

CASE STUDY



# Marginalen Bank Harnesses Automation to Shrink the Cost of Compliance.

Know-your-customer (KYC) controls are crucial for banks to ensure regulatory compliance and minimize risk of fraud, but manual processes can reduce efficiency and raise costs. Marginalen Bank is using Kofax RPA™ to automate due diligence security checks on all loan applicants—saving 16 hours of manual work per day.

**8 HOURS/DAY**

SAVED BY AUTOMATING  
SECURITY CHECKS

**13**

KEY BUSINESS  
PROCESSES STREAMLINED

**GDPR**

COMPLIANCE ACCELERATED BY  
RAPID, AUTOMATED REPORTING

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### ABOUT MARGINALEN BANK

WWW.MARGINALEN.SE

Marginalen Bank offers online and telephone banking to 200,000 customers across Scandinavia. Founded in 2010, the bank employs 300 people and is headquartered in Stockholm, Sweden.

### PRODUCTS IN USE

Kofax RPA™

### FOCUS

Robotic Process Automation, Know-Your-Customer (KYC), Compliance Management, Customer Onboarding, Fraud Prevention, Web Data Extraction, GDPR



## CHALLENGE

Marginalen Bank offers a comprehensive range of banking products online and over the phone—and automation is key to delivering on customer expectations for 24/7 services. However, the bank's know-your-customer (KYC) controls relied heavily on time-consuming manual processes, driving up its operational costs and creating compliance risks.

Thomas Holmstrom, Solutions Manager for Marginalen Bank, explained: "Like all financial services organizations, we must perform due diligence checks on our loan applicants. This involves checking each applicant's name and other details against existing records of convicted fraudsters, so we can be sure they are not a significant lending risk.

"In the past, this process involved manually checking the relevant data fields against a list hosted on our regulator's website. As well as adding an extra working day to our loan origination process, this approach consumed around a significant number of hours per week—time we could otherwise spend delivering value-added services to our customers."

Marginalen Bank was also keen to reduce its exposure to the General Data Protection Regulation (GDPR), which requires the organization to supply all personal data associated with an individual on request.

**"Kofax RPA has transformed our KYC process. With a Kofax RPA robot performing fraud detection checks, we can rest assured that any high-risk loan applicants will be flagged instantly."**

**Thomas Holmstrom, Solutions Manager, Marginalen Bank**

"Under the GDPR, we need to be able to pull up any and all personal information on a customer within a strict 30-day deadline, if they ask for it," said Thomas Holmstrom. "We realized that our existing approach to information discovery would make it difficult to meet the requirements of the GDPR in a timely manner."

Marginalen Bank began looking for a solution that could help automate these key processes—enabling it to ensure regulatory compliance and streamline the experience for loan applicants.

"The key word for us was modernization," said Thomas Holmstrom. "We knew that we could harness automation to solve the challenges we were facing—it was just a question of finding the right provider."



## SOLUTION

Working with long-term business partner Vipetech, Marginalen Bank selected Kofax RPA™ as its Intelligent Automation platform.

"Vipetech was confident that Kofax RPA would meet our specific operational requirements, and after we began evaluating the platform, we quickly agreed," said Thomas Holmstrom. "We were particularly impressed by how easy it is to use Kofax RPA to create software robots. When we first sat down with the Vipetech team, we were able to create a fully functional robot for fraud prevention checks in just a few hours."

Marginalen Bank now uses a Kofax RPA software robot to automatically perform background checks for fraud prevention—enabling it to satisfy regulatory requirements with minimal human intervention.

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"Rather than simply screen-scraping, the Kofax RPA robot checks the actual HTML code behind the online list of convicted fraudsters," said Thomas Holmstrom. "This capability means that the robot can return a result far more quickly, and more reliably, than a human operator."

Marginalen Bank has since expanded its use of Kofax RPA to automate even more of its business processes, with the help of consultants from Vipetech.

Thomas Holmstrom added: "Not only did the Vipetech team help us implement the Kofax solution, they also acted as our teachers—training us to create smart software robots using Kofax RPA's in-built templates. Looking ahead, Vipetech's training puts us in a very strong position to automate more of our business processes, which will help us maximize the value of our investment in Kofax RPA."



## RESULTS

Using Kofax RPA, Marginalen Bank has now automated 13 key business processes, including anti-fraud checks, customer account applications, and internal payroll processing.

"Kofax RPA has transformed our KYC process," says Thomas Holmstrom. "With a Kofax RPA robot performing fraud detection checks, we can rest assured that any high-risk loan applicants will be flagged instantly. We estimate that we are saving 16 hours per day in labor with Kofax RPA, which nets out to 8 hours overall saving, taking into account the automation cost. In effect, we now have two additional full-time equivalents per week, which helps us to dedicate more time to customer-facing services."

Kofax RPA has also enabled Marginalen Bank to increase the accuracy and efficiency of key back-office processes.

"One of the greatest benefits of using Kofax RPA is that we can almost completely eliminate the potential for manual input errors," said Thomas Holmstrom. "With Kofax RPA robots handling repetitive tasks like payroll processing, we have practically eliminated the risks associated with re-keying data between different systems."

Looking to the future, Marginalen Bank plans to use Kofax RPA to automate its information discovery process, facilitating GDPR claims processing.

"We are planning to build a software robot that can scour our systems for data on a particular customer, and return it to them in a simple, comprehensive report," said Thomas Holmstrom. "This would save our employees a large amount of time, and help us meet the 30-day deadline for GDPR requests—reducing our exposure to compliance risks."

Thomas Holmstrom concluded: "Kofax RPA has already had a huge, measurable impact on our business, and we're just getting started! In the future, we aim to automate processes in our insurance, credit card and business loan operations. Kofax RPA will be indispensable as we continue to enhance our operations, and will help us deliver even more responsive services to our customers."

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