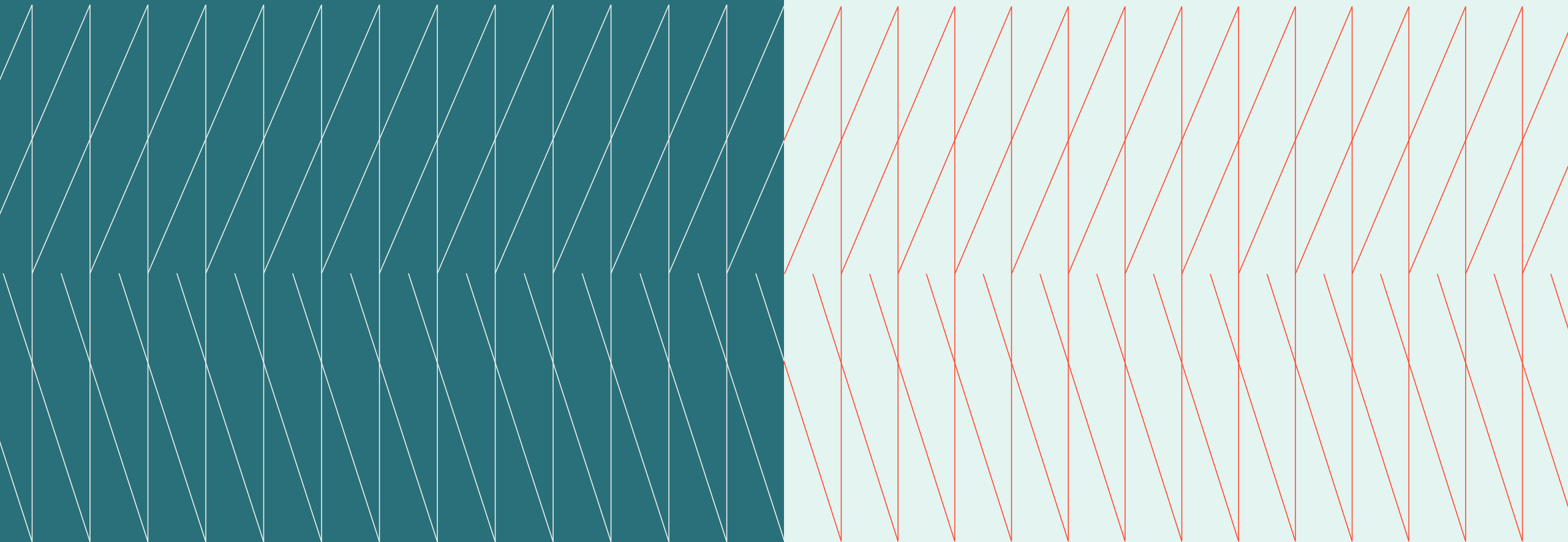


Financial Services
**Leadership
Exchange**

Q4 Executive summary
November 28, 2023

kyndryl.





Overview

In this Leadership Exchange session, several executives from banks and financial services organizations across the globe convened to discuss generative AI. The executives focused on generative AI use cases, AI operations and automation, IT target operating models, and the regulation of AI. The agenda was created based on advance interviews with participants.

Hosts

Jerome Calmelet
Kyndryl – VP, Kyndryl Consult
for Strategic Markets

Andre Putter
Kyndryl – VP, Head of Solutioning
for Strategic Markets

Key topics

PAGE

- 03 Generative AI Capabilities and Use Cases

- 04 Impact of Generative AI on Operations and IT

- 05 Addressing Current and Potential Regulations

Generative AI Capabilities and Use Cases

- With generative AI expected to disrupt the banking industry in the future, organizations are exploring generative AI use cases for their benefit. A desire for employees to upgrade their skills and grow comfortable with AI has prompted some organizations to deploy sandbox environments for ChatGPT-4 where employees can safely use company data. Others have seen significant productivity increases through GitHub copilot for developers. In one example, an organization is doing augmented development where GitHub copilot is used on top of open AI to do unit tests and create documentation.

