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REGTECH SOLUTION BRIEF

WorkFusion's AI Agents

Automating Financial Crime Compliance Workflows

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This is an authorized reprint of a Celent report. The reprint was prepared for WorkFusion, but the analysis has not been changed. For more information about Celent, please see www.celent.com

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Introduction

Financial crime compliance (FCC) operations are among the least efficient in the financial services industry. High levels of false positive alerts result in skyrocketing operational costs and staffing challenges for compliance departments. To help solve this problem, WorkFusion has developed a line of AI Agents with proven abilities in automating know your customer (KYC) and anti-money laundering (AML) alert investigation.

The Problem: Efficiency Challenges in Financial Crime Compliance

Financial crime compliance operations are among the least efficient in the financial services industry. In order to fulfill regulatory obligations, banks and other financial institutions scour customer information and transactions for potential signs of money laundering and terrorist funding. This scrutiny generates high levels of false positive alerts—typically 95% to 99% of all exceptions—which must be investigated and resolved by compliance analysts. This rote work by L1 teams has been a leading factor in the skyrocketing cost of FCC operations, reaching US\$155.3 billion across the financial services industry globally in 2024.¹

This burden leads to other, less tangible costs as well. Attrition rates for compliance analysts are high at many banks: 22% of banks and fintechs in North America say they are understaffed and only 26% are happy with their staffing level.² The imperative to deal with false positives can divert needed resources from high-risk investigations. At the same time, lowering threshold levels in an attempt to cope with the noise can lead banks to miss true positives and expose them to regulatory and reputational risk.

How AI Agents Help

To help solve FCC's efficiency problem, WorkFusion has developed a suite of AI-based digital workers to automate know your customer (KYC) and anti-money laundering (AML) investigation and decisioning processes. WorkFusion markets these modules as AI Agents and provides each with a name and a persona to underscore how they augment a bank's human analyst workforce.

¹ See Celent report [IT and Operational Spending on Financial Crime Compliance: 2024 Edition](#).

² See Celent report [Technology Transformation in Financial Crime Compliance: Improving Workforce Efficiency to Manage Risk and Add Value](#).

WorkFusion’s AI Agent Platform

WorkFusion is a pioneer in deploying AI agents to automate financial crime compliance workflows. Their solution has a growing customer base of Tier 1 and 2 financial institutions, a good indication that the technology works as advertised. They are now building generative AI and agentic AI capabilities into their platform, including genAI chatbots, deep research capabilities, and agentic AI workflows leveraging large action models (LAMs).

WorkFusion recently briefed Celent on their AI Agent platform. We spoke with Kyle Hoback, Head of Product Marketing, and John Tenore, Marketing and Analyst Relations, at WorkFusion.

Company Overview

WorkFusion was founded in 2010 with the vision of automating workflow for enterprise processes. The firm is headquartered in New York and has additional offices in Europe and Asia. WorkFusion clients in the financial services sector include BMO, Deutsche Bank, and Raymond James.

WorkFusion focuses on process automation for the financial crime compliance value chain and introduced its AI Agent products in 2022. The firm additionally provides process automation for customer service and other use cases.

Table 1: WorkFusion Overview

Year Founded	2010
Headquarters	New York
Products/Services	Process automation
Financial structure	Private with outside investors
Funding	\$254 million
Global Offices	Dublin, Warsaw, Hyderabad
Representative Customers	BMO, Deutsche Bank, Raymond James, Scotia Bank, Valley Bank
Employees	200
Relevant Technologies	Machine learning, generative AI, IDP (intelligent document processing), NLP, workflow orchestration, analytics, human-in-the-loop, no-code development, data integration

WorkFusion has been developing tools for automating business processes for more than a decade. The firm was among the first to apply artificial intelligence—as opposed to rules-based RPA—to the area of process automation. As such, WorkFusion pioneered intelligent process automation and has progressively added various artificial intelligence technologies, including optical character recognition (OCR), natural language processing (NLP), and now generative AI and agentic AI, to its platform.

