

**BEYOND AUTOMATION: THE STRATEGIC ROLE OF HUMANS IN A RPA-POWERED BANKING SECTOR****Dr. Sucheta S. Yambal<sup>1</sup>, Dr. Yashwant A. Waykar<sup>2</sup>, Vijay Rambhau Bhosale<sup>3</sup>, Prof. Gadekar Ganesh C.<sup>4</sup>**<sup>1</sup>Assistant Professor Department of Management Science

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*Early in the twenty-first century, the concept of "Robotic Process Automation" was first put forth. It has been suggested by Willcocks, Lacity, and Craig (2015) that a software configuration known as Robotic Process Automation (RPA) has the potential to essentially replace people in the performance of specific jobs. It is possible to deduce that this technology is a genuine robot doing human tasks just by glancing at the name of the technology. The acceleration of company attempts to fulfill the demands of employees and customers brought about by the pandemic has resulted in digital alternatives becoming the standard in the financial services sector, as stated by Gartner Research. Indeed, the banking and finance sector is now going through a period of tremendous transformation as a result of the fast adoption of robotic process automation (RPA). Robotic process automation (RPA) ensures that processes are carried out in an efficient manner by handling rule-based and repetitive jobs. An increase in efficiency as well as a reduction in expenses are the results of this. The fast growth of robotic process automation (RPA) has coincided with an increase in the number of people who are concerned about the future of human work and the role that RPA will play. The necessity of humans in ensuring the successful adoption of RPA is the primary topic of discussion in this chapter. By the end of this chapter, it is clear that people continue to play an essential role in the successful deployment of RPA systems. The strategic value of these technologies extends well beyond the automation of jobs that are considered to be ordinary. The unique knowledge and expertise that can only be provided by humans is necessary in order to make the most of the advantages that robotic process automation (RPA) has to offer.*

**Keywords:** RPA, strategic, bank, automation, finance, human resource.

**Introduction:**

RPA, which stands for "robotic process automation," is a big step forward in technology that was just brought to the banking business. This technology has the ability to change processes in big ways, make them more efficient, and give people better experiences. In this research study, the important part that robotic process automation (RPA) plays in the banking industry is looked into by looking at its uses, benefits, and problems, as well as its future potential. In particular, the study looks at what role RPA might play in the future. With the help of robotic process automation (RPA), financial institutions can do many things, such as automating tasks that need to be done over and over, making procedures easier, lowering risks, and giving customers more personalized services. Still, if you want to get the most out of robotic process automation (RPA), you need to involve all the people who have a stake in the process, do a lot of planning, and have a strategic mindset. This has to be done in order to get the most out of the new technology that is now available. Massive changes are happening now in the banking business that are being made digital. The main things that are causing this change are the creation of new tools and the changing needs of customers. Robotic process automation (RPA) and other cutting-edge technologies are being used more and more by financial institutions to run their businesses more efficiently, cut costs, and stay ahead of the competition in a world that is always changing. In order to stay ahead of the competition, these goals are being met. Robotic process automation, or RPA, is a technology that uses software robots, also called "bots," to do tasks that need to be done according to rules. The banking business has been changed forever by this new technology. So, this means that there is a chance for process changes and gains in speed that have never been seen before.

#### **Getting to Know RPA, or Robotic Process Automation:**

Robotic process automation (RPA) is the practice of using software robots to do routine, rule-based jobs that were once done by people. These machines imitate human movement patterns to jobs accurately and quickly by interacting with preexisting systems and apps via user interfaces. The capacity to automate processes, decrease mistakes, and liberate human workers to engage in more value-added activities are the defining characteristics of RPA.

#### **RPA's Use in the Banking Industry:**

Robotic process automation (RPA) has several uses in the banking industry, such as:

Automating account opening, Know Your Customer (KYC) verification, and compliance checks what customer onboarding is all about. The origination, credit scoring, and underwriting procedures for loans may be made more efficient via loan processing.

Account Upkeep: Streamlining the process of updating, changing, and closing an account. Improvements in the identification and prevention of fraud may be achieved by continuously monitoring and analyzing transaction data in real-time. To guarantee conformity with regulatory standards, compliance monitoring, audit trails, and reporting may be automated. Chatbots, virtual assistants, and automated solutions to frequently asked questions may greatly enhance customer service and assistance.

**Robotic Process Automation and Its Impact on Banking HR**

Robotic process automation (RPA) and other forms of automation are causing a sea change in the banking industry. The effect on human resources is debatable, despite the fact that RPA provides numerous advantages, such as improved accuracy and efficiency. This article delves at the changing nature of work in the banking business and the possible reduction in HR caused by RPA.