- As Microsoft® 365® Copilot becomes more widely available, some organizations are defining specific KPIs to measure how the tool is improving productivity and how it impacts daily activities. Copilot can record meetings, take minutes, provide answers, summarize highlights, conduct follow ups, and write emails.

- As companies explore the potential use cases of generative AI, data privacy remains top of mind, with most not trusting the technology with customer data. In one organization, the use cases are restricted on purpose to internal use cases and internal documentation.

- In the customer production setting, large language models have been used in the areas of financial crime prevention, with notable success. At one organization, people have been running customer contracts and invoicing data through AI for efficiency improvement. In another case, a company has developed APIs for retrieval of customer information and product classification based on description and images.

“There are a lot of expectations now and I think that we are all feeling quite a lot of pressure from our company’s owners, senior leadership, and boards that we need to do something.”

- CIO Member

What’s the Future of Generative AI

[Learn more →](#)

Impact of Generative AI on Operations and IT

- AI can be used to enhance IT operations, increase automation, and change a company's operating model. With the help of generative AI, classic AI models, and machine learning, companies can interpret and generate insights from their overall platform, helping them to identify opportunities and areas in need of improvement.
- AI is already improving the operations experience for workers in the back office. In one example, a ChatGPT prompt was enabled in the company intranet for question answering about banking regulations and working instructions. Another company is exploring the possibility of a secure, AI-assisted development chatbot and service desk.

- Generative AI use cases include use in service desks to help agents manage customer interactions or discussions. In insurance, it is used to better manage complaints based on email exchanges. In credit departments, AI helps manage credit decisions in a more automated way by summarizing and evaluating credit files. In fund management platforms, the technology can help customers choose the funds they want to invest in. Such use cases that support customer service draw information from customer or company data, which could be subject to data claims, but adherence to GDPR and Schrems II can limit any risk exposure.

- Process efficiency improvements from internal use cases are often hampered by a lack of data cleanliness. Data cleaning can help companies realize the value of ChatGPT and generative AI, which provides a clear incentive for cleaning and structuring data.

“Where we have live use cases is what I call the operations experience. It is just enabling operations, people in back office to efficiently use AI, and those are people usually not used to working with deep technology.”

– CIO Member

Boost efficiencies for customers and employees

[Learn more →](#)

Addressing Current and Potential Regulations

- In terms of AI regulations, companies are not yet feeling significant pressure because regulators are still determining how to best manage the technology. However, there are concerns in terms of resiliency and DORA regulations as well as security.

- Monitoring, reporting, and quality assurance are regulation areas of focus for one company. Whatever products and systems the company deploys, they keep these topics in mind because future regulations will likely target these aspects.

“Regulations in terms of AI are lagging behind and we are still trying to catch the train, but they are not there yet. I don’t feel a lot of pressure from a regulator point of view in terms of AI.”

– CIO Member

Banking and Financial Markets | Kyndryl

[Learn more →](#)





The Financial Services Thought Leadership Exchange is hosted by [Kyndryl, Inc.](#) Reach out to the hosts of this community, [Jerome Calmelet](#) and [Andre Putter](#), or contact the program's facilitator, [Mona Schwartz](#), with any questions about this community.

© Copyright Kyndryl, Inc. 2024

Kyndryl is a trademark or registered trademark of Kyndryl Inc. in the United States and/or other countries. Other product and service names may be trademarks of Kyndryl Inc. or other companies.

Microsoft, Azure, 365, Windows, Windows NT, and the Windows logo are trademarks of Microsoft Corporation in the United States, other countries, or both.

This document is current as of the initial date of publication and may be changed by Kyndryl at any time without notice. Not all offerings are available in every country in which Kyndryl operates. Kyndryl products and services are warranted according to the terms and conditions of the agreements under which they are provided.

