

Automation of document processes is a critical component to digitally transforming organizations' content processes. This IDC Vendor Spotlight examines the trends, challenges, and benefits of adopting intelligent document processing applications.

# Automation Through Intelligent Document Processing in the Financial Services and Insurance Industries

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## Introduction: The Need for Automation in Document Processes

Digital transformation efforts in document processes have been underway in organizations for years, if not decades. However, the recent shift to remote and hybrid work models has exposed gaps in critical document processes for many organizations as both their employees and their customers operate at any time, from anywhere, and on any device.

IDC expects the remote and hybrid work trend to continue as nearly half of all organizations in a recent IDC survey indicated that the new remote and hybrid models will be an embedded part of accepted work practices for many industries as we move into the future. With this in mind, IDC believes that closing the gaps to create truly digitized and automated document processes not only will provide business continuity but also can allow organizations to operate more productively, improve employee and customer experience, and provide differentiation over their competition.

The finance and insurance verticals, which are especially document intensive, are no exception to these trends. Business correspondence, statements, invoices, and other critical documents flow in and out of these types of organizations every day, and they often contain private or personally identifiable information (PII). Because of this, intelligent document processing (IDP) applications play an essential role for these businesses. IDP technologies leverage artificial intelligence (AI) to automate tasks such as reading and categorizing documents, routing documents, and extracting and validating data from documents as well as other tasks related to understanding and processing unstructured content. Ultimately, creating actionable data enables businesses to make decisions quicker and more accurately, deliver greater business value, and mitigate risks.

## AT A GLANCE

### KEY STATS

According to IDC's 2020 *Enterprise Content Strategies — Use Cases Survey*:

- » 39% of paper documents are scanned at dedicated, staffed company facilities.
- » 14% of paper documents are scanned by service providers at either internal or external facilities.
- » 46% of paper documents are scanned on an ad hoc basis by staff for whom scanning is not their primary function.

## Challenges of Adopting IDP and Automation Technologies

Technologies to convert paper content into digital format and image processing solutions are almost ubiquitous in today's workplace. Other IDP technologies such as optical character recognition (OCR) and intelligent character recognition (ICR) have also been adopted by most organizations. Still, organizations face several challenges in the adoption of IDP and automation technologies.

In IDC's 2020 *Enterprise Content Strategies — Use Cases Survey*, respondents from the finance and insurance industries indicated that just over half of the documents that are managed by IDP technologies originate and remain as digital documents. In digital format, the processing of documents requires minimal human intervention. However, scanning paper documents is a highly manual process that can incur significant costs in labor, facilities, and hardware. Respondents from the financial and insurance industries noted that of the paper documents processed by their organizations, 39% are scanned at dedicated, staffed company facilities, 14% are scanned by service providers at either internal or external facilities, and 46% are scanned on an ad hoc basis by staff for whom scanning is not their primary function. Scanning adds time to document processing, can expose organizations to security risks, and is prone to errors due to its repetitive nature.

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Most financial and insurance documents that are structured, such as forms, can be easily processed by IDP technologies. However, nearly all survey respondents from the financial and insurance industries indicated that less than half of their organizations' semistructured and unstructured documents (including invoices, statements, contracts, and correspondence) were being processed by IDP solutions.

In addition to these issues, organizations face several deployment challenges when adopting technology to digitize and transform their document workflows. Inadequate worker skills and training, prioritizing documents to digitize, and the sheer volume of content were the biggest challenges for both finance and insurance as they adopted these technologies.