Figure 1: Evolution of Process Automation Technologies



Source: Celent

WorkFusion offers a suite of modules that apply its process automation capabilities to financial crime compliance use cases. WorkFusion has developed automated decisioning workflow to support know your customer (KYC) and enhanced due diligence (EDD) processes. These workflows build on WorkFusion's expertise in automated onboarding, an early use case for the firm. Other agents provide alert decisioning for sanctions screening, anti-money laundering (AML) transaction monitoring, and transaction fraud. In this way, WorkFusion provides automated workflow capabilities for each step in the financial crime compliance value chain.

In 2022, WorkFusion branded its AI Agents with names and personas, emphasizing how their software robotics can augment the human workforce by performing the work that people do. Viewed this way, WorkFusion's AI Agents can form part of a bank's FCC workforce strategy by significantly improving efficiency in rote L1 investigation, which in turn gives human L1 and L2 analysts more time to work on high-risk alerts. In this way, WorkFusion's line of AI agents supports a key goal of FCC operations today: maximizing the efficiency of compliance software so that humans can focus on more value-added investigations.

WorkFusion's Product Line

WorkFusion's AI Agents provide automated alert investigation and decisioning for each step in the AML value chain. WorkFusion's AML product line includes the solutions shown in Table 2, each targeted to a specific AML process:

Table 2: WorkFusion's AI Agent product line

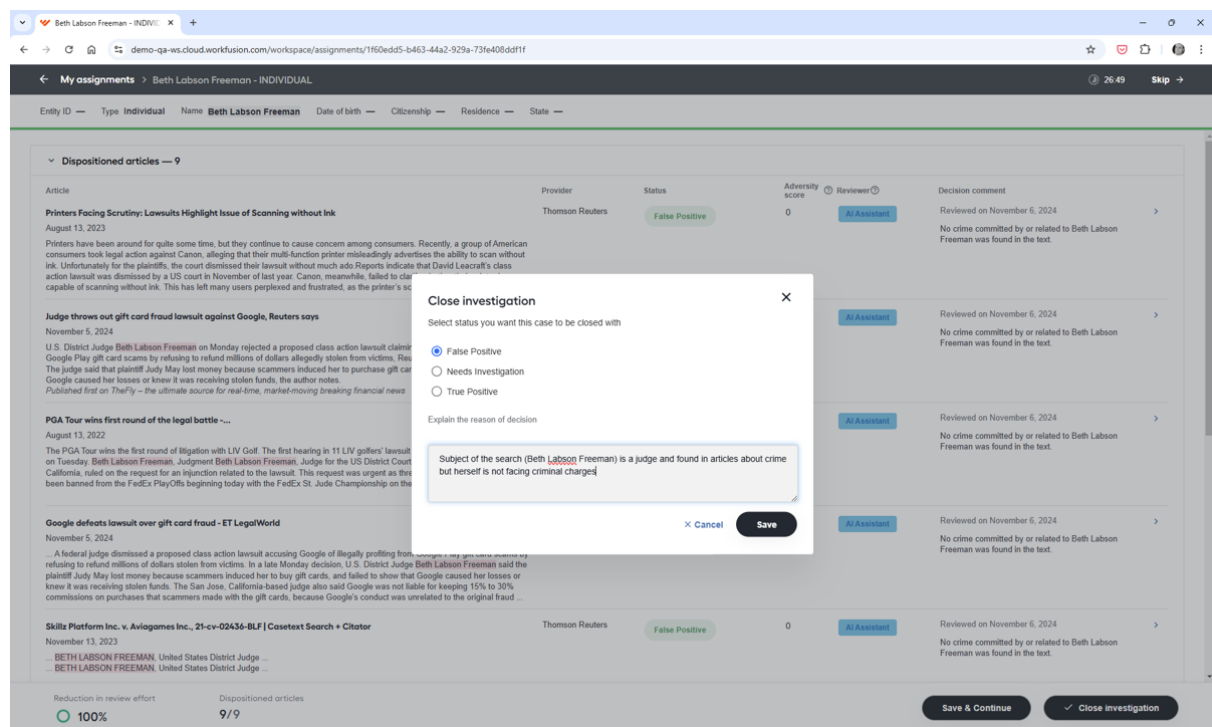
Product Name	Process	Description	Productivity metrics
<i>Screening</i>			
Tara	Transaction screening	Adjudication of payment sanctions hits	Automation rate: 60 - 80%
Evelyn	Name Screening	Adjudication of name screening hits for sanctions, PEPs, and other watchlists	Automation rate: 50 - 70%
Evan	Adverse media monitoring	Alert review	60 - 80% time reduction compared to manual review
<i>Investigation/review</i>			
Kayla	KYC	Onboarding and KYC refresh	---
Edward	Enhanced due diligence	EDD and high-risk reviews	>60% time reduction compared to manual review

