

# Powering the modern **BFSI** with analytics

The GenAI and analytics blueprint to elevate efficiency, experiences and risk control.



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# What intelligent operations mean for modern BFSI?

**F**or decades, BFSI enterprises have operated with a familiar mandate—drive growth, manage risk, improve efficiency, and stay compliant in one of the world’s most regulated industries. While these priorities haven’t changed, the conditions under which banks pursue them have.

Digital channels now dominate banking interactions. Customers expect constant, real-time services across mobile, web, ATMs, and branches—without friction or failure. Simultaneously, regulatory scrutiny is intensifying, margins are tightening, and operational complexity continues to grow.

However, many banks still rely on fragmented data, legacy systems, and static reporting models built for the reactive era of the past. Insights arrive too late, in silos, and without the context needed to act.

Banks are not short on data. They are short on comprehensive, predictive, and decision-ready intelligence.

What modern BFSI enterprises need is a shift from analyzing what already happened to understanding what’s happening now, and anticipating what’s likely to happen next. This requires AI-powered analytics that can correlate signals across systems, detect anomalies early, and translate complexity into clear operational action.

This guide explores five high-impact situations where unified, AI-driven analytics help BFSI enterprises deliver measurable improvements in efficiency, customer experiences, risk control, and operational resilience.

# 01 **Orchestrating seamless omni-channel customer experiences**

In the digital-first era, a positive customer experience is an inevitable north star for any financial institution. It is no longer shaped by a single interaction or channel. Instead, modern banking customers move across mobile apps, net banking portals, payment gateways, POS systems, ATMs, call centers, and physical branches.

Across each of these touchpoints, customers expect experiences to be fast, connected, consistent, secure, and deeply personalized. From the leadership comprising of COOs and heads of technology to frontline branch tellers, the objective is clear: deliver multi-channel delight to customers. In a market where competition is a click away, the ability to provide a seamless transition between the digital and physical worlds is vital to grow the business consistently and prevent churn.

## **The CX blind spot holding banks back**

Despite significant digital investments, many legacy financial institutions still struggle with a critical limitation: fragmented visibility into the customer journey. Each function sees its own slice of reality, but no one sees the whole picture. As a result, leadership teams are often left grappling with fundamental CX questions:

- Where do customers consistently experience friction across channels?
- Which issues truly drive complaints, dissatisfaction, and churn?
- How do outages, slowdowns, transaction failures, broken queues, or peak-hour overloads translate into poor customer experiences—and what do they cost the business?

When answers to these remain unclear, banks are forced into a reactive stance—responding only after complaints spike, social sentiments dips, or churn metrics worsen.

To truly elevate the customer experience, banks must move beyond channel-level monitoring and adopt a system-wide view of customer experiences—one that anticipates issues before they impact customers.

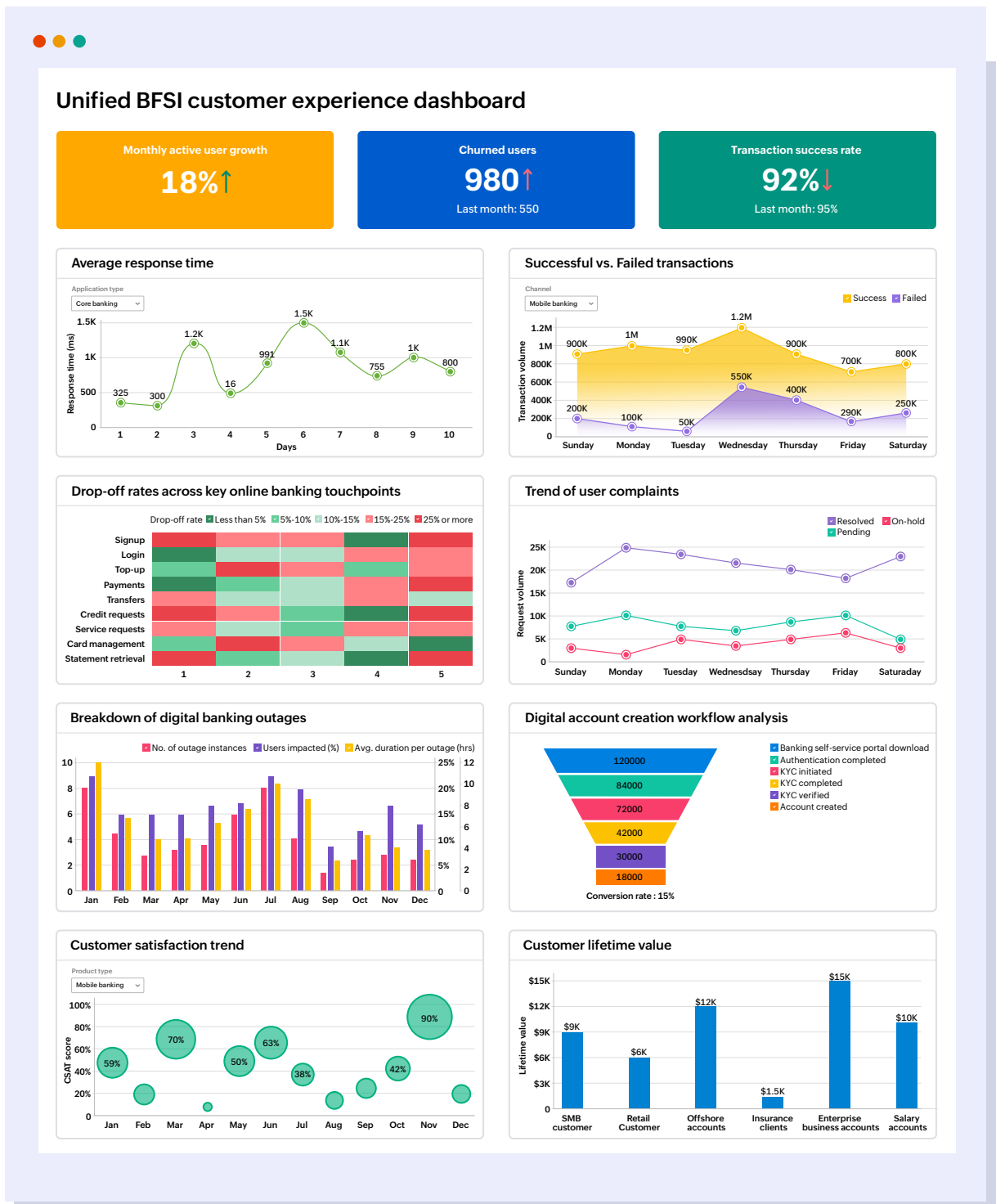
This is where advanced, AI-powered analytics platforms such as ManageEngine Analytics Plus play a transformative role.

