

TECHNOLOGY TRANSFORMATION IN FINANCIAL CRIME COMPLIANCE

IMPROVING WORKFORCE EFFICIENCY TO MANAGE RISK AND ADD VALUE



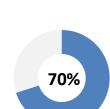
Workforce challenges create an unvirtuous cycle, leading to delays and limiting the ability of compliance departments to support the business.



Leveraging automation to enhance efficiency can alleviate capacity shortfalls and transform an unvirtuous cycle in compliance operations into a virtuous one.

Stronger compliance through automation

Workforce and technology challenges



Of banks and NBFIs face capacity challenges in their compliance operations

Have tried or considered using

impact of employee shortages

automation and AI to mitigate the



73%

Are not getting sufficient uplift

from their current automation



46%

Have reduced workloads by more than 25% through technology and digital transformation strategies



Will increase their spending on AI/machine learning over the next two years



Would direct additional capacity toward improving compliance through perpetual KYC and supporting the business

Top external issue impacting compliance (% of respondents)

technology

30%

Geopolitical issues such as the Russia-Ukraine conflict

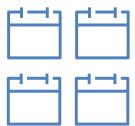


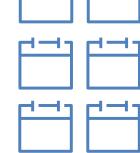
Shifts in transactional and customer behaviors due to e-commerce and digital financial services



Recessionary pressures impacting staffing for compliance

Lengthy staffing cycles for analyst roles





47%

Take 4 months or longer to fill entry level roles Take 6 months or longer to fill **experienced** roles

37%

Negative impacts of employee retention issues



Increased workloads to current employees to offset open positions

53%



52% Had longer cycle

times for alert investigation and decisioning



42%

Experienced increased employee and team stress



30%

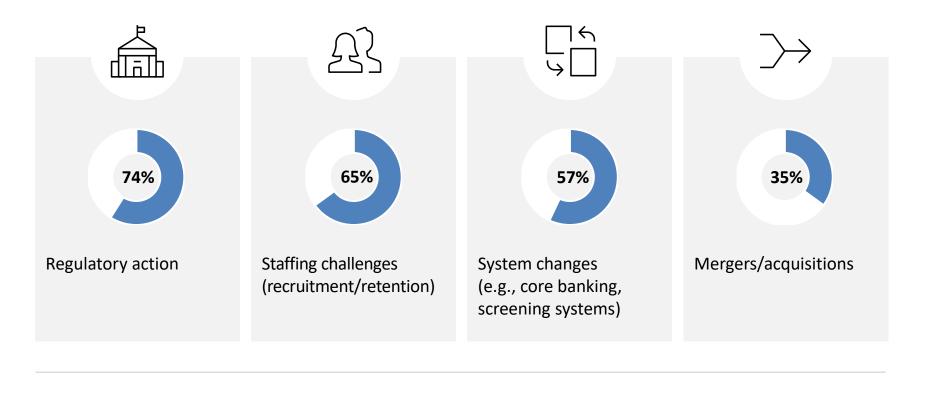
Saw delays in planned business expansion or new offerings



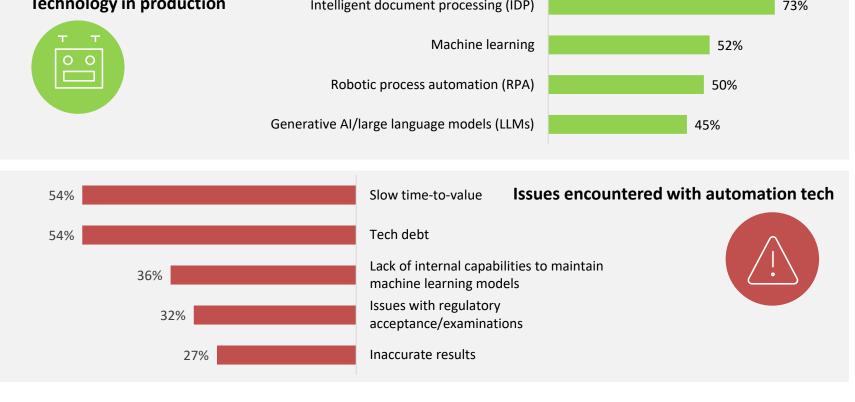
19%

Suffered decreases in operational productivity

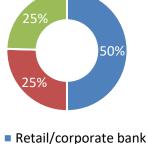
What would be a primary driver to augment your compliance team with virtual workers?



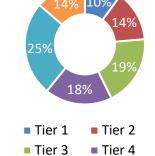
Automation technology is ramping up, but many are slow to realize value Intelligent document processing (IDP)



Survey demographics



- Savings institution/credit union
- Fintech, neobank or crypto business



Tier 6

Respondents: 110 Compliance, Operations, Risk, and IT professionals in Canada and the US.

financial crime compliance.

Data is from Celent/WorkFusion survey on workforce efficiency and technology transformation trends in

■ Tier 5