



Faster processes and greater productivity—despite fast-changing regulations

BBVA Argentina improves its foreign trade operations using IBM Process Mining

5-minute read

When the economy of a large nation depends on your work, there's already great pressure to achieve efficiency while maintaining strict regulatory compliance. But what if the regulations suddenly change? And then they change again. And again. This was the hand dealt to BBVA Argentina, and the bank found a way to navigate the changes and accelerate its processes.



Foreign trade is a major component of Argentina's economy. In 2021, imports and exports combined to represent 45% of the country's gross domestic product (GDP), according to [INDEC \(PDF 1.09 MB\)](#), the National Institute of Statistics and Census of Argentina. And BBVA, the country's oldest private bank, is a leading engine of Argentina's foreign trade transactions.

So, when the COVID-19 pandemic and the war in Ukraine precipitated rapid economic changes around the world, prompting the Central Bank of Argentina to implement new, emergency regulations

on foreign trade, BBVA and its competitors had very little time to adapt.

"We have had so many modifications to our processes caused by the changes in foreign trade rules and government pressure in the country," explains Leonardo Rojas, BBVA Argentina's Head of Operations. On a typical day, analysts on the bank's Foreign Trade Operations team process more than 400 trade-related transactions, many for corporate customers and some valued in the millions of dollars. The new regulations required companies to present additional documentation and justifications before

making payments abroad, which in turn necessitated numerous new control processes for BBVA.

The processes were so new, they needed to be done manually. Overall transaction processing time jumped to five or six days, when BBVA wanted to limit it to two. “International trade operations are carried out with US dollars,” explains Rojas. “The exchange rate between US dollars and Argentine pesos fluctuates so much that it is important to complete the operation quickly,” explains Rojas. “For each day it takes to process, the costs for the client could increase due to the rate changes.”

And adding more headcount was not a viable option. “Applying more complex controls meant more workload for the team,” says Rojas, “but adding more analysts would result in higher operating costs and higher commissions for our customers. The market for foreign trade analysts is scarce, and it is a highly demanded profile.”

Rojas and coworker Mauricio Vidaurrázaga, Head of Business Execution and Process Engineering, wanted to try to regain efficiencies by optimizing processes. They suspected that unintentional rework occurred while the team performed all of the newly mandated checks and controls on top of their traditional processes. But they needed a way to pinpoint exactly where this was happening.

“The main goal was to reduce the time to market. It took about five to six days to process a foreign trade transaction ... but we needed to shorten it to no more than one to two days.”

Leonardo Rojas, Head of Operations, BBVA Argentina

Increased foreign trade
transaction volumes by

20%

due to greater productivity and better workload distribution

Reduced transaction
times by

> 70%

improving customer service

How process clarity helps eliminate rework and bottlenecks



In November 2021, Rojas and Vidaurrázaga launched BBVA's Foreign Trade Process Reengineering Project and tested several process mining tools. A demo of [IBM® Process Mining](#) software convinced them that they'd found their solution, and they engaged the IBM Customer Success team for help implementing the software on [IBM Cloud®](#) to avoid any hardware constraints at the bank. The IBM and BBVA teams also containerized the Process Mining software on the [Red Hat® OpenShift®](#) platform.

As a first step in the reengineering project, Rojas, Vidaurrázaga and the team obtained event logs of BBVA's foreign trade system from the BBVA IT team and fed the data into the Process Mining tool, generating a

visual map of the foreign trade processes that showed every step and indicated typical as well as atypical process flows. The tool's analytics also provided statistics about process time and efficiency and offered recommendations for improvements. "We'd suspected there was a lot of rework, but we didn't know exactly where or when, or how much impact it was having," recounts Vidaurrázaga. "Process Mining let us put real data to our perception. We could actually see when and where teams were repeating tasks, and we could quantify the impact and start analyzing the root causes."

They also uncovered bottlenecks. A major one related to a step in the process that relied on a Central Bank verification service available only between 8 AM and 5 PM. BBVA measured the impact of this restriction and re-ordered process tasks to minimize the number of verifications getting pushed to the next day.

And they used the tool to better align processes to the behavior of demand. As Rojas explains: "We saw more clearly that the arrival of new operations has a behavior curve that follows the working hours of client companies. It is normally low in the early morning, rises from 10 AM to noon, stays high until 3 PM, and then declines. This helped us design better workload distribution on the team."