Instead of treating each touchpoint as an isolated system, Analytics Plus brings together data from across the banking ecosystem into a single, unified CX intelligence layer.

By correlating digital behavior, transaction performance, system health, and customer feedback, banks gain real-time visibility into where experiences break down, and why.

## The unified customer experience dashboard: A single source of CX truth

The unified customer experience dashboard provides a real-time view of CX health across every banking touchpoint: mobile, web, ATMs, branches, and third-party integrations.



This executive-level dashboard provides a real-time health check of the entire banking ecosystem. By replacing fragmented CX views with a unified, AI-driven dashboard, banks can unlock measurable outcomes:

- End-to-end visibility into customer journeys and loyalty trends
- Early detection and resolution of experience issues
- Reduced complaint volumes and churn
- Data-backed prioritization of CX investments
- Improved CSAT and NPS scores
- Stronger customer trust and lifetime value

By meticulously tracking and optimizing experience metrics using the AI-powered customer experience dashboard, financial institutions can stop chasing churning customers. Instead, they can engage in proactive loyalty management, eliminating friction points before they become deal-breakers and preserving the lifetime value of every customer.

The outcome is not just better experiences, but elevated user trust, sustained revenue growth, resilient operations and a future-ready omni-channel banking ecosystem.

## 02 Fortifying operational foundation through infrastructure resilience

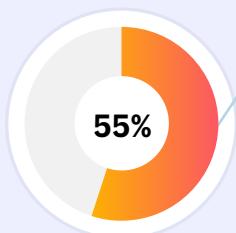
**A** unified customer experience dashboard equips financial institutions with the insight needed to design proactive, data-driven CX strategies. But insight alone is not enough. The ability to execute those strategies consistently and at scale, depends on something behind the scenes—underlying infrastructure resilience and ITOps efficiency.

In modern financial institutions, resilient infrastructure is not just an back-office IT concern, it is foundational to regulatory compliance, operational continuity, and a seamless customer experience.

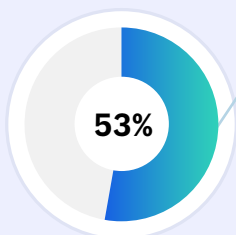
Banks today operate some of the most complex and interconnected IT environments in any industry, comprising of core banking platforms, real-time payment systems, digital channels, cloud infrastructure, and a growing web of third-party integrations.

Yet despite this complexity, many institutions still rely on dated infrastructure, siloed operations, and reactive monitoring models to run mission-critical workloads.

**According to a 2024 survey by IBS Intelligence, the gap between digital ambition and operational reality is widening: <sup>[1]</sup>**



• Banks are citing outdated infrastructure as the primary barrier to digital transformation.



• Financial institutions are struggling to scale operations due to data silos and production bottlenecks rooted in legacy systems.



The contradiction is stark: Banks are expected to deliver always-on, real-time digital experiences—yet their infrastructure foundations are never designed for this speed, scale, or interconnectedness.

