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Robotic Process Automation in Banking for Better Customer Experience

D r. T. Vara Lakshmi[1], L. Sainath Yadav[2], M. Adithi reddy[3]

[1,2,3]Institute of Aeronautical Engineering College, Dindigul, India.

Email Id: *mvaralu2011@gmail.com[1], sainathyadav68@gmail.com[2], rmadithi@gmail.com[3]*

Abstract

Robotic Process Automation (RPA) has emerged as a transformative technology in the banking sector, offering opportunities to streamline operations, reduce costs, and enhance customer experiences. This explores the impact of RPA implementation on customer experience within the banking industry. By automating repetitive, rule-based tasks such as account maintenance, loan processing, and customer inquiries, banks can significantly improve operational efficiency and accuracy while freeing up human resources to focus on higher-value activities. Furthermore, we discuss the challenges and considerations associated with RPA adoption in banking, including data security, regulatory compliance, and employee upskilling. Ultimately, this underscores the pivotal role of RPA in reshaping the banking landscape, driving innovation, and delivering superior customer experiences in an increasingly digital world.

Keywords: *Banking; Customer experience; Robotic Process Automation*

1. Introduction

Robotic Process Automation (RPA) has emerged as a transformative technology in the banking sector, revolutionizing traditional operational paradigms. With the exponential growth of data and the increasing demand for seamless customer experiences, banks are under pressure to streamline their processes while maintaining high levels of accuracy and efficiency. RPA offers a solution by automating repetitive, rule-based tasks, allowing financial institutions to reallocate resources towards value-added activities and enhancing overall customer experience. This introduction provides an overview of how RPA is reshaping banking operations, driving innovation, and ultimately leading to a more agile and customer-centric industry landscape.

2. Purpose

The integration of Robotic Process Automation (RPA) in the banking sector holds significant implications for both financial institutions and their customers. As customer expectations continue to evolve in an increasingly digital world, banks are compelled to adapt their operations to deliver seamless and efficient services. The need for this study arises from the growing recognition that RPA presents a unique opportunity for banks to address key challenges such as operational inefficiencies, regulatory compliance, and escalating customer demands. RPA has become a strategic imperative for banks seeking to differentiate themselves in a highly competitive market.

3. Objectives

- To examine the impact of RPA on operational efficiency.
- To measure the effectiveness of RPA in enhancing customer experience.
- To provide recommendations for future implementation.

4. Method

This research uses both qualitative and quantitative data. A survey method was conducted to collect the data. A Sample of size 100 taken for the analysis. The target audience is bank customers. Data analysis will be done with the help of statistical tools viz., ANOVA, regression analysis, and Chi-square test.

5. Hypothesis Testing

H01: There is no significant impact of RPA on the operation efficiency.

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Table 1 Operation Efficiency

Operational Efficiency	Potential Impact
16	20
12	30
34	23
31	20
7	7

5.1. Summary Output

Table 2 Regression Statistics

Multiple R	0.33624
R Square	0.11305
Adjusted R Square	-0.33041
Standard Error	11.1034
Observations	4

Table 3 Anova

	df	SS	MS	F	Significance F
Regression	1	31.4304	31.4304	0.2549414	0.663757523
Residual	2	246.5696	123.2848		
Total	3	278			

Table 4 Intercept

	Coefficients	Standard Error	t Stat	P-value
Intercept	14.96154	11.41917	1.310213	0.3203809
16	0.239927	0.47518	0.504917	0.6637575

Interpretation: With a p-value of 0.66376, we fail to reject the null hypothesis. Therefore, we conclude that there is no significant impact of RPA on operational efficiency in the given dataset. The low R-squared value (0.11306) and the insignificant p-value indicate that the model does not explain much of the variability in operational efficiency and that the relationship between RPA and operational efficiency is not statistically significant. **H02:** There is no significant effect of RPA in enhancing customer experience. Table 1 shows operation Efficiency. Table 2,3,4 shows Regression strategies, Anova and Intercept.

Table 5 Customer Experience

Customer Experience	Operational Efficiency
15	16
50	12
26	34
7	31
2	7

5.2. Summary Output

Table 6 Regression Statistics

Multiple R	0.877713
R Square	0.77034
Adjusted R Square	0.65567
Standard Error	12.7806
Observations	4

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Table 7 Anova

	df	SS	MS	F	Significance F
Regression	1	1096.058	1096.058	6.710027	0.122287299
Residual	2	326.6924	163.3462		
Total	3	1422.75			

Table 8 Intercept

	Coefficients	Standard Error	t Stat	P-value
Intercept	-18.46223	16.6092472	-1.11156	0.382042
20	1.98561151	0.766535284	2.590372	0.122287

Interpretation: The p-value (0.1223) in the table 7, we fail to reject the null hypothesis. This means that there is not enough evidence to conclude that RPA has a significant effect on enhancing customer experience. The R-squared value (0.7704) indicates that 77% of the variation in the dependent variable (customer experience) can be explained by the independent variable (RPA) and any other factors included in the model. However, it is important to note that R-squared does not tell us whether the relationship between the variables is causal. [1] Table 5,6,7,8 shows Customer experience, Regression Statics, Anova, Intercept.

6. Results and Discussion

RPA streamlines routine tasks such as account maintenance and transaction processing, reducing processing times and improving efficiency. By automating repetitive processes, banks can allocate more resources to personalized customer service, leading to quicker responses to inquiries and requests. Automation of KYC (Know Your Customer) processes through RPA ensures compliance while expediting on boarding procedures for new customers, enhancing the overall experience. PA enables banks to provide 24/7 support by automating tasks traditionally handled during business hours, offering customers around-the-clock assistance. Implementation of RPA in customer service functions results in reduced errors and inconsistencies, leading to higher customer satisfaction levels. [2]

Conclusion

In conclusion, the integration of Robotic Process Automation (RPA) in banking holds tremendous potential for significantly enhancing the overall customer experience. By automating repetitive tasks, streamlining processes, and providing personalized services, RPA enables banks to deliver faster, more efficient, and tailored solutions to their customers. From expedited onboarding procedures to 24/7 support through chatbots, RPA empowers banks to meet customer needs with greater agility and accuracy. Moreover, by leveraging RPA-driven analytics for fraud detection, compliance, and personalized recommendations, banks can build trust, improve satisfaction levels, and stay competitive in an increasingly digital landscape. As technology continues to advance, the strategic implementation of RPA will undoubtedly play a pivotal role in shaping the future of banking, driving innovation, and delivering unparalleled customer experiences. [3]

References

[1]. Dr. C. Vijai, Assistant Professor, Department of Commerce, St. Peter's Institute of Higher Education and Research, Chennai, Tamil Nadu, India.
[2]. Mrs.S.M. Suriya Lakshmi, Assistant Professor, Department of Commerce, St. Peter's Institute of Higher Education and Research, Chennai, Tamil Nadu, India.
[3]. Mr. M. Elayaraja, Assistant Professor, Department of Commerce, St. Peter's Institute of Higher Education and Research, Chennai, Tamil Nadu, India.