From 2010 to 2015, the Early Years of Automation:

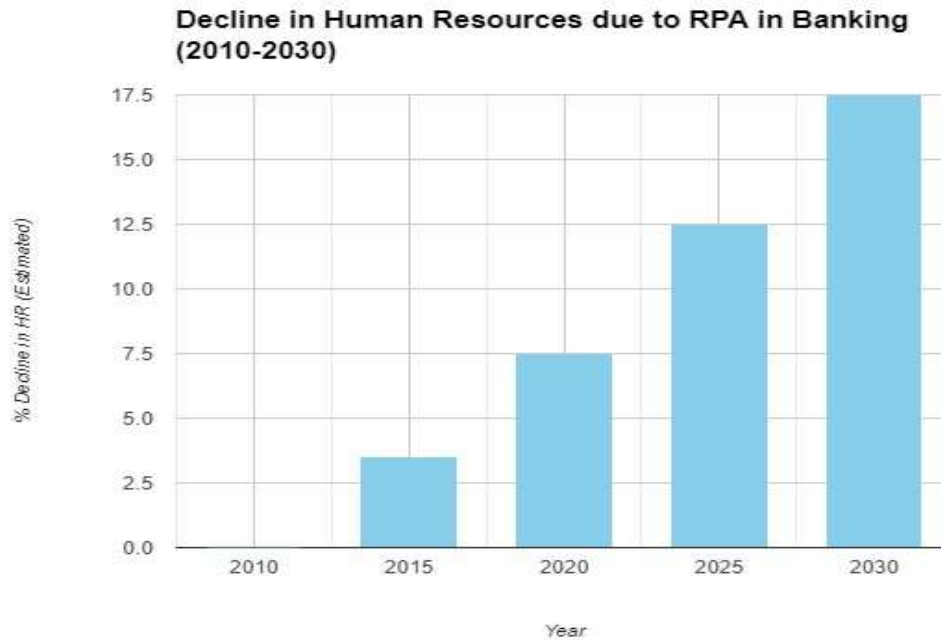
Reverse logistics (RPA) was a young technology that had little use in the banking industry before 2010. On the other hand, its use increased between 2010 and 2015, mostly to automate data entry and simple customer support queries. Due to the initial phase's emphasis on enhancing efficiency without drastically cutting jobs, human resources saw a small decrease.

The Oncoming Wave of Automation (2015–2025):

The adoption of RPA had a significant upturn beginning in 2015. Complex banking operations, such as processing loans, generating reports, and managing accounts, were mechanised. As a result, HR fell even more precipitously, with a drop of 2–15% predicted by 2025. Opportunities arose in data analysis, robotic process automation (RPA) management, and supervising human-robot collaboration, while other traditional professions shrank.

The Banking Industry's Outlook for the Years 2025–2030 and Beyond:

The current trend of automation is likely to persist in the future. Potentially affecting middle-skill Looking at the current scenario, it's not very difficult to predict that the positions in the HR drop banking due to RPA could reach 15-20% by 2030.



### Looking Beyond the Figures: A More Complex Perspective

There has been a reduction in HR, but that doesn't mean jobs have been eliminated entirely. Instead than making certain jobs obsolete, RPA is more apt to make them better. A new type of worker, one versed in data analysis, cyber security, and the management of human-robot interaction, will be needed by banks. Adapting to the changing scenario requires reskilling and up skilling the existing workforce. The shift towards a future powered by technology can be made easier for banks if they priorities programs of continual learning and growth.

### **Strategic consideration in Banks while considering RPA adoption**

The fast use of digital technologies is driving a revolutionary transition in the banking sector. One of the most revolutionary of these is RPA, or robotic process automation. Robotic process automation (RPA) is a method for automating routine, rule-based processes with software robots (or "bots"). This approach can save a lot of money, have fewer mistakes, and boost productivity. But banks need to think strategically about how to deploy RPA if they want it to work. To make sure RPA goes off without a hitch, this article delves into the important strategic questions that banks should ask themselves.

### **1. Establishing Concrete Goals**

The first step for banks considering RPA adoption is to establish specific and attainable goals. These goals should alleviate particular problems while still fitting in with the company's overarching plan. Achieving operational cost reduction, process efficiency improvement, customer experience enhancement, and regulatory compliance are all common aims. Financial institutions may maximise the return on investment (ROI) from their robotic process automation (RPA) initiatives by defining specific goals.

## **2. Evaluating If the Process Is Appropriate**

Unfortunately, RPA isn't a good fit for every banking operation. So, in order to find procedures that can be automated, banks need to undertake a comprehensive evaluation. Robotic process automation (RPA) works best for rule-based processes that handle large numbers of transactions. Customer onboarding, compliance reporting, data entry, and processing transactions are a few examples. Get the most out of your robotic process automation (RPA) investment by picking the correct processes for your bank.

## **3. Maintaining Conformity with Regulations**

Compliance is an important factor to consider while adopting RPA in the highly regulated banking industry. Verifying that automated processes keep data secure and in accordance with regulations is crucial. When reviewing and approving automated workflows, banks should collaborate closely with their compliance teams. To further guarantee continuous compliance, they should set up strong audit trails and monitoring systems.