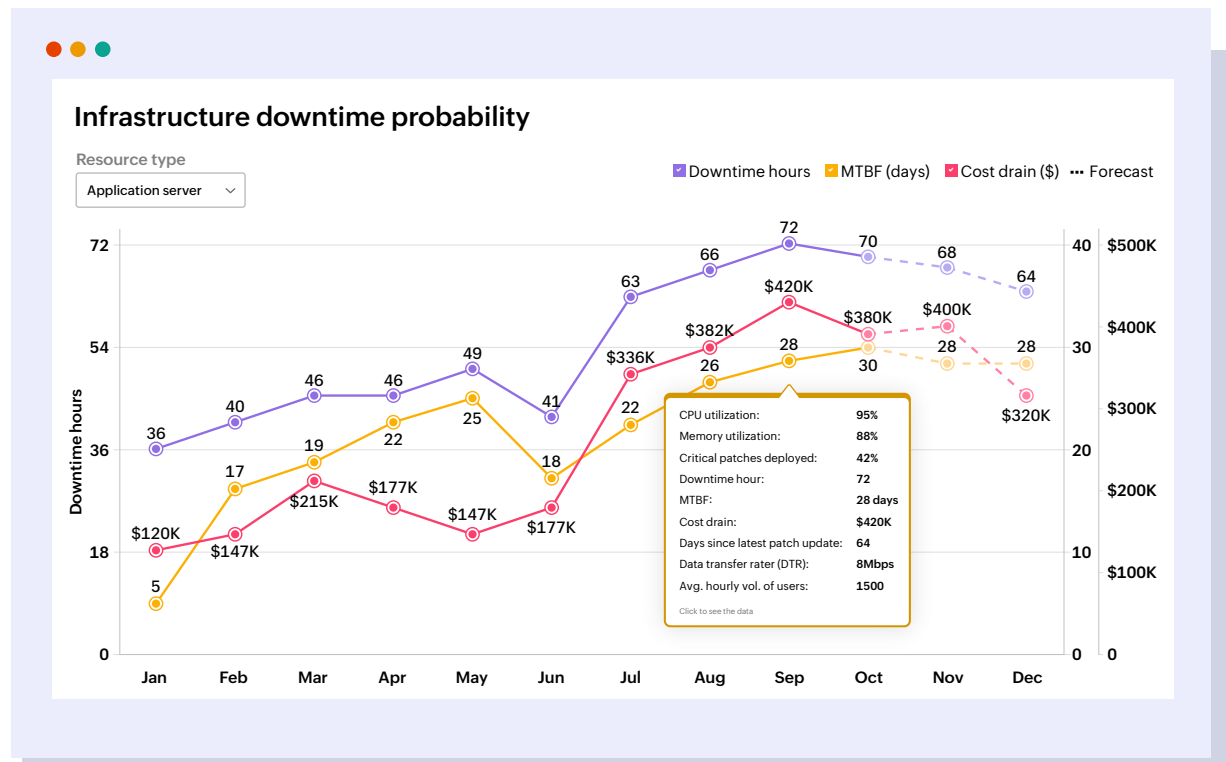
In many financial enterprises, ITOps function in isolation. Server health, application performance, and transaction volumes are tracked on separate screens. This fragmentation creates a dangerous blind spot, making it impossible to detect early warning signs before a system-wide failure occurs.

**This leads to a familiar and costly cycle:**

- Issues are detected only after customer impact.
- Root cause analysis is slow, manual, and reactive.
- Downtime disrupts operations, degrades CX, and triggers revenue loss, reputational damage, and regulatory scrutiny.

To break this cycle, banks must shift from reactive monitoring to predictive infrastructure resilience powered by analytics.

The infrastructure resilience analysis depicted below tracks and forecasts the health of critical infrastructure elements that power key applications at the headquarters of a multinational bank. Rather than viewing infrastructure in isolation, it brings together operational signals and transactional context to accurately predict failure of key resources before they occur.



In this analysis, instead of relying on univariate models that solely consider past downtime patterns to predict future failures, the AI-powered analytics platform employs multivariate forecasting, dramatically improving accuracy by incorporating multiple influencing factors, such as infrastructure load and utilization trends, transaction volumes and peak-hour patterns, and more.

By correlating these variables and understanding how they influence the resource performance and uptime, Analytics Plus brings more context, accuracy, and clarity to predictions. With the help of AI-driven multivariate analysis, banks can:

- Identify systems at risk before failure occurs
- Predict peak-load stress and capacity bottlenecks
- Reduce future outage and recovery times
- Quantify the financial impact of outages in real time

Thereby, transforming their NOCs into proactive hubs of efficiency.

For example, financial institutions can anticipate infrastructure stress during salary credit days, festive seasons, or market volatility—periods when transaction surges can overwhelm systems if left unaddressed. Armed with predictive insights, NOC teams at headquarters can proactively scale, reroute, or balance critical workloads, minimizing customer impact and preventing revenue loss.

With seamless, AI-powered ITOps, BFSI enterprises can scale securely, operate confidently, and deliver uninterrupted digital experiences, no matter how complex or demanding the environment becomes.

## 03 | Making intelligent, adaptive credit risk and eligibility decisions

**W**ith operational stability in place, the next frontier for modern banks is managing financial risk at scale, without slowing growth. In today's volatile economy, financial institutions face a daunting paradox. With credit aversion increasing, they are pressured to accelerate underwriting cycles to stay competitive against agile FinTechs, yet they must navigate rising delinquency rates and shifting borrower behaviors.