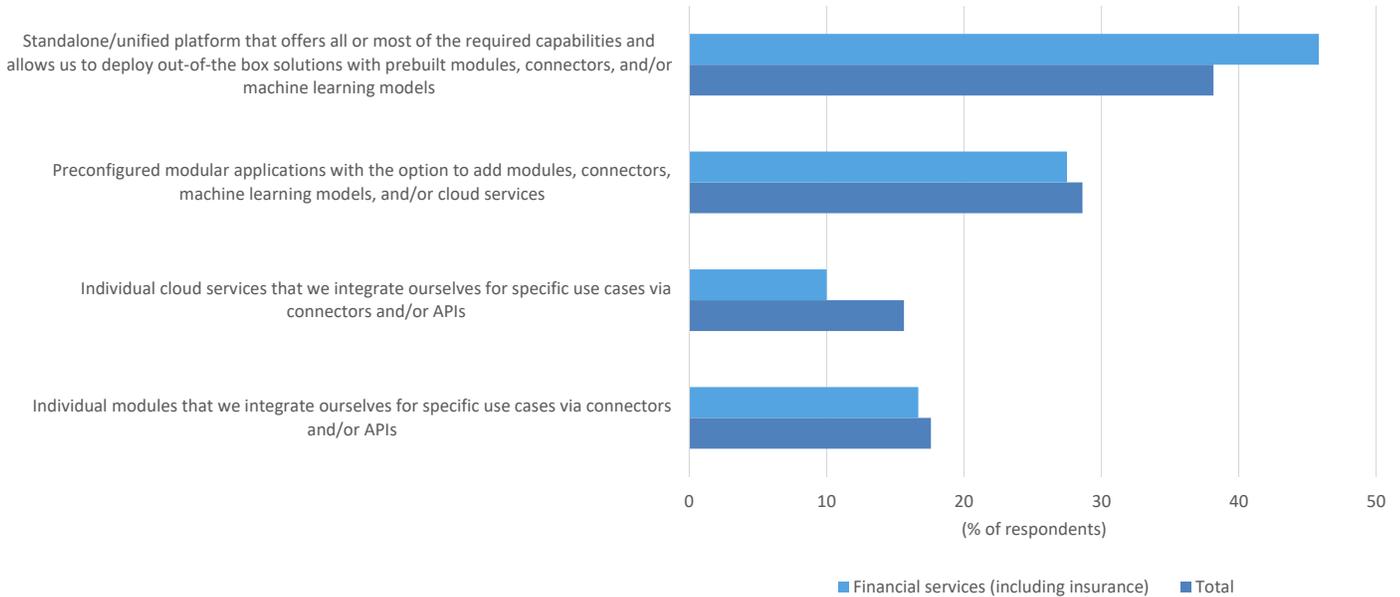
## Key Trends

In IDC's 2020 *Enterprise Content Strategies — Use Cases Survey*, respondents in insurance and financial roles noted that IDP-enabled automation of document workflows for governance and compliance management processes remained the most critical technology after the onset of the pandemic. These technologies can also be applied to a variety of document workflow use cases for these industries. For example, finance and insurance respondents were nearly two times more likely than respondents in other industries to adopt IDP solutions to manage financial planning and analysis, remittance processing, invoice processing and purchase order processing workflows. With the critical nature of the document processes in these industries, surprisingly, most deployment initiatives are done in an ad hoc or isolated manner.

Finance and insurance also tend to lag other business areas in adopting IDP technologies integrated via cloud services. These industries tend to prefer standalone applications that allow them to deploy out-of-the-box solutions with prebuilt modules, connectors, and machine learning (ML) models.

FIGURE 1: **Deployment Methods**

**Q How is your organization's intelligent document processing solution most frequently deployed?**



Source: IDC's Enterprise Content Strategies — Use Cases Survey, December 2020

According to IDC's May 2021 *Future Enterprise Resiliency and Spending Survey*, organizations' top priorities in future software architecture include cloud-native platforms that allow businesses to scale usage, modern microservices and API architecture to support integrations, and the use of AI and ML to create decisioning models. Except for microservices and APIs, deployments of IDP technologies tend to fall in line with this thinking as the majority are hosted in SaaS/multitenant, private, public, or hybrid cloud environments and include the use of AI and/or ML.

As finance and insurance organizations mature in their adoption of IDP technologies, the next feature set will need to extend beyond simple image capture and processing. Cloud-based tools to support orchestration, decisioning, and integrations with other enterprise technologies should be considered. Currently, only half of the respondents in these functional areas have adopted the following IDP technologies:

- » Technology to automate and enhance metadata
- » Content analytics for additional information and data enrichment
- » Automation of content workflows
- » Automatic data extraction and validation

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## How Automation and IDP Can Help

Optimized information and data are table stakes for modern businesses in the digital economy. Data that is disorganized, out of date, or incomplete is not only challenging to search but also can cause delays in business processes, lead to poor decision making and, ultimately, erode trust between organizations and their customers. Digitization of document and content processes through investments in technologies such as IDP can help improve data input and quality, making information more easily searchable. This is especially important in the insurance and finance verticals, where trust and responsiveness are critical.

By automating content-centric workflows and adopting IDP technologies, organizations have seen improved business decision making, responsiveness, and customer satisfaction as well as improvements in visibility, auditability, and accountability. Removing manual processes such as scanning and data input has been shown to increase employee satisfaction, engagement, and productivity. Other benefits include reduced compliance and business risk and the ability to redirect resources to higher-value tasks.

## Considering ASG/Rocket Software

ASG, which was recently acquired by Rocket Software, has over 30 years of experience providing tools for customers to manage their enterprise content and structured/unstructured data. Two features in ASG's suite that help customers manage content from capture to distribution are the Mobius Content Services platform and new Digital Automation capabilities.