Isaac	Transaction fraud, AML transaction monitoring	- Fraud alert reviews - TM alert reviews	- 1.5 - 3x increase in analyst fraud case throughput - 70 - 90% reduction in TM alert research time
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Source: WorkFusion

WorkFusion's AI Agents typically work in the background and deliver results to third-party case management systems. WorkFusion does provide an alert management interface for Evan, its AI agent for adverse media screening, to support clients that require human-in-the-loop review (see Figure 2: WorkFusion Alert Management for Adverse MediaFigure 2 below). In a typical setup of WorkFusion's adverse media solution, Evan dispositions each article in an alert but leaves decisioning of the overall alert to the human analyst. In the example below, the AI Agent has determined the article hits are false positives (Status column). The human analyst then reviewed each article and provided a decision on the overall alert. For clients, such as fintechs, that require more automation the overall alert disposition can also be performed by the AI Agent.

Figure 2: WorkFusion Alert Management for Adverse Media



Source: WorkFusion

How WorkFusion Does It

WorkFusion's solutions leverage a blend of techniques to automate compliance workflows and decisions. The technologies deployed by WorkFusion include business rules, natural language processing (NLP), named entity recognition (NER) and other machine learning models, large language models (LLMs), and large action models. Each of its AI Agents deploys multiple techniques to support the use case at hand.

Importantly, this range of capabilities also allows WorkFusion to tailor its agents to match the needs of a range of clients. For example, in Adverse Media Screening, the customer has configuration options around article analysis. It may be done via a machine learning model or an LLM, while human-in-the-loop (HITL) review can be required for all entities or for only a subset. Customers can also adjust confidence thresholds based on risk tolerance. Thus, a Tier 1 bank may use machine learning with HITL review that requires a high AI confidence threshold to accept AI decisions, while a fintech would be more likely to leverage the LLM without HITL, or at least less HITL, by requiring lower confidence thresholds. In this way, WorkFusion can support the varying comfort levels of its clients around using AI in the heavily regulated compliance space.

Table 3: WorkFusion's AI Agents: Analytics

Product	Business Rules	NLP	Machine Learning	Generative AI
Tara <i>Transaction screening</i>	- Systems and data orchestration - Templated narratives	- Phonetic name analysis - Decision rules engine	- NER model	- LLM and NER for payment messages - LLM chat - LAM workflow
Evelyn <i>Name screening</i>	- Systems and data orchestration - Templated narratives	- Phonetic name analysis - Decision rules engine	---	- LLM chat - LAM workflow
Evan <i>Adverse media monitoring</i>	- Systems and news orchestration - Templated reports	News analysis (NLP + ML) - Similarity scoring	- NER model - Sentiment model - Name matching model	- LLM data collection - LLM chat - LAM workflow

Source: WorkFusion

Technology

WorkFusion supports both on-premises and cloud deployment, with most of the firm's top tier clients deploying the system on premises.

WorkFusion offers technology capabilities including:

- No-code rules and thresholds configuration
- Machine learning pipeline management and autoML capabilities (adaptive supervised machine learning)
- Support for prebuilt and custom ML models
- APIs for feeding results to banks' internal case management systems (or other systems of customers' choosing) and operational processes

Governance

WorkFusion provides a model risk management framework covering the model lifecycle from development to deployment. To support regulators' expectations for explainability, WorkFusion takes a glass box approach to AI governance that focuses on explainable machine learning models and features. From the perspective of analyst workflow, WorkFusion supports explainability by enriching alert decisions with natural language explanations detailing the factors behind each decision.

In order to support banks' need to keep a human in the loop, WorkFusion's workflow allows for a human to review and make final adjudication of the decisions made by its AI agents. This enables its customers to ensure that FCC processes are overseen by humans, not machines.