Traditional credit risk assessment models struggle to keep pace. While regulatory frameworks and mandated parameters such as credit bureau scores, collateral details, and historical credit records remain essential for credit risk assessment, over dependence on them leads to:

- Failure to detect early, subtle signs of borrower stress.
- A one-size-fits-all approach that penalizes diverse but creditworthy profiles.
- Manual reviews and conservative thresholds that slow down approvals and drive customers to competitors.

To manage credit risks effectively at scale, banks must go beyond just regulatory compliance and adopt internal, adaptive risk intelligence frameworks—systems that continuously learn from contextual, real-world signals as they evolve.

With its advanced AI and ML capabilities, Analytics Plus redefines credit risk decision-making effortlessly.

By unifying transactional, behavioral, and external market data, banks can move towards real-time credit intelligence that reflects a borrower's current financial reality, not just historical performance.

Instead of evaluating borrowers in isolation, Analytics Plus enables financial institutions to group customers into creditworthiness cohorts using ML-driven cluster analysis.

These clusters are built on multidimensional signals such as:

- Repayment behavior and delinquency patterns
- Credit utilization and exposure across products
- Income stability and volatility
- Spending behavior and cash-flow trends
- Recent changes in borrowing or repayment behavior

This approach recognizes a critical truth: Not all borrowers with similar credit scores carry the same risk. Two applicants may share identical scores yet differ vastly in income resilience, spending discipline, and stress indicators.

Traditionally, underwriters would uncover these nuances through time-consuming manual reviews of financial statements, repayment histories, and supplementary reports. ML-driven clustering accelerates this process, bringing clarity in minutes instead of hours.



The analysis illustrated above segments applicants into four distinct credit risk profiles using ML-based clustering. Each cluster reflects a different combination of risk, stability, and growth potential.

**With this clarity, credit teams can:**

- Instantly assess whether an application should move forward
- Avoid spending manual effort on applications that are clearly high-risk
- Prevent the rejection of creditworthy customers based on regulatory score alone

The result is faster decisions, smarter approvals, and fewer missed revenue opportunities.

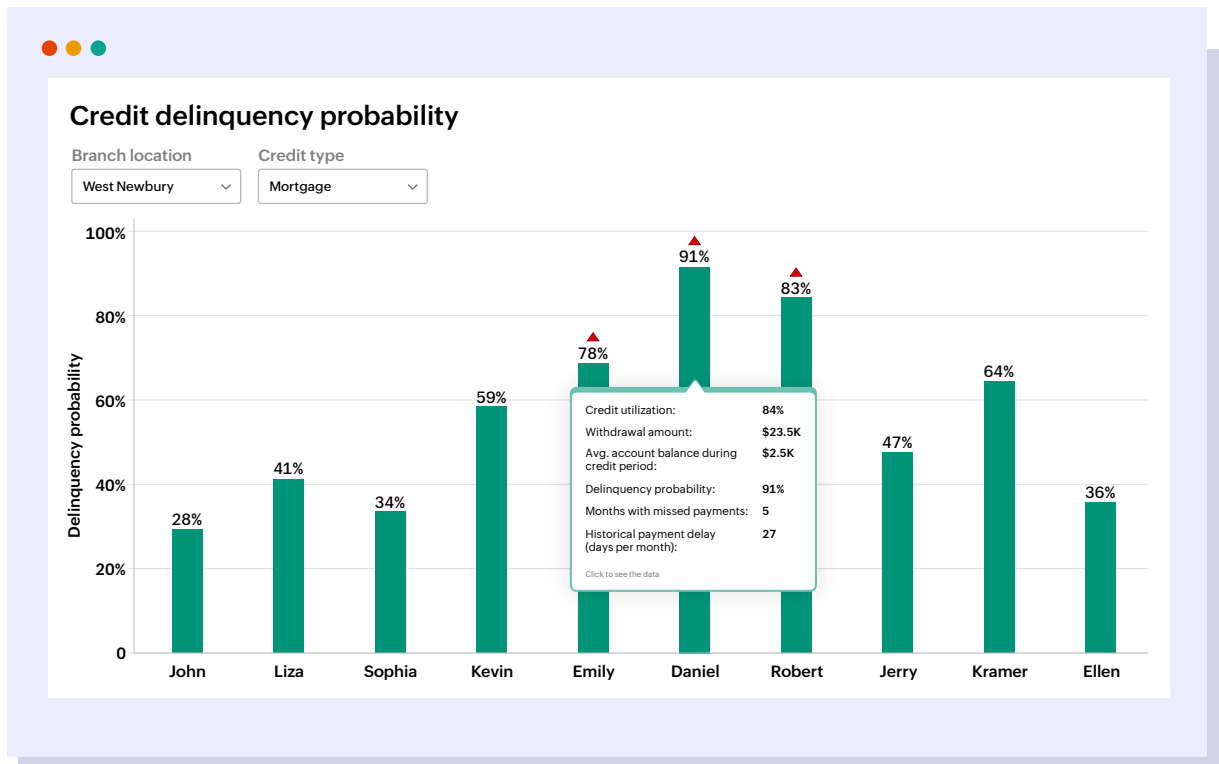
### ● Custom delinquency detection modeling

Delinquencies rarely happen without warning; they are preceded by a behavioral trail. Subtle shifts, such as recurring late payments, anomalous withdrawal spikes, or sudden parallel borrowing, are the early tremors of a default.

