AIS≈

REDUCING SERVICING COSTS, IMPROVING DATA SECURITY, AND MITIGATING OPERATIONAL RISK

Leaders from some of the nation's top financial services organizations gathered at AIS's Dallas headquarters for an exclusive roundtable discussion. The event brought together servicing operations executives from auto finance companies, mortgage servicers, and commercial banks. The discussions primarily focused around emerging practices to reduce servicing costs, improve data security, and mitigate operational risks.

As we head into the 2025 planning season, this roundtable provided a valuable opportunity for executives to share insights and proven use cases for driving operational efficiency. Attendees, many of whom are AIS clients, discussed automation strategies, vendor collaboration, and the challenges of balancing innovation with regulatory compliance.

This Executive Briefing captures the key takeaways and outlines actionable recommendations for financial institutions aiming to enhance their operational performance and optimize servicing costs.

CHALLENGES

Strengthening Cybersecurity and Mitigating Risk

Participants highlighted the increasing focus on cybersecurity, particularly in light of rising threats and the growing reliance on digital processes. One major concern discussed was the challenge of protecting sensitive data as institutions continue to expand their technology integrations and vendor relationships. To address these risks, strengthening internal security frameworks is essential, including developing robust security protocols, ensuring data encryption, and conducting regular security audits. Carefully managing vendor interactions alongside these internal measures helps protect sensitive customer data and minimizes operational risks.

Navigating Regulatory Compliance and Adapting to Changes

Keeping pace with regulatory changes remains a priority for financial institutions, but the constant need to update systems to comply with evolving regulations can divert valuable resources from other strategic initiatives. To manage this balancing act between compliance and operational efficiency, financial institutions must invest in flexible, adaptable systems that allow for quick adjustments to regulatory changes without slowing down operations.

Overcoming Automation Development and Implementation Challenges

Lenders and services are heavily focused on automation to streamline operations and reduce costs. However, one of the most significant challenges raised was the extended timelines and high costs associated with building and deploying bots. What is often planned as a short-term initiative frequently becomes a multi-year effort, due to the complexity of development, testing, and system integration. Still, institutions can minimize bottlenecks and achieve expected returns by leveraging development resources who understand servicing operations, provide ongoing maintenance for the bots they develop, and specialize in identifying ideal candidates for automation.

Improving Data Integration and Streamlining Reporting

Financial institutions face ongoing challenges in integrating multiple systems and interfaces to create cohesive workflows. The reliance on fragmented reporting processes leads to inefficiencies, as manual intervention is often required to track and manage operational data. Organizations continue to explore ways to improve data integration to enable more effective reporting and automation.

OPPORTUNITIES

Enhancing Data-Driven Decision Making

Optimizing the use of data and analytics is crucial for guiding automation and improving operational efficiency. By investing in real-time tracking tools and monitoring key performance metrics for Servicing Ops teams—such as throughput, attrition rate, and quality control—institutions can identify inefficiencies and make informed decisions about where to apply automation. Data-driven insights enable institutions to prioritize high-impact areas and drive greater operational success.

Expanding Use of Low-Code/No-Code Platforms

Low-code and no-code platforms offer financial institutions a valuable opportunity to streamline workflows and automate processes without the need for extensive development resources. These platforms allow institutions to quickly implement automation solutions at a lower cost, enabling faster scalability across various business areas. Investing in these platforms can accelerate automation efforts, improve workflow management, and ensure scalable, cost-effective operations.

Consolidating Processes Across Business Lines

If financial institutions have the opportunity to consolidate workflows across business lines, they can reduce redundancy and improve service consistency. This approach has significantly lowered costs for several Roundtable participants.

Leveraging Vendor Expertise for Specialized Services

In certain cases, financial institutions will turn to external partners to assist in managing complex, resource-intensive processes, allowing internal teams to concentrate on core business initiatives. The right partnerships should complement an institution's internal efforts, offering flexible, specialized services that enhance operational efficiency. To maximize the value of these relationships, institutions are closely evaluating partnerships to ensure they deliver flexible, timely solutions that align with operational goals and compliance requirements.

CONCLUSION

The challenges discussed at the roundtable reflect the ongoing complexities financial institutions face in navigating automation, compliance, and operational efficiency. However, the opportunities for innovation—particularly in leveraging vendor expertise, embracing low-code platforms, and enhancing data-driven decision-making—present a clear path forward.

AIS's Executive Roundtable demonstrated that financial institutions can thrive in 2025 and beyond with the right tools and partnerships. Contact us to learn how we can help you implement these strategies and prepare for success in the year ahead.

ABOUT AIS

AIS is a professional services and technology company that reduces operating costs, improves compliance and mitigates risk for service businesses through automation and low- cost, high-quality labor. AIS manages the day-to-day work so our clients can focus on growing their business. We review processes, eliminate non-value adds, and help your teams work smarter and faster. We build and deploy technology to automate and increase controls in your back-office. We recruit, train, and manage specialized human resources to meet your immediate staffing needs and increase your organizational bandwidth. We equip decision makers with deep data sets and forward-thinking analytics so they can make smarter business decisions and create better customer experiences. We serve a variety of industries including banking, automotive finance, credit card, mortgage, insurance and telecommunications.