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Sumitomo Mitsui Financial Group
Sumitomo Mitsui Banking Corporation

Enhancement of productivity with the implementation of RPA (Robotic Process Automation)

Sumitomo Mitsui Financial Group, Inc. (SMFG, President and Group CEO: Takeshi Kunibe) and Sumitomo Mitsui Banking Corporation (SMBC, President and CEO: Makoto Takashima) established the Productivity Management Department in April 2017, which has been driving initiatives to achieve higher productivity and operational efficiency. SMFG and SMBC today share the progress related to an effective tool supporting the realization of these goals, Robotic Process Automation (RPA) (1).

1. Background

Under the medium-term management plan starting this fiscal year, SMFG has been working toward the achievement of higher productivity and improvement of operational efficiency, through utilization of new technologies and sharing of infrastructure on a group-wide basis. As a result, the cost is expected to be reduced by ¥50 billion by the completion of FY3/2020 and ¥100 billion in the mid-term. To realize these goals, the Productivity Management Department was established, in April 2017, in order to drive initiatives to achieve higher productivity, improvement of the operational efficiency, and cost control on a group-wide basis by implementing far-reaching reforms. RPA is an important initiative being leveraged to achieve these objectives.

2. RPA implementation overview

First, all processes within the Headquarter departments were evaluated. Then unnecessary processes were eliminated and duplicative operations were integrated. Of the remaining tasks, certain ones were transformed to be suitable for RPA. Finally, the identified tasks were automated with the use of RPA. So far, operational volume reductions of approximately 200 operations or 400,000 hours annually have been realized (about 650,000 hours including processes currently under development). 1 million hours of capacity is expected to be generated by the end of this fiscal year, and more than 3 million hours within the next three years (workload of about 1,500 people). Going forward, organizational restructuring will be used to generate further capacity through integration and enhancement of operations.

We are using both desktop type RPA, allowing our staff to easily perform the development by themselves, and server type RPA, processing greater volumes for 24 hours per day and 365 days per year. The highly usable and scalable products from UiPath are supporting this initiative.

For this initiative, we established a Center of Excellence (CoE) (2) with our Collaborative Companies, which efficiently leverages the latest knowhow, to achieve high quality development under a robust management structure. With the integration of the companies' knowledge, we have been enhancing governance, security measures, and the standardization of development methods.

<Key areas of RPA implementation>

- Compliance and risk operations with expected increases in volume due to future regulations (e.g., notification of suspicious transactions, internal loss verification/measurement)
- Information gathering processes used to enhance sales and planning capabilities (e.g., customer transaction or industry data gathering outside normal working hours)
- Support branch operations (e.g., preparation of Performance report for customers, Mortgage loan brochure)
- Routine Operation Center processes with high volumes related to deposits, currency exchange, loans, etc.
- Other high volume routine operations within the Headquarter departments (e.g., report on various attributions, various payment/application operations)

3. Future activities

The RPA implementation knowledge accumulated in the CoE will be shared with the group companies with the support of the Japan Research Institute, Limited (President and CEO: Masahiro Fuchizaki). Additionally, employees will be further empowered with the reinforcement of the training structure to actively utilize RPA and continue to enhance productivity. The anticipated 3 million hours of capacity to be generated over the next three years (workload of about 1,500 people) will be utilized with the expansion of value-added operations (e.g., enhancement of Headquarters planning capacity, enhancement of sales capacity through improved quality of proposals), work-style reform (i.e., reasonable working hours), and optimization of the assignment of people across the organization (in anticipation of a shrinking workforce). These activities will lead to improve productivity supported by a lean yet strong cost structure on a group-wide basis.

(1) RPA (Robotic Process Automation)

RPA is a technology that automates routine, repetitious and ruled based manual activities.

(2) CoE (Center of Excellence)

The organization that gathers internal/external expertise to generate high quality results in a short period of time by leveraging synergies.

(Reference) Collaborative Companies

Company Name	Title and Name of the Representative
Accenture Japan Ltd.	President & CEO: Atsushi Egawa
EY Advisory & Consulting Co., Ltd.	President and Representative Director : Masahiko Tsukahara
Deloitte Tohmatsu Consulting LLC	CEO: Akira Kondo
IBM Japan, Ltd.	President: Elly Keinan
PwC Consulting LLC	CEO: Susumu Adachi
UiPath	Japan CEO: Koichi Hasegawa