Traditional systems often overlook these indirect indicators.

With no-code ML model builders in AI-powered analytics platforms, banks can now create custom delinquency prediction models tailored to their institution, region, and portfolio mix. These models can be trained on behavioral or transactional indicators that historically preceded defaults, without the need for complex coding or specialist data science teams.

Once deployed, these models continuously assess borrower behavior and alert credit teams to emerging risk before it becomes a full-blown delinquency.

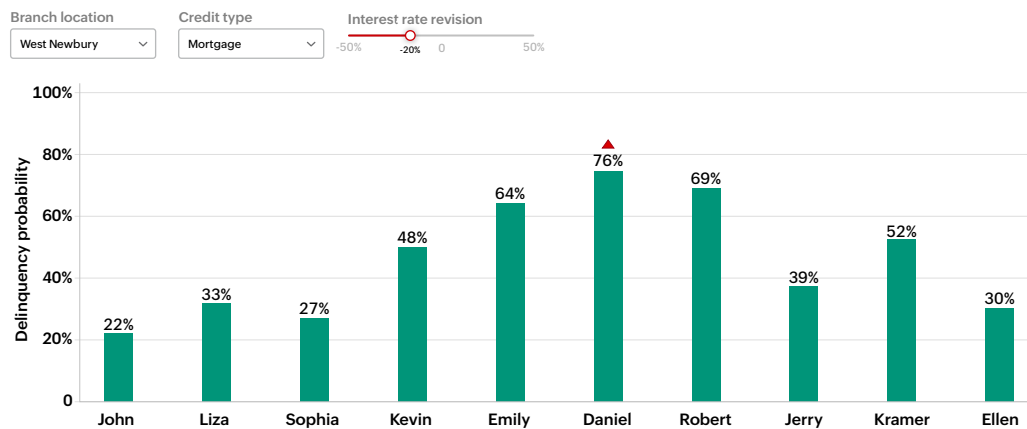


Beyond prediction, as seen in the visualization above, automated anomaly detection flags unusual borrower behavior in real time. If a low-risk borrower suddenly begins making unusually large credit utilization and transfer to high-risk jurisdictions or accounts, the probability shoots up, system flags them as anomalous and triggers an alert for immediate review.

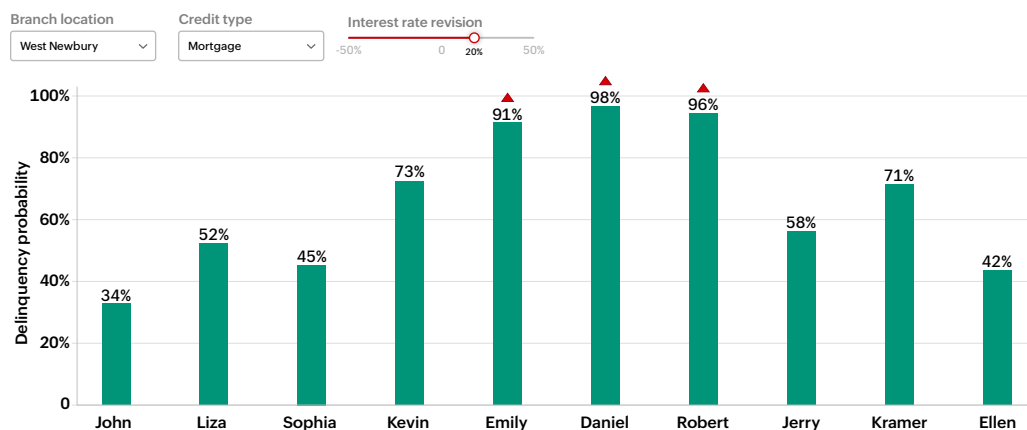
In addition to this, credit teams can also employ what-if scenario analysis to simulate how unplanned macro and micro economic changes such as interest rate hikes, reduced income, or increased utilization, could impact default probability across users and cohorts.

## Impact of interest rate revision on credit delinquency

### Credit delinquency probability - Drop in interest rate



### Credit delinquency probability - Increase in interest rate



This empowers credit leaders to take contextual, accurate and data-informed credit decisions, strengthening portfolio resilience in today's uncertain conditions.

With credit risk and eligibility decisions optimized through AI-powered predictive intelligence, the next challenge lies in execution. The following section explores how analytics and agentic AI streamline critical BFSI workflows like lending and card approval workflows, eliminating bottlenecks, accelerating onboarding, and delivering faster time-to-value for customers.



