest to determine a payoff amount that will be valid for ten days. This required working across several different systems. Employees had to look up the loan, do a calculation, then send a document to the member, and make a note in the CRM member service platform. The manual process created a backlog of requests in the contact center, taking away time from agents to focus on handling incoming calls, and the work had to be handed off to someone else in the back office. This meant payoff letters could take up to 24-48 hours to be sent out, and even longer if the request came in over the weekend. With RPA, an employee submits a payoff request for the member in the member service platform, and the bot goes into the different systems, completes the calculation, creates a letter and sends it out, and ensures notes are up to date in the CRM. What took up to a few days and multiple handoffs is now completed in just two minutes, making same-day processing possible.

Next, RPA was used to help with Falcon fraud alerts. This free-to-members service tracks card transactions to understand buying habits. When a purchase is made outside of the usual patterns, Falcon activates an alert. If a notification is escalated, the member is called, and if they cannot be reached, the card may be temporarily blocked. Managing the alerts was highly labor-intensive, and it was difficult to retain permanent employees to complete the work, so temps had to be brought in. The credit union stopped using temporary resources at the end of 2019, and then another unexpected factor came into play. With the onset of the COVID-19 pandemic and economic uncertainty, finding a solution to manage alerts quickly became even more crucial to ensure members had access to their funds.

Patelco turned to IQ Bot to help extract unstructured data from third-party forms and report PDF's. Then, Enterprise A2019 is used in tandem to ensure the data correctly matches up with the credit union member. After all the information is processed, the bot communicates effectively back to the cardholder. Prior to automation, it took up to six hours to manage the daily alerts, and some alerts were not processed by the end of the day. With RPA, the work can be completed in just 40 minutes, resulting in an 88% decrease in processing time, and the clearance rate has increased to 83%. This means that members with false positives are getting their cards unblocked sooner, reducing calls to the contact center, and improving our members' financial wellbeing.

THE FUTURE

Next, Patelco will work on using RPA for its mortgage application and approval process. The company has performed an assessment to identify RPA opportunities and is expecting significant enhancements in efficiency and improved turn times to simplify homeownership for our members.

The focus will then shift to identifying more opportunities to incorporate bots in areas such as internal audit and compliance, and to building an internal Center of Excellence to create an RPA priority pipeline.

The credit union is also interested in implementing Discovery Bot, the only AI-powered solution natively built into a platform. It accelerates and scales automation across an organization by recording user activities, discovering business processes, and generating bots to automate them.

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