ASG's Mobius Content Services is a modular, API-led platform that provides customers with tools to manage the entire content life cycle, including capture, unified federation, governance and compliance, and distribution of enterprise content. Mobius leverages cloud capabilities to support private, public, or hybrid cloud deployments and can also be deployed in an on-premises environment. The tools and architecture are intended to simplify automating content workflows and connect other business process applications.

ASG's Digital Automation capabilities utilize ASG-Studio to design, model, automate, and deploy content-centric processes. ASG-Studio features drag-and-drop low-code/no-code functionality to provide developers with a simplified interface to create process workflows and integrations to other business applications and manage business rules to support process orchestration and decision making. ASG-Studio consists of five modules containing discrete services:

- » **Process Services** provides developers tools to model, test, and monitor content processes using standard Business Process Model and Notation (BPMN). Analysis and reporting capabilities deliver insights into how content processes are executing.
- » **Robotic Services** allows developers and teams to create and deploy bots to automate repetitive tasks such as data entry, data extraction, and interaction with external applications.
- » **Repository Services** provides policy and federation tools to govern access to and usage of content to ensure compliance. Repository Services also federates content across disparate repositories and can automatically redact sensitive information such as PII through policy management tools.
- » **Presentation Services** allows teams to create, deploy, monitor, and publish across platforms for both web and mobile experiences.
- » **Decision Services** utilizes standard BPMN to allow teams to define, execute, analyze, and adjust business rules to automate decisions for content processes.

In the finance and insurance verticals, ASG's content processes automation solutions apply to several use cases such as loan processing, onboarding, accounts payable, and contract management processes. ASG's platforms support the entire content life cycle while providing attractive features such as discovery and automatic redaction of PII. Automation of these workflows as well as audit and reconciliation processes helps ensure compliance in these heavily regulated industries, while integrations to other business applications, such as Microsoft 365, support employee collaboration regardless of location.

ASG not only offers its own applications and services but also collaborates with several partners. These partners bring years of experience and industry-specific knowledge of executing enterprise content management (ECM) implementations.

- » Locus Systems provides implementation and system migration consulting.
- » ZIA Consulting specializes in services to assist in the automation of business processes to support governance and compliance. ZIA also offers integration services for applications such as Box, Microsoft 365, SharePoint, and Teams.
- » TerraLink provides business solution consulting for content-centric ECM implementations, specializing in customer onboarding processes and information management with governance oversight.

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### Challenges

Transformation of content workflows can compete with other IT and digital transformation initiatives. In addition, transitioning to new applications to manage content can be difficult for many organizations, especially those with large amounts of content in disparate or legacy repositories. According to IDC's December 2020 *Enterprise Content Strategies — Use Cases Survey* (n = 608), approximately one-third of respondents indicated that the sheer volume of content and prioritizing documents to digitize were their top challenges while they adopted technology to digitize and transform their document workflows.

ASG also faces competition from several players in the content sharing and collaboration space as well as other enterprise content management vendors that are adopting cloud-based architectures.

### Conclusion

In the hybrid work environment, the ability to surface, secure, and govern data is critical for organizations that want to compete in the digital economy. However, adopting new content technologies can be challenging, especially in industries where compliance and trust are of the utmost concern. Therefore, organizations need to take a holistic approach to transforming their content processes. When assessing the technology in the market, organizations should look for vendors that have capabilities to support capture, automation, governance, and federation as well as a robust partner ecosystem with the domain expertise to address the unique business challenges they face.

## About the Analyst



### **Steve Charbonnier, Research Manager**

Steve Charbonnier is a Research Manager for IDC's Enterprise Content Strategies program, responsible for research related to the innovation and transformation of content services. Steve's research encompasses the entire Content Workflow Ecosystem including content management, content sharing and collaboration, capture software, eForms, and eSignature.

## MESSAGE FROM THE SPONSOR

### About Rocket Software

ASG Technologies, a Rocket Software company, enables enterprises to reimagine content-rich processes – the complex interactions between people, content, processes, and systems – to improve responsiveness to changing business and regulatory demands. ASG's Mobius Content Services Platform enables business analysts, developers, and IT administrators with self-service support to construct content-aware business applications for secure, collaborative, business process execution. Built to simplify content-rich process automation, ASG's capabilities arm professional and citizen developers to quickly design, test and deploy solutions to content-rich process problems and improve the organization's operational performance and governance of sensitive information. Learn more at [www.asg.com/en/Products/Content-Services.aspx](http://www.asg.com/en/Products/Content-Services.aspx).



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