# Eliminating process friction with AI-driven workflow optimization

If there is one universal grievance shared by banking customers worldwide, it is the waiting game. Even as banks achieve digital maturity, their core growth engines including lending, mortgages, and credit cards, often remain tethered to slow, fragmented, and manual processes.

In a hyper-competitive landscape where neo-banks offer approvals in seconds, what were once tolerable delays or inefficiencies have now become a leading cause of customer frustration and churn.

Critical workflows such as onboarding, KYC, credit checks, document verification, approvals, and disbursements typically span multiple systems, teams, decision layers, and requires human ping-pong, even in today's digital era.

Each hand-off introduces a multitude of latency, rework, and risk and the consequences are visible and measurable:

- Prolonged turnaround times for loans and card issuance
- High abandonment during onboarding and application stages
- Manual reviews that increase operational cost and error rates
- Inconsistent compliance enforcement across products and regions

In a market where customers expect near-instant approvals and seamless digital journeys, these inefficiencies directly translate into lost revenue, eroded trust, and competitive disadvantage.

What banks need is not manual optimization, but systematic, intelligence-led visibility into where workflows break, why they break, and how to fix them at scale.

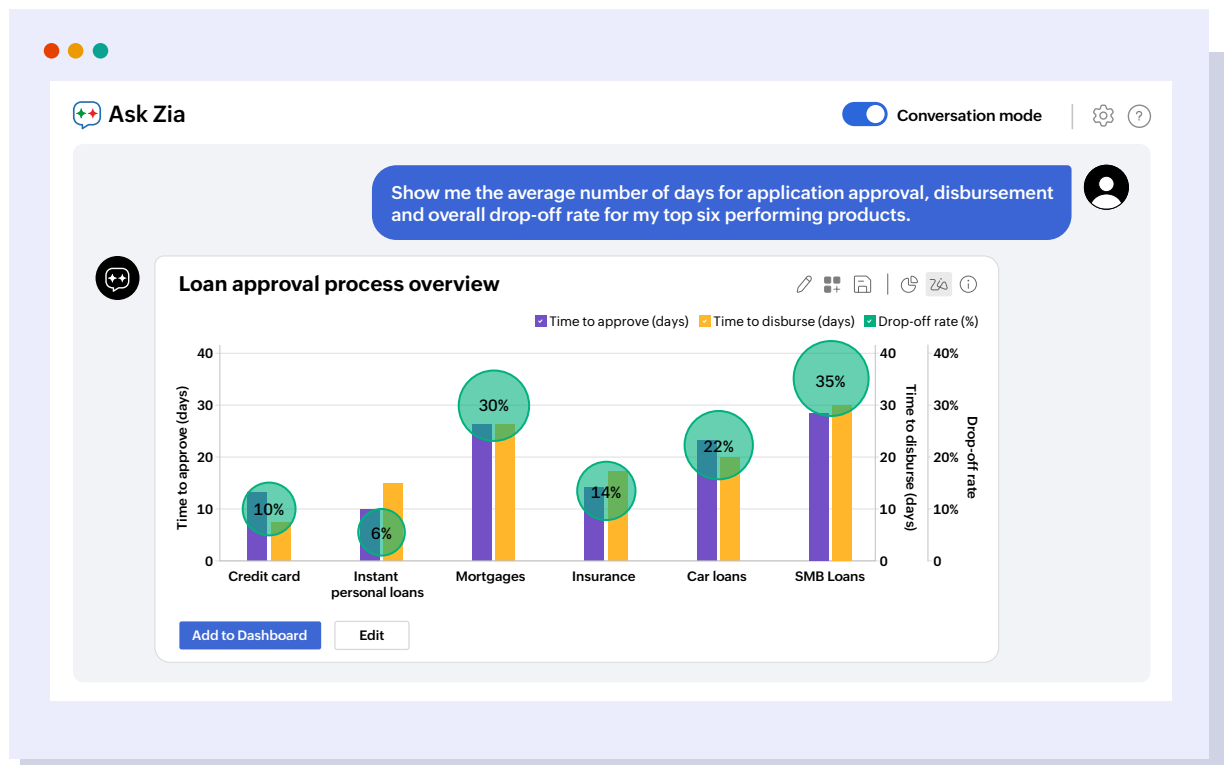
Analytics Plus delivers exactly that, enabling banks to optimize high-impact workflows—lending, credit cards, mortgages, business banking, and more, end to end. Instead of viewing workflows in isolation, it performs deep, cross-functional analysis across every stage: application, evaluation, approval, and disbursement.

Powered by advanced analytics, GenAI, and MCP-enabled agentic AI, the platform brings together:

- Process analytics to surface bottlenecks and inefficiencies
- AI-driven root cause analysis (RCA) to explain why bottlenecks occur
- Decision intelligence to recommend the next best action
- Agentic AI signals to automate execution and close the loop

All of this is accessible through simple natural language queries, eliminating the need for complex reporting or manual analysis.

The following example illustrates how BFSIs can transition from slow, manual workflows to intelligent, GenAI-powered, self-optimizing process journeys.