## **4. Establishing a Robust System of Governance**

To successfully use RPA, a strong governance framework is required. The goals of this framework are to lay out procedures for making decisions, identify duties, and provide standards for managing and implementing RPA. Important parts consist of:

The establishment of a Centre of Excellence (CoE) for Robotic Process Automation (RPA) can facilitate the standardization of procedures, the sharing of best practices, and the assurance of consistent delivery throughout the entire organization.

Addressing resistance and ensuring smooth adoption requires effective change management. This includes informing staff of the advantages of RPA, facilitating their training, and being there for them while they adjust to the new system.

To keep things stable and trustworthy, risk management is vital when it comes to RPA. This includes finding and reducing the likelihood of operational disruptions, data breaches, and compliance violations.

## **5. Putting Money into Reliable Technology**

An important choice is the RPA technology platform to use. Considerations such as functionality, scalability, integration ease, and vendor support should be prioritized when banks assess RPA technologies. Important factors to bear in mind are:

The capacity to scale robotic process automation (RPA) systems to manage ever-increasing transaction and process volumes.

Data flow and process automation are both made possible by the system's seamless interface with preexisting banking apps and systems.

Safety: Strict safety measures to guard private information and stop unwanted access.

#### **6. Paying Close Attention to Employee Engagement:**

The effectiveness of RPA adoption is greatly affected by how engaged employees are. Financial institutions should include their staff from the beginning, explain the advantages of RPA, and resolve any issues that may arise. Employees can have an easier time making the switch to positions that call for more strategic and analytical thinking if they have access to training and opportunities to upskill. The best way for banks to train their employees for the future is to encourage a mindset of constant learning and new ideas.

#### **7. Performance Metrics and Tracking:**

To guarantee that RPA projects yield the desired results, it is crucial to continuously monitor and measure performance. To measure the efficacy of their RPA initiatives, financial institutions should set up key performance indicators (KPIs). Savings, efficiency, error rates, and happy customers are some examples of possible key performance indicators. The best way for banks to optimise their RPA efforts is to regularly examine and analyse these indicators. That way, they can find areas that need improvement and make decisions based on data.

#### **RPA's Advantages in the Banking Industry:**

Banks may get several advantages from using RPA, such as:

- **Enhanced Efficiency:** RPA allows banks to do activities more quickly, more accurately, and around the clock, which greatly improves their efficiency.
- **Automating formerly manual operations** allows financial institutions to save money by cutting down on operating expenses, improving accuracy, and freeing up resources for more strategic endeavors.
- **Enhanced Compliance:** Robotic process automation (RPA) decreases the likelihood of compliance breaches by standardizing procedures and automating audits, and it guarantees constant adherence to regulatory standards.

- Robotic process automation (RPA) allows financial institutions to provide consumers with quicker and more tailored services, which in turn increases customer happiness and loyalty. Banks can swiftly implement new bots and adjust current processes because to RPA systems' scalability and adaptability, which enable them to meet the evolving demands of their businesses.

### **Challenges while adopting RPA in Banking arena**

When trying to deploy Robotic Process Automation (RPA), financial institutions must first find solutions to the many problems that occur. Only then will they be able to fully embrace and enjoy the advantages of this cutting-edge technology. These issues are being influenced by a variety of variables, including commercial, legal, cultural, and technical considerations. When it comes to the usage of RPA, some of the most major problems that occur for financial institutions are as follows:

The several approaches that were used in the development of many older financial institution systems are directly responsible for the complexity of such systems. The integration of these robotic process automation (RPA) technologies is difficult because of this. To ensure that robotic process automation (RPA) bots and the existing information technology infrastructure are able to interact with one another without any problems, financial institutions will need to devote a greater amount of resources to integration activities. As a result of this, it is possible that older systems may not have application programming interfaces (APIs) or standardized interfaces.

Financial institutions have been entrusted with the obligation of preserving the personal and financial data of their consumers. This responsibility includes the protection of sensitive information and data. It is of the highest significance to safeguard sensitive information from the intrusion of unauthorized individuals or breaches of data security. The use of Robotic Process Automation (RPA) results in the introduction of new security risks. One of these weaknesses is the chance that unauthorized parties might get access to sensitive information or modify data without permission. This is one of the vulnerabilities. Financial institutions are required to undertake strong security procedures in order to protect themselves from any possible security risks that may present themselves. Some examples of these methods include the concealing of data, the use of encryption, and the implementation of access restrictions. It is essential for the banking industry to comply with the strict laws that are in place. In order to protect customers, prohibit illegal conduct in the financial sector, and ensure that the financial system remains stable, certain rules have been put into place. RPA systems are required to comply with these regulations in a variety of critically important areas, including but not limited to data protection, cybersecurity, anti-money laundering (AML), and know your customer (KYC). Financial institutions are obligated to keep careful records of their actions and to show proof that their Robotic Process Automation (RPA) systems are in compliance with the standards set out by regulatory agencies.

