# Where business robots are part of the team

Sicoob radically boosts process efficiencies with
IBM Robotic Process Automation software

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6-minute read

Robots tend to have a bad reputation; namely, they replace humans. That's not the case at System of Credit Unions of Brazil (Sicoob). The country's largest credit union system is using IBM® Robotic Process Automation technology to build business robots to perform the most mundane and repetitive process tasks. And employees couldn't be happier.

"The culture of our organization is we work as a team," explains Dr. Everton Gomede, Head of Technology at Sicoob. "I do one task, another person does the next task, and so on, and we produce together. But people have limits to how many tasks they can perform in a day."

Many processes at Sicoob, such as those for insurance quotes, payroll loans and customer registration, are document- and form-intensive, and require a significant amount of data entry. For example, until recently, opening a customer account was a two-day process of due diligence, with employees reviewing and evaluating multiple customer-provided forms for legitimacy. After, they manually entered the data into the ERP system. When there were errors, employees had to backtrack, which added more time. They repeated the process for each account opening request—roughly 150 a day.

"When people type data all day, data quality suffers," says Dr. Gomede. "Humans are very good at creating things. But we aren't good when we have to repeat tasks or activities over and over again."

Ensuring compliance to complex data protection regulations was also a challenge because mistakes could put the company at risk of penalties and fines. "It was very difficult to guarantee that all the tasks were performed following the rules of compliance," adds Dr. Gomede.

In 2019, Sicoob launched a robotic process automation (RPA) initiative aimed at reducing lead times of key business processes. But equally important was the goal of freeing employees from menial tasks so they could engage with and contribute to the company in more meaningful ways.

Depending on business process, gains up to

80%

time savings

Using automation delivers

10% – 20%

cost savings

# Robots to the rescue

Sicoob investigated several RPA solutions before ultimately choosing IBM Robotic Process Automation technology. What stood out was the solution's integration and robust functionalities, such as monitoring capabilities, machine learning and a password vault, which supports privacy and helps mitigate instances of fraud.

Dr. Gomede elaborates: "We had a list of specific features we wanted to implement with our systems and liked what we found in IBM's RPA solution. The password vault is a great feature because we can remove specific users from accessing certain software. And we use the monitoring feature to

collect log data and build reports for managers so they can see, for example, how many tasks were completed today or last month."

The RPA program began with a proof of concept (POC) to test the solution and understand the how the technology might affect the company's infrastructure, business processes and workforce. "After that, we had the confidence to move forward and create different bots for different issues," adds Dr. Gomede.

Sicoob's robots are attended, meaning they are activated by and work alongside employees to complete specific tasks in a process, such as data entry or analyses. Many of the robots support processes with intensive due diligence, where collecting, verifying, evaluating and analyzing customer-provided information is time intensive.

The first robot, named Eva, built in 2020, focuses on detecting fraud. Today, 13 additional business robots are in production to support the following processes:

- Registration update: receives and reviews customer documents and updates registration information per customer requests.

- Credit limit analysis: performs credit analyses on customer-provided forms, enters data into the ERP software and updates credit limits accordingly.

- Insurance quotes: receives customer requests, accesses websites of various insurance companies, determines prices and delivers the best option to customers.

- Checking account opening: handles the new account process from start to finish by obtaining customer documents, analyzing information validity, entering data into ERP

software and returning a ready-to-use checking account.

- File converter: reads and converts documents into different formats specified by employees after documents are loaded into the workflow software.

- Payroll loans: obtains and reviews customer documents, enters data into the ERP system and generates credit proposal.

- Registration form: reads and evaluates registration documents for accuracy.

Dr. Gomede says the key to integrating humans with digital automation is to involve all areas of the organization. "IT participates, the business area needs to provide the process information, and human resources needs to define the full-time employees and what competencies are needed from now on, with the redesign of tasks."

# People and robots, together, save time

Since deploying its business robots, Sicoob has gained an average of 80% time savings for key business processes. This translates to 10% – 20% in costs savings, depending on the process. "By reducing our processing and lead times, we also reduced expenses because expenses are related to people, fixing errors and managing information," explains Dr. Gomede. "Plus, when we use robots, errors are near zero."

Today, for instance, customer accounts are opened in 30 – 40 minutes, instead of two days. What's more, the data is error-free. In the past, this process was

handled manually, and provided no visibility into where a task was in the process. Now with new report building capabilities, managers have visibility across processes and the entire workflow.

With the password vault, the fraud detection process that used to take up to 10 hours a day is now fully automated end to end. The employee in charge of that task now uses their skills to investigate advanced types and causes of fraud. The password vault also supports compliance and

security efforts because it enables Sicoob to control who can access systems and which parts of systems. For instance, when an RPA bot uses the vault, it has exclusive access to the platform, system and financial account. Without knowing the password, employees can access only the information in the system, not the platform, thereby protecting the platform.

"Automation reduces losses and costs, not people," says Dr. Gomede. "The bot is a member of a team that performs a lot of tasks. The interesting point about the technology is how the organization

absorbs it. Robots improve our velocity and our business strategies, which help us reach our goals."

When implementing new robots, Dr. Gomede deeply respects the value of human knowledge. "It's important to think about what kind of tasks a bot can perform and what tasks humans can perform," he concludes. "Because it's totally different. Let the bots process information and tasks. Let humans create new processes, interact with our customers and think about our strategy and business."

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**SICOOB**

### About System of Credit Unions of Brazil (Sicoob)

Founded in 1998, Sicoob (external link) is Brazil's largest financial cooperative, where its five million-plus clients are also the owners. Products include checking accounts, credit cards, pensions and more. Based in Patos de Minas, Minas Gerais, Sicoob employs over 41,000 people and operates more than 3,000 service points and ATMs across 22 states, in addition to its digital channels.

### Solution component

- IBM® Robotic Process Automation