Meeting Treasury Disruption Head On by Harnessing the Power of Data

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Disruption is happening for nearly every business in every industry. It is the new normal. According to *Information Age,* two-thirds of C-suite executives at Fortune 500 companies in Europe and the U.S. believe that digital disruption will wipe out 40 percent of these firms in the next ten years. For this reason, more and more companies are scrambling to encourage and embrace a digital mindset.

In this evolving business ecosystem, data is king. How business is done today, how it will be done tomorrow and well into the future will all be guided by data and data analytics. According to a recent Forrester report, 98 percent of organizations say that analytics are important to driving business priorities, yet fewer than 40 percent of workloads are leveraging advanced analytics or artificial intelligence (AI).[1]

Advancements in analytics such as machine learning can give companies a significant advantage through data-driven decision-making, targeted marketing and problem-solving that addresses the biggest challenges and pain points businesses face.

Further advancements in AI are helping businesses automate manual processes, as well as enhance and speed up functions that would normally be performed by human capital, thus delivering on the goal of taking manual treasury processes and turning them into highly-efficient digital ones.

The speed at which technological advancements in digital processes are entering into our business ecosystems and legacy infrastructures are causing a massive disruption in the way technology is being delivered. Along with embracing an agile delivery model complete with scrum sessions and short delivery sprints, having a clear data and analytics strategy can mean the difference between success and potentially being disrupted.

[1] https://www.intel.com/content/www/us/en/analytics/advanced-analytics-and-ai-infographic.html?cid=21087683&plid=221372315&crid=0&aid=419832797&sid=3229435&dclid=CJaDocGbs9wCFcJtwQodphADgw

Focusing on data as an asset

One of the byproducts of this digital disruption is that data is being generated in massive waves. To make use of this data, organizations must work through a digital transformation, in particular, focusing on data as an asset. This means companies need to understand where all the data is and then be able to make it available when it is needed by the audience who needs it, such as customers, regulators and internal functions like operations, service, compliance, finance, risk, sales and business decision makers.

Simply possessing data in and of itself is insufficient. Part of the digital transformation strategy within an organization has to include a certain level of data governance that must be well understood and adhered to throughout the business. Additionally, the analytics which derive from the data requires discipline around how the data is gathered, scrubbed for quality and stitched together to consistently identify a flow or an action, recreate an event, tell a story or predict a future action.

At Citi Treasury and Trade Solutions (TTS), data is one of our competitive advantages. We have access to vital data that enables us to analyze our clients' journeys in order to understand their pain points and help anticipate their needs. Leveraging data also allows us to help improve operations and build better, smarter products. TTS leverages data to understand our clients' transaction flows in real time in order to help identify outlier behavior and activity that might be further investigated by the client. We are

also harnessing our global footprint and the data we collect around the world – whether transactional, local, regulatory or geopolitical – in an effort to provide clients with digital problem-solving tools that not only take into consideration their existing business, but also combine real intelligence with AI to provide viable, actionable solutions.

Going a step further, we are employing machine learning algorithms and leveraging internally curated data and external data to create recommendation engines that facilitate more effective advisory services, which address overall treasury and business objectives.

Diving deep: Citi's data analytics transformation

Citi is at the forefront of the movement to harness data. Over the past five years, TTS has been undergoing a data analytics transformation that consists of a modern data lake with supporting capabilities and tooling that allows for ad hoc data requests and dashboard creation, self-service analytics and machine learning.

Driving a multi-threaded analytics strategy requires a focused approach to getting the right data from the right sources, structuring it and then joining it together in a logical way. At Citi, this focused approach allows us to join together data from a variety of internal systems, as well as external ones. This breadth of data helps deliver more robust insights.

Once the data is aggregated, it can be used in several ways. Client Digital Solutioning is one exciting way in which we use the power of data to enable clients to access key information about their flows, liquidity structures and peer performance in order to meet their needs and help address business problems.

At the same time, horizontal teams of business domain experts, technologists and data scientists across the bank focus on applying machine learning, cognitive and advanced capabilities to draw real-time insights for our clients. We are developing robust, advanced AI capabilities in predictive analysis and recommendation engines to help address clients' challenges.

By constantly learning from what our clients are doing – and in some cases not doing – we can employ algorithms and machine learning in real time to improve process flows and then offer recommendations and suggestions that are more valuable to the business. We are getting more sophisticated around AI, mining data for greater insights, and then planning to execute on those insights with advancements such as virtual chat. Our ultimate goal is to drive improved business decision-making, boost product development and enhance client experiences.

What's next?

Citi continues to innovate in order to meet clients' needs today, while putting the right technology in place so we can flexibly meet changing needs in the future. Beyond developing virtual assistant/chat bot recommendation engines that are fully automated, the goal is to move completely to automation and digitization. We are an industry leader in meeting treasury disruption head on by harnessing the power of data. ■