For robotic process automation (RPA) to be successfully implemented, it is essential to have good change management and to include all relevant stakeholders. In order to successfully complete this procedure, it is essential to get support and cooperation from a number of different business divisions, information

technology departments, and other important persons inside the corporation. The aversion of workers to change or a lack of awareness of how the technology would effect their job are both potential obstacles that might prevent the introduction of robotic process automation (RPA).

It is possible for financial institutions to cultivate a work atmosphere that is welcoming and collaborative by providing staff with extensive training and support, clearly articulating the benefits of Robotic Process Automation (RPA), and incorporating key stakeholders in the process of implementing RPA. In order to ensure that their projects are of a high quality, financial institutions need staff members who are knowledgeable in the robotic process automation (RPA) development, implementation, and maintenance processes. In spite of this, there is a significant lack of people who are skilled in RPA in the workforce. Personnel with the necessary skills is difficult to come by and much more difficult to keep. It is possible that banks may need to begin outsourcing, form cooperation with educational institutions, or sponsor training programs in order to solve the scarcity of skilled staff and expand their RPA abilities. Capacity for performance at its highest level and for development: When attempting to automate a greater number of processes and process a greater number of transactions, financial institutions may run into problems with their robotic process automation (RPA) projects regarding speed and scalability. In an ideal scenario, robotic process automation (RPA) systems are able to quickly coordinate bot activities, handle vast amounts of work, and ensure stability and high uptime.

Before they can be implemented in financial institutions, technologies that use robotic process automation (RPA) need considerable capacity planning and performance testing of their capabilities. This manner, we are able to ensure that the systems are capable of meeting the ever-increasing demand. Two essential initial steps are the creation of a business case and the calculation of return on investment. It is possible that demonstrating to important leaders the financial advantages of Robotic Process Automation (RPA) programs in order to get financial backing from them would prove to be a difficult challenge. The financial services industry is obligated to provide persuasive reasons that detail the many ways in which robotic process automation (RPA) has the potential to enhance efficiency, save money, decrease risks, and deliver satisfaction to customers. If you want to convince those who make decisions to support your proposal, you need to be able to quantify and assess the existing and prospective benefits of robotic process automation (RPA), as well as illustrate how these benefits link to the larger goals of the business. Because there is such a wide variety of options available, it might be challenging for financial institutions to choose a supplier of robotic process automation (RPA). As far as cost, features, and functionality are concerned, there is a great deal of variation among the many providers. It is of the utmost importance to choose an RPA technology that is compatible with the needs, IT structure, and projected future goals of the bank. Prior to reaching a choice about expenditures, financial institutions are required to do exhaustive vendor research, proof-of-concept testing, and due diligence in order to ascertain whether or not robotic process automation (RPA) technology is satisfactory and efficient.

In order to address these concerns, it is necessary to develop a comprehensive and well thought-out plan for the implementation of RPA. When putting this plan into action, it is important to take into consideration



a variety of factors, including technology, control, risk management, corporate culture, and individual development. Financial institutions may be able to reach the full potential of robotic process automation (RPA) to enhance innovation, achieve business success, and obtain a competitive edge in the digital world if they take proactive measures to solve these difficulties.

### **Strategic Role of RPA in Banking (Since 2000)**

While the widespread adoption of RPA in banking is a recent phenomenon, its roots can be traced back to the early 2000s. Here's a breakdown of its evolving strategic role over the past two decades:

