"We connect the physical and digital worlds"

Document management is going digital. An interview with Jörg Vollmer, CEO of Swiss Post Solutions, a leading business process outsourcing provider for digital and physical document management, about the status and opportunities of business process automation.

Jörg Vollmer, CEO of Swiss Post Solutions

Mr. Vollmer, how far have companies already progressed with digitization in document management?

Vollmer: Companies today have all recognized that the digitization of their own business processes is a high priority, but to get from the point of realization to the point where the digital transformation of business processes is completed is far from easy. This is because the real challenge is to end up with fully integrated processes, not just isolated digital islands. These lead to gaps in media of the kind we often experience today at banks, for example.

But isn't online banking standard today at all banks?

Vollmer: Yes, the digital process works at the front-end, but the customers are not 100 percent digital. They are hybrid. Half of the customers use online banking, but half of them still want to issue instructions to the bank on paper or receive account statements by post. In our experience, more than three quarters of the communications between financial institutions and customers today still take place through physical documents.

Where do the gaps in media occur?

Vollmer: Whenever incoming documents cannot be processed fully automatically. And this is the case with around 90 percent of incoming documents. They are printed out and processed. Information is then re-entered into another IT system.

So digital processes are only a fig leaf to look presentable to the customer?

Vollmer: No, they are just proof that companies are still finding it very difficult to digitize processes consistently from one end to the other. And this is ultimately what is required to increase the operational efficiency of an organization. This is what digitization should be about. Fast and efficient processes contribute far more to customer satisfaction than a supposedly digitized front-end.

But if customers want to communicate physically and digitally, how can companies deal with it?

Vollmer: We link the digital world with the physical world and harmonize the processes. Then it is irrelevant whether the company receives a letter, an email or a fax.

The information from the documents can be deciphered electronically and then processed. Thanks to intelligent automation, we can extract information and make it available for use in other IT systems.

What is artificial intelligence (AI) already capable of doing today?

Vollmer: We use AI software today at a large German customer to classify and file incoming documents fully automatically. Both are based on „learned" knowledge. If the case cannot be completed by the AI system, an employee will intervene and the software will learn how to process such cases in future. This is exactly what characterizes AI – its self-learning capabilities allow it to keep improving, and it can read texts and understand intentions by pattern recognition. The software can effectively decide what the document is about and how to process the content. This speeds up the downstream administrative processes in the long term.

The robot can work with the existing IT systems

Then AI changes the address in the existing system?

Vollmer: No, the AI software provides the information, and a software robot – robotic process automation is the basic concept – can then enter the data in the existing system. The robot uses the same interface as the staff and imitates the actions of the employees. This is enabling us to tackle another challenge of digitization: that of legacy systems.

So the software robot can work with the existing IT systems?

Vollmer: This is the big advantage of robotic process automation. Banks and insurance companies in particular are still using a lot of old mainframe systems and it would be a huge job to develop interfaces for these systems. This is a major hindrance to digitization and hampers progress even in cases where the companies have the best of intentions. Therefore the software robots work on the basis of the user interfaces which are available.

And they work around the clock and never take a break – the number of jobs they can do is limited only by the speed of the legacy system.

How quickly and easily can such solutions be implemented?

Vollmer: The question is not even how quickly intelligent automation can be introduced because the systems themselves are ready to go in a few weeks. It is much more important to ask about strategy, concept and the use of technology in view of the pace at which technologies and solutions are developing. These are the exact issues which our business model picks up on in taking responsibility for the processes and constantly advancing digitization and efficiency. For our client this means avoiding exposure to the technology risk. This greatly accelerates the digitization process.

One final question about the future: when will the physical path have completely disappeared?

Vollmer: I estimate that the proportion of physical documents is decreasing by up to five percent every year. Given that physical documents account for around 80 percent today, we can confidently expect that we will have to serve both worlds for quite some time yet. The end customer is hybrid and will remain so for a long time to come. The centers of gravity are shifting slowly. So there is still an awful lot to do – both for SPS as a provider of outsourcing services and for the companies themselves.

Jörg Vollmer has been CEO of Swiss Post Solutions (SPS), a global provider of outsourcing solutions for business processes and innovative services in document management, since the beginning of 2015.