Using this analysis, CXOs and banking leaders gain immediate visibility into delays and abandonment trends across their most in-demand products.

From the visualization it's clear that, while instant personal loans move rapidly, Commercial and small business loans show disproportionately high drop-off rates and disbursement delays compared to other retail products.

Leaders can then drill deeper into this insight and uncover the root cause for these delays using the reasoning capabilities of Ask Zia, Analytics Plus' powerful intelligence assistant.

**Ask Zia** Conversation mode

What are the key process stages driving high disbursement delays and drop-offs for small business loans?

**The 5 key drivers for high Time to approval and Drop-off rate on Small Business Loans:**

1. KYC friction (missing document and valuation mismatch)
2. Underwriting delays
3. Interest rate volatility and wait period interest rate revisions
4. Lack of omni-channel application visibility and continuity
5. Appraisal gaps and collateral valuation mismatch

Metrics	Contribution to high drop-off rate	Impact on drop-off rate increase
Average underwriting duration (days or hours)	17%	210%
Monthly interest rate change (%)	5%	108%
Cross-device resume rate (%)	5%	98%
Collateral haircut (%)	2%	92%
Document ping-pong ratio	12%	180%

However, such in-depth root cause analysis alone does not eliminate friction. Acting on it does. Based on these findings, Zia provides a precise, data-backed roadmap for optimization.

**Ask Zia** Conversation mode

Give me data-driven recommendations to reduce SMB loan drop-off rate.

**Recommendations to reduce SMB loan drop-offs**

1. Replace manual uploads with Open Banking and Account Aggregator APIs to reduce document ping-pong rate.
2. Deploy ML-based cash-flow analysis to cut underwriting delays.
3. Offer accurate 30-day interest rate forecasts to reduce abandonment during volatile periods.
4. Enable cross-channel and cross-device application resumes to improve loan application completion rates.

These recommendations are not generic best practices—they are context-aware actions grounded in the organization's own data.

With MCP server support, Analytics Plus goes a step further. Suggested remediation actions can be automatically triggered across supported systems and digital channels—such as automatically notifying a loan officer or triggering a pre-filled KYC form, directly from Ask Zia or any LLM interface.

By transforming fragmented workflows into intelligent growth engines via these agentic AI and advanced analytics capabilities, BFSIs can:

- Eliminate systemic operational bottlenecks
- Redesign and automate high-friction stages without compromising controls
- Identify audit and compliance risks early, improving consistency and fairness

The outcomes are tangible: Faster turnaround times, lower abandonment, predictable process performance, improved customer satisfaction, and higher conversion rates across high-demand products.

GenAI-powered analytics optimizes critical BFSI processes, eliminating bottlenecks and transforming them into a scalable, intelligent growth engines.

## Moving from claims oversight to regulated operations with insurance management intelligence

**W**hile optimizing core banking operations is a vital pillar of BFSI modernization, financial service organizations must also focus on managing the risk and performance across long-tail, high-volume insurance operations.