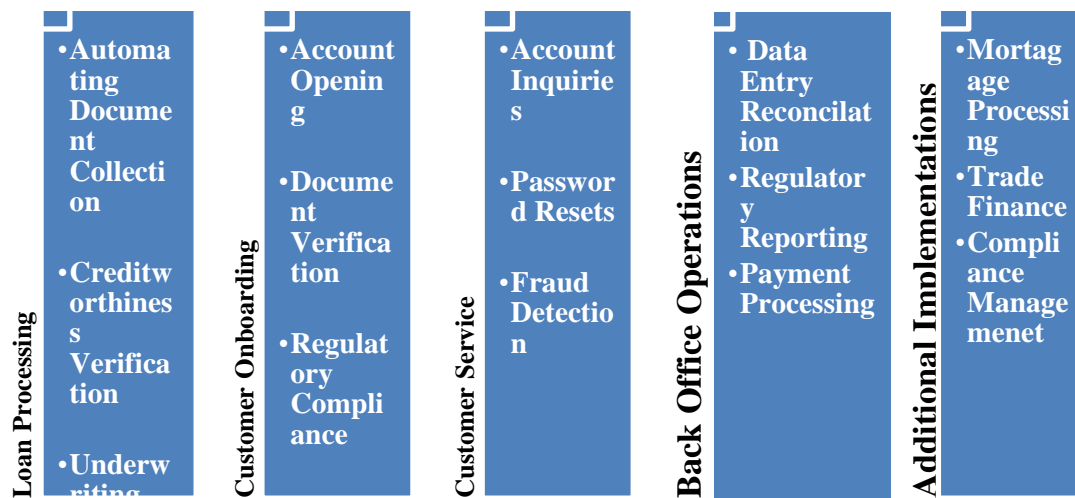
<b>Time Period</b>	<b>Strategic Role of RPA in Banking</b>	<b>References</b>
Early 2000s	Initial Adoption: Basic automation of back-office tasks like data entry and report generation to improve efficiency and reduce errors.	Although not explicitly referencing RPA, early mentions of screen scraping and task automation technologies can be found in industry publications around this time.
Mid-2000s to Mid-2010s	Expansion and Refinement: RPA adoption grew, automating tasks across various departments like loan processing, account opening, and customer service. Focus on improving accuracy, compliance, and processing speeds.	* Cao, Y., Wang, H., & Zhao, X. (2020). A multi-attribute decision-making model for robotic process automation (RPA) tool selection in the banking industry. <i>Industrial Management &amp; Data Systems</i> , 140(4), 822-842. [DOI: 10.1108/IMDS-06-2019-0342]*
Mid-2010s to Present	Strategic Transformation: RPA becomes a core strategy for streamlining operations and reducing costs. Integration with AI and machine learning for enhanced decision-making capabilities (Cognitive RPA).	Lee, J., Lee, I., & Um, J. (2020). The effects of robotic process automation (RPA) on service quality and customer satisfaction in the financial services industry. <i>Technological Forecasting and Social Change</i> , 159, 120223. [DOI: 10.1016/j.techfore.2020.120223]

Table 1: Showing strategic role of RPA in last two decades

The figure 1 below shows major implementations of RPA done in Banking Sector. The first among them is Loan Processing; this includes:

- **Automating Document Collection:** RPA bots can gather required documents (proof of income, tax returns) from various sources, speeding up loan application processing.

- **Creditworthiness Verification:** Bots can automate tasks like credit check inquiries and analysis of financial data, expediting loan approvals.
- **Underwriting Processes:** RPA can streamline workflows for loan underwriting, including data verification, risk assessment, and generating reports.



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Figure 1: Major implementation of RPA in Banking

Next in line is Customer Onboarding which includes the functionalities given as under:

- ◆ **Account Opening:** RPA can automate tasks like customer data verification, KYC (Know Your Customer) compliance checks, and account set-up, enabling faster account opening.
- ◆ **Document Verification:** Bots can verify customer identity documents efficiently, speeding up the onboarding process.
- ◆ **Regulatory Compliance:** RPA assists in adhering to KYC and AML (Anti-Money Laundering) regulations during customer onboarding.

RPA has following tasks to complete in the arena of Customer Service:

- ◆ **Account Inquiries:** RPA bots can handle basic customer inquiries about account balances, transactions, and statements, freeing human agents for more complex issues.
- ◆ **Password Resets:** Automating password reset processes improves customer experience and reduces workload on customer service representatives.

- ◆ **Fraud Detection:** RPA can be integrated with fraud detection systems to analyze transactions and identify suspicious activity.

Then comes Back-Office Operations where in RPA has accomplished following in order to support human-based functionalities in Banks:

- ◆ **Data Entry and Reconciliation:** RPA automates data entry tasks like updating customer information, processing transactions, and reconciling accounts, minimizing errors and improving accuracy.
- ◆ **Regulatory Reporting:** Bots can automate the collection and formatting of data required for regulatory reports, ensuring compliance and timely submission.
- ◆ **Payment Processing:** RPA can streamline payment processing tasks like clearing checks and initiating electronic payments, improving efficiency.

Some of the additional implementations of RPA in banking sector includes

- ◆ **Mortgage Processing:** Similar to loan processing, RPA automates document collection, verification, and underwriting tasks for mortgage applications.
- ◆ **Trade Finance:** RPA can automate tasks like trade document processing, letter of credit issuance, and transaction reconciliation, streamlining trade finance operations.
- ◆ **Compliance Management:** RPA assists in automating compliance tasks like transaction monitoring, reporting suspicious activities, and generating audit trails.

### **Employees and their caliber complimenting RPA**

Not only does the proliferation of robotic process automation (RPA) in the banking business alter the manner in which work is completed, but it also alters the tasks that employees do. Individuals may be concerned that robotic process automation (RPA) would eliminate their employment, but in reality, it provides individuals a great deal of control. One of the most significant advantages is the liberation from monotonous and repetitive work opportunities. Worker productivity is increased as a result of the simplification of duties like as data input, account balance, and loan management using robotic process automation (RPA). As a result, they are able to concentrate on more significant duties that make use of their specialized abilities and years of expertise. Employees are now able to concentrate on resolving difficult issues, developing strategies for the future, and developing stronger relationships with consumers. People are happier with their professions and more driven to do well in them as a result of this transformation since it makes the workplace more engaging and exciting. RPA also necessitates that people acquire new skills and enhance the ones they currently possess in order to be successful. The financial institutions are investing money in programs that instruct individuals on how to manage projects, evaluate data, and make use of technology. Workers are provided with the tools they need to adapt to changing circumstances and operate effectively with RPA systems as a result of this. In addition, RPA eliminates the stress and errors that are associated with doing the same task over and over again over and over again. This might make the