“We can process 20% more transactions, while still complying with all regulatory requirements, and without expanding the team.”

Leonardo Rojas, Head of Operations, BBVA Argentina

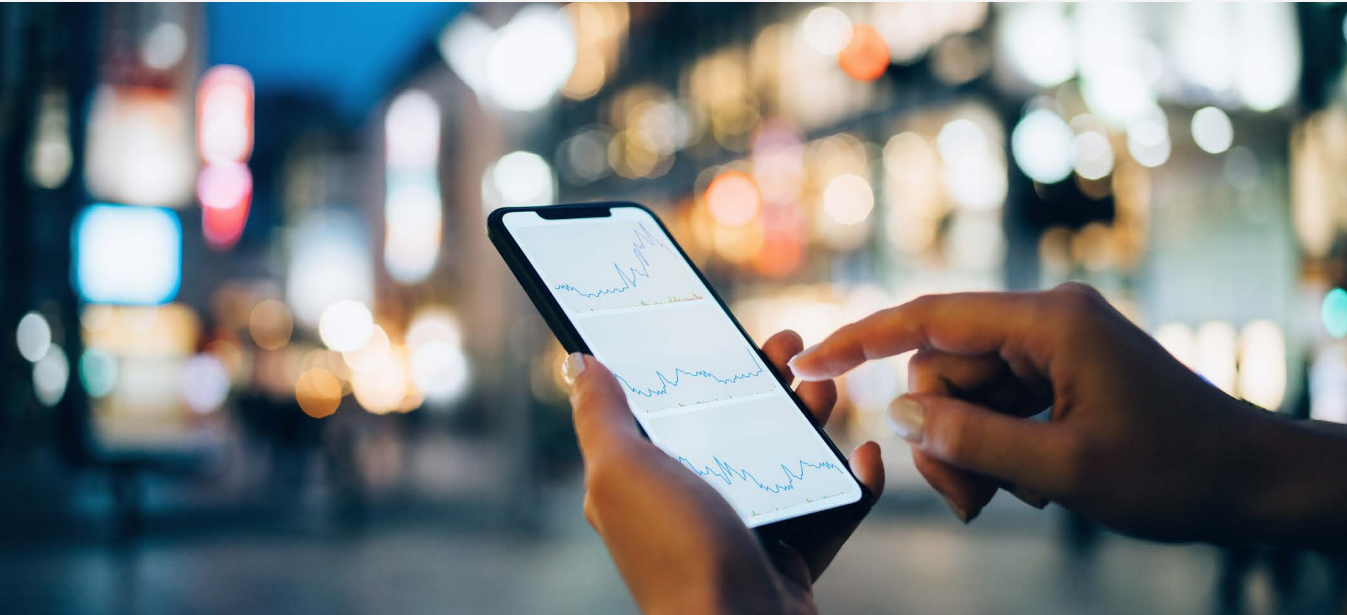
Boosting productivity and capacity, without adding headcount

All this process analysis could have taken weeks, had the BBVA team attempted it manually. Instead, it took a couple of days, and automatically generated insights that the bank used to make valuable improvements.

BBVA reduced the processing time for foreign trade transactions by more than 70%, from five or six days to one or two. “We also gained in terms of team productivity,” says Rojas. “We can process 20% more transactions, while still complying with all regulatory requirements, and without expanding the team.”

And if regulations change again tomorrow, BBVA will be prepared. “With what’s





happening in the economy and having the capacity to keep up with all the changes, Process Mining was essential for our clients and us in a context where the acquisition and the currency rate change every day. We can analyze processes faster than ever before,” says Rojas.

BBVA will continue to apply Process Mining to identify opportunities for greater efficiency, and not just in foreign trade. “We’re getting requests from other teams,” says Vidaurrázaga. “They want to do what we’ve done.”



About BBVA Argentina

Founded in 1886 in Buenos Aires, [BBVA Argentina](#) (link resides outside of [ibm.com](#)) is the oldest private bank in Argentina. It's a subsidiary of Banco Bilbao Vizcaya Argentaria S.A., its main shareholder since 1996. BBVA Argentina offers retail and corporate banking to a vast customer base, from individuals and SMEs to large companies.

Solution components

- IBM Cloud®
- IBM® Process Mining
- Red Hat® OpenShift®

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