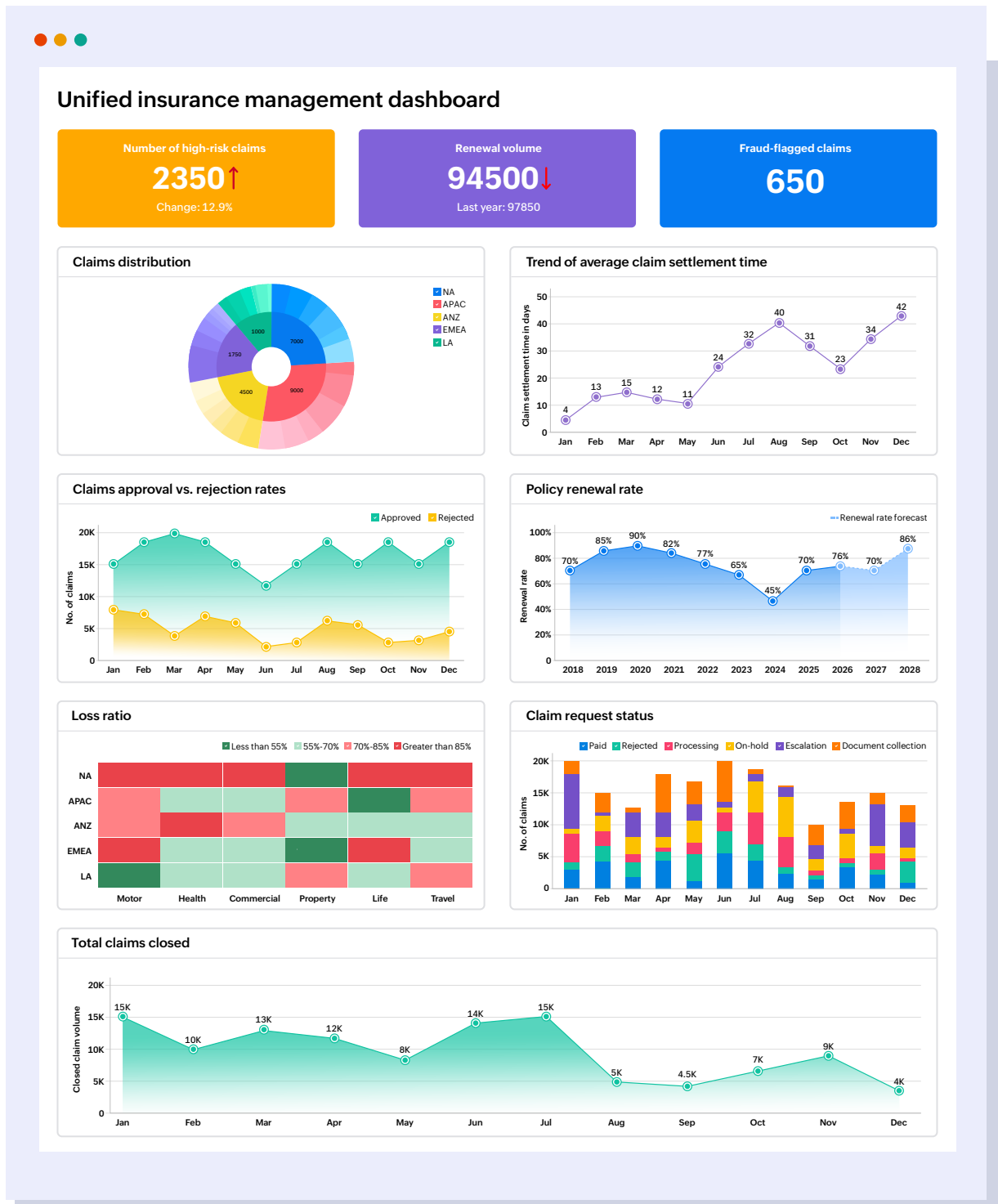
Insurance operations are inherently complex—and that complexity compounds over time. Some challenges build gradually: shifting customer demographics, evolving risk profiles, margin pressure, and changing product mix. Others arrive without warning—economic shocks, natural disasters, regulatory changes, or global crises that instantly disrupt claims volumes, liabilities, and customer expectations.

In this high-stakes environment, insurers are expected to make faster, more consequential decisions across underwriting, claims, distribution, and compliance—while still delivering transparent, frictionless service to policyholders.

To operate efficiently at scale, insurers need real-time visibility and predictive insight across the entire insurance life cycle.

The unified insurance management dashboard provides a consolidated, real-time view of all aspects in insurance operations. By bringing together policy, claims, customer, and operational data into a single pane of glass, insurers gain continuous, real-time and comprehensive insights.

The dashboard therefore acts as a command center for insurance leaders to monitor portfolio health, detect emerging risks, and drive timely corrective interventions.



Rather than managing claims, losses, and risks in isolation, this comprehensive dashboard helps insurers gain a connected view of what is happening now, and what is likely to happen next.

With a unified, analytics-driven insurance management dashboard, insurers can:

- Improve claims settlement speed and accuracy
- Reduce loss ratios and fraud exposure
- Strengthen compliance and audit readiness
- Enhance customer trust and retention
- Make faster, more confident decisions during periods of uncertainty

Analytics transforms insurance operations from a reactive cost center into a predictive, resilient, and outcome-driven capability. By unifying insights across the insurance value chain, insurers are better equipped to adapt to volatility, respond to risk proactively, and compete effectively in an increasingly dynamic market.



# Building the intelligent BFSI enterprise with AI-powered analytics

Across customer experiences, operations, credit risk, lending workflows, fraud prevention, and insurance lifecycle optimization one theme remains constant for the BFSI sector: traditional workflows, fragmented data and reactive mode of operations no longer scale.

By adopting unified, AI-powered analytics, BFSI enterprises can anticipate issues instead of reacting to them, make faster, fairer, and more confident decisions to balance growth, efficiency, and risk without compromise.

Applying the advanced analytics strategies defined in this guide, ensures banks and modern financial institutions shift to proactive, smarter decision intelligence that drive exceptional business and customer outcomes. Processes become faster. Risks become manageable. Operations become resilient by design.

# About

**ManageEngine Analytics Plus** is an IT analytics and decision intelligence solution designed to provide organizations with a unified view of their IT operations, correlate interdependencies and derive meaningful insights. It breaks down data silos by consolidating both on-premises and cloud infrastructure KPIs. Analytics Plus measures the efficiency of network operations, tracks the responsiveness and availability of business applications, evaluates technician performance, assesses the progress of processes and flags security anomalies. This comprehensive analysis is achieved by connecting to all IT software that forms the backbone of an IT infrastructure. These consolidated insights enable organizations to make data-driven decisions that enhance operational efficiency and drive business success.

For more information about Analytics Plus,  
visit: [www.manageengine.com/analytics-plus/](http://www.manageengine.com/analytics-plus/)

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countries  
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## Reference

1. <https://ibsintelligence.com/ibsi-news/core-banking-crisis-55-of-banks-cite-legacy-systems-as-top-barrier-to-transformation/>



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