workplace more pleasant, reduce the amount of stress that employees experience, and be beneficial to the health of those who work there. Furthermore, it is of utmost significance to manage the shift with caution. You need to have effective communication and change management methods in place in order to address any difficulties that may arise with the personnel and to ensure that the RPA deployment goes off without a hitch. To summarise, robotic process automation does not pose a danger to employment; rather, it creates new chances for those working in the banking trade. Banks may improve their workers' skills, involvement, and readiness to succeed in the digital era by using the speed of robotic process automation (RPA) and concentrating on what individuals are most competent at doing.

Here's a Venn diagram illustrating the comparison of human and RPA capabilities in the Banking & Finance sector:

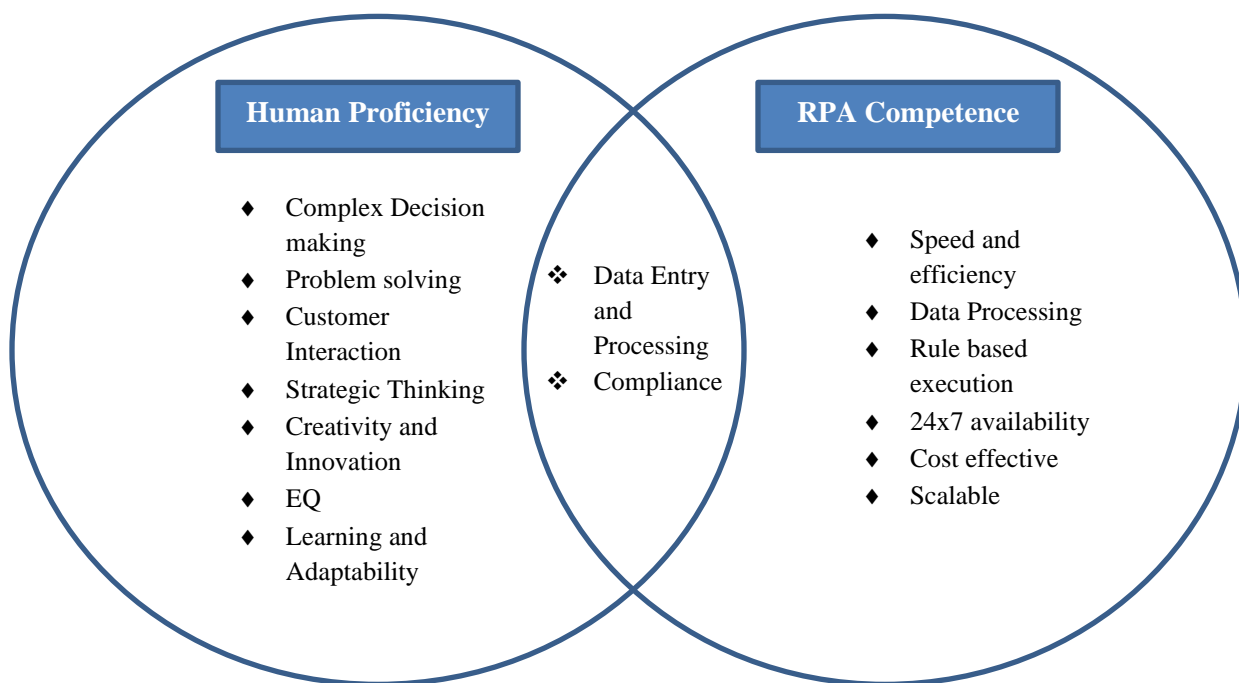


Figure 2: Impact of RPA on employees of Bank and Financial Sector

### **RPA and fraud mitigation in banks:**

There are many reasons why fraud is so dangerous to the safety and dignity of financial institutions: it costs them money, hurts their reputation, and gets the attention of the police. Financial institutions are using robotic process automation (RPA) and other cutting edge technologies more and more to find, stop, and lessen fraud. This study piece looks at the uses of robotic process automation (RPA), as well as its pros, cons, and possible futures. The goal is to lower the risk of theft in financial institutions. Financial institutions can use robotic process automation (RPA) to handle processes that look for fraud, study huge amounts of

financial data in real time, and make their defenses stronger against new threats. In order to get the most out of this new technology, RPA adoption needs careful planning, teamwork, and a planned approach. This has to be done in order to get the best effects. Fraud is always a risk for banks and other financial institutions all over the world, and that risk is always changing. Since more and more people are using digital banking and doing their financial transactions online, fraudsters are getting better at taking advantage of holes in the systems and processes that are used for these transactions. Robotic process automation (RPA) and other cutting-edge technologies are helping banks find and stop theft at a time when there are more chances for fraud than ever before. This study paper looks at robotic process automation (RPA) as a possible way for banks to lower the risk of fraud, increase speed, cut costs, and keep customers' trust.