At the same time, WorkFusion can support use cases requiring a higher level of automation. An example of this is digital payments, where the firm's sanctions agent can be run on an STP basis in order, for example, to support screening at scale for high-volume payments.

Key Briefing Takeaways

WorkFusion has been a pioneer in deploying AI agents to automate financial crime compliance workflows. Its solutions enable their customers to make significant headway in tackling the efficiency problem in financial crime compliance.

According to WorkFusion, its solutions enable automation rates of up to 80% and up to a 90% reduction in analyst research time. These capabilities have helped their solutions gain traction at an increasing number of Tier 1 and Tier 2 financial institutions, as well as at fintechs.

WorkFusion's attention to model governance, explainability and human-in-the-loop controls makes its solutions attractive to institutions who are keen to increase the efficiency of their AML/KYC operations but take a cautious approach to AI. At the same time, WorkFusion's AI Agents can support end-to-end decisioning automation for fintechs and other firms that need it. WorkFusion's range of technologies—from rules to LLMs—can support both ends of this customer needs spectrum.

Keeping Up With Technology Evolution: Agentic AI

WorkFusion has been a major contributor to introducing automation to alert management processes in financial crime compliance. However, the emergence of generative AI-based multi-agent systems designed to perform the same tasks means that WorkFusion has some new competition. Currently, multi-agent systems are untested at Tier 1 institutions where they may face scalability and governance issues. Still, Celent believes that agentic AI is certain, given time, to prove its potential in the FCC space.

WorkFusion is meeting this evolution in compliance technology head-on by incorporating agentic AI capabilities—such as LAM-based workflows and deep research leveraging multiple LLMs—into its solutions. With its new generative AI capabilities, deep domain expertise in financial crime compliance, and solid approach to AI governance, WorkFusion looks well-positioned to maintain competitive advantage in the FCC marketplace.

About Solution Briefs

A Solution Brief is a type of Celent Insight designed to provide research clients with timely updates on vendor/fintech solutions and strategies. Celent does not charge any fees to write a Solution Brief, and vendors do not have to be Celent research clients to be eligible for one. However, Celent analysts are selective and publish a limited number of notes throughout a year about briefings they found particularly interesting; the decision whether to write a note is at the Celent analyst's discretion. Vendors have the opportunity to check the draft before it's published to ensure we accurately represent the facts and don't disclose anything confidential, but otherwise do not have editorial control. Celent has not undertaken any additional due diligence beyond the briefing itself.

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Market messaging and collateral review. Based on our extensive experience with your potential clients, we assess your marketing and sales materials—including your website and any collateral.

Related Celent Research

[Dimensions: Risk IT Pressures & Priorities](#)

March 2025

[Top Tech Trends Previsory: Risk & Compliance, 2025 Edition](#)

November 2024

[So You Want to Buy an AML System: A Buyer's Guide to Financial Crime Compliance Technology](#)

November 2024

[Field Guide to GenAI Hyperscalers: Risk & Compliance Edition](#)

September 2024

[GenAI-oneers in Risk & Compliance: Cross-Sector Survey and Spotlights](#)

July 2024

[IT Spending on Risk Management in Banks: 2024 Edition](#)

July 2024

[IT and Operational Spending on Fraud: 2024 Edition](#)

April 2024

[IT and Operational Spending on Financial Crime Compliance: 2024 Edition](#)

March 2024

[Financial Crime Compliance Technology: Watchlist Screening Edition—2024 XCelent Awards, Powered by VendorMatch](#)

February 2024

[Financial Crime Compliance Systems: AML Transaction Monitoring Edition—2023 XCelent Awards, Powered by VendorMatch](#)

July 2023

[Inflexion Point in Financial Crime Compliance](#)

April 2023

[Changing the Rules: The Evolution of Transaction Monitoring](#)

February 2023

[Maximizing the Value of Adverse Media Monitoring: Enabling a Dynamic Risk Assessment Framework for Anti-Money Laundering Compliance](#)

September 2022

[Overcoming Transaction Screening Challenges with Advanced Technology](#)

July 2022

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