"Fraud" can mean a lot of different illegal things, such as money laundering, account takeover, payment fraud, and identity theft. When these kinds of scams happen, banks lose a lot of money, reputation, and the trust of their users. Know Your Customer (KYC) rules and Anti-Money Laundering (AML) laws put extra pressure on banks to find and stop theft as soon as possible.

Robotic process automation (RPA) could be very helpful for financial institutions in finding and stopping scams. Financial institutions can quickly look through huge amounts of transaction data, spot oddities, and alert the authorities to actions that might be illegal with the help of robotic process automation (RPA). In order to do this, the rule-based steps that need to be done over and over are automatic. Solutions made possible by robotic process automation could help with a number of different types of scam investigations, such as:

To begin, keep an eye on the deals: Robotic process automation (RPA) systems can keep an eye on business data all the time to look for strange patterns or things that don't seem right. Here are a few examples of this: Strange account behavior in general, purchases that don't fit with the person's personality, or large moves to accounts that the person hasn't used in a while. Finding accounts that aren't real Robotic process automation (RPA) bots may look at information about a client's account, their transaction history, and how they usually act to see if they are at risk of account takeover, identity theft, or unauthorized access. It is possible to do this in order to find possible cases of unauthorized entry.

2. Compliance Monitoring: Robotic process automation (RPA) could help financial institutions streamline their compliance procedures by collecting client data, doing Know Your Client (KYC) checks, and finding accounts that act strangely or need more investigation.

Aside from that, systems powered by RPA might be able to automatically handle insurance claims, loan applications, and other financial deals. This makes it less likely that fake claims will be made. Both the effectiveness of operations and the risk of fraud go up when this kind of software is used.

RPA's Advantages in Fraud Prevention and Control:

Here are just a few of the many benefits that banks may enjoy when they use RPA to combat fraud:

Powered by RPA, systems can swiftly and accurately sift through mountains of trade data, leading to more accurate detections. The ability for banks to spot trends and anomalies in fraudulent behavior has greatly improved in recent years.

Thanks to the capabilities of robotic process automation (RPA) technology, it is now possible to monitor transactions in real time. Financial institutions may thereby lessen the possibility of fraudulent conduct and respond swiftly to new risks, preventing substantial losses.

**Streamlined Operations:** RPA streamlines the process of detecting fraudulent activity, decreases human error, and frees up resources for bigger projects, all of which contribute to operational efficiency in financial institutions.

Robotic process automation (RPA) systems can automate reporting processes, audit logs, and compliance checks. Financial institutions may find these solutions useful in checking that they are following the law. Financial institutions may greatly benefit from robotic process automation (RPA) in terms of cost savings. RPA improves operational efficiency, decreases fraud losses, and minimizes regulatory fines.

Some things to remember and avoid at all costs:

Financial institutions have several problems and obstacles when using robotic process automation (RPA) to combat fraud. Some of them include:

**Data Integration:** Reliable and correct data is essential for robotic process automation (RPA) systems to identify and stop fraudulent actions. Financial institutions should ensure that data sources are interconnected and that any data quality concerns are addressed in order to maximize the effectiveness of RPA-driven solutions.

The proper regulatory criteria must be met by financial institutions' robotic process automation (RPA) technology. Standards for cyber defense, data protection legislation, and anti-money-laundering rules are all examples of this.

**Managing Change:** To address employee concerns and overcome resistance to automation, the company must support the deployment of robotic process automation (RPA). This can only be achieved via training and change management strategies.

It is the duty of financial institutions to guarantee that the RPA systems they use can grow with their needs and adapt to new government legislation and trends in criminal behavior.

**Impact of RPA on Banks and Financial Sector**

Research in robotic process automation (RPA) is changing the banking and finance business. RPA is having a big effect on both how efficiently things are run and what people do. One of the most obvious benefits is that both the speed and accuracy of the operations have gotten a lot better. Robotic process automation (RPA) can be used to handle tasks that are done over and over again, like entering data, processing loans, and answering customer service questions. This frees up people to work on more difficult tasks that require judgment and strategic thought. Therefore, this leads to faster decisions of loans, faster starting of accounts, and faster reaction to customer needs. Robotic process automation also lowers the chance of mistakes being made by humans in these repetitive tasks. This makes the data more accurate and lowers the risk of mistakes that could cause delays and extra work. Robotic process automation (RPA) not only makes things more efficient, but it also gives people more power by freeing them from hard work. So, they can focus on building stronger relationships with their customers, giving each one of them personalized service, and taking on more analytical and strategic tasks. Robotic process automation (RPA) also helps with compliance by handling tasks that make sure rules are followed. This makes it less likely that regulators will punish people, and it also makes sure that financial rules are followed consistently. Still, it's important to remember that robotic process automation (RPA) is not a replacement for human experience. It is still thought that the human mind is capable of making hard decisions, fixing problems, and doing things that require imagination. The future of the banking business will be a plan that uses robotic process automation (RPA) to help people with their skills. In the end, this will make the financial environment more productive, correct, and customer-focused.

**Customer's perception of Banking and Finance sector's RPA operational discourse**

Customers in the banking industry are reaping large advantages from the use of robotic process automation (RPA) in their banking operations. The processing speeds and reaction times have both sped up, which is one of the benefits that may be seen immediately. It is possible to employ robotic process automation (RPA) to manage duties such as making choices about loans, opening accounts, and answering inquiries provided by customers. People will be able to acquire answers more quickly and wait less as a result of this. When everything is said and done, this results in a more streamlined and efficient experience for the consumer, which in turn makes the client happier overall and reduces the amount of irritation they feel. Data input is one example of a repetitive operation that may be automated by robotic process automation. This removes the possibility of human mistake occurring in such activities. Deals and information are processed with more precision as a result of this innovation. The likelihood of errors, which might result in delays, incorrect charges, or even frauds, is reduced as a result of this circumstance. Customer accounts and cash are preserved as a result of this action.

Robotic process automation has the potential to enhance the degree of individualized service that customers get, in addition to making things quicker and more accurate. The ability of financial institutions to utilize more of their resources to cultivate closer connections with their clients is facilitated by the release of their personnel from the burden of doing mundane duties. Employees are able to devote their attention to providing individualized financial assistance, providing answers to challenging inquiries, and developing

solutions that are designed to fit the specific requirements of each individual client. The use of robotic process automation (RPA) has the potential to significantly reduce the number of steps that are required to comply with laws. RPA, or robotic process automation, is a technique that use computers to do tasks such as Know Your Client (KYC) checks and the detection of scams. By doing so, we ensure that the confidentiality of customer information is maintained and that financial regulations are adhered to. Customers will be able to conduct their banking transactions in an environment that is both more secure and more reliable. On the other hand, it is essential to keep in mind that computer process automation should not completely replace human contact. Customers continue to place a high value on the opportunity to speak with a person who is knowledgeable about how to handle difficult issues or to get help that is tailored precisely to their needs.

It is necessary to have a fair approach in order for the future to be successful, and robotic process automation (RPA) should be employed to assist individuals. Customers will be able to complete their financial transactions in a manner that is better, more accurate, and more secure.

### **The Power of Automation: Efficiency Gains with RPA**

RPA offers compelling benefits for the banking sector:

- **Enhanced Efficiency:** Automating repetitive tasks frees up bank employees for higher-value activities such as strategic planning, customer relationship management, and complex problem-solving (Aal & Raj, 2020).
- **Improved Accuracy:** RPA eliminates human error in repetitive tasks, leading to increased data accuracy and fewer processing mistakes (De Andrés & Isabel Fernandez, 2020).
- **Reduced Costs:** Automating tasks lowers operational expenses by minimizing the need for human intervention in repetitive activities (Huang & Rust, 2018).
- **Faster Turnaround Times:** Streamlined workflows through RPA lead to quicker processing times for loan approvals, account openings, and customer inquiries (Lee, Lee, & Um, 2020).

These advantages are undeniable, making RPA a powerful tool for optimizing banking operations.

### **Conclusion:**

The emergence of robotic process automation (RPA) in financial institutions may give the impression that it is a step toward automation; nevertheless, the reality is considerably more nuanced than that. RPA is not a substitute for humans; rather, it is a helpful tool that may assist people in functioning more effectively in their occupations. Through the use of robotic process automation (RPA), workers are able to devote their time and energy to activities that they excel at, such as solving difficult issues, thinking creatively, and developing strong connections with clients.



Cooperation is the most important factor in determining the future of the banking business. Robotic process automation (RPA) is responsible for handling the paperwork, allowing human workers to focus on figuring out how the complex financial marketplace operates. This indicates that workers need to acquire new skills and enhance the ones they currently possess in order to be able to effectively manage and operate with robotic process automation (RPA) systems.

In the end, robotic process automation (RPA) offers a fantastic opportunity to alter the way that people operate in banks. The banking environment is being made more efficient, accurate, and customer-focused via the collaborative efforts of both humans and robots. It is not a battle between humans and machines. By using the most advantageous aspects of both, financial institutions have the ability to construct a safe future in which human knowledge continues to be the most important factor in achieving success. Using robotic process automation (RPA), the banking industry has the potential to become more efficient, save expenses, and improve the overall experience for customers. However, in order for banks to be eligible for these benefits, they must first determine how they would use RPA. If financial institutions want to effectively use robotic process automation (RPA) and make their operations more significantly different, they need to establish crystal-clear objectives, ensure that they are adhering to the regulations, construct a robust governance structure, invest in the appropriate technology, place an emphasis on staff engagement, and monitor their performance.

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