



Rating Agency – Cognitive Automation Case Study

SUMMARY

A listed Rating Agency was looking for an Analyst productivity enhancement solution to automate extraction of financial tables (Balance Sheet, Profit & Loss statement) from Financial Statements provided as PDF/scanned documents.

THE CLIENT'S CHALLENGE

The customer has over 6500 listed as well as non-listed companies as clients for which they need to do periodic rating. Their analyst team needs to go through approx. 10,000+ Annual Reports of the companies and extract the relevant financial data manually to populate their EXCEL based models for further analysis. With the current approach:

- a. Scalability was becoming an issue due to the manual extraction
- b. With a growing client base and the same workforce, SLAs were impacted. To maintain SLAs, the customer had to keep adding analysts
- c. The whole process was also highly prone to human errors

The client was looking out for a Proof-of-concept (POC) to identify a solution which would help them automate the manual steps of extracting relevant financial information from the annual reports so as to:

- a. Cut down the manual work and make the analysts more productive.
- b. Improve efficiency and meet business SLAs
- c. Reduce the cost of operations
- d. Minimize the errors and mistakes during the extraction process.

The client wanted a partner who had the domain and the technical expertise to develop this POC based on cognitive automation platforms

ACTION PLAN

Striatum with its deep expertise in the Finance domain and technical expertise in cutting edge technologies was selected as the partner of choice for developing the POC.

Striatum developed the POC within 2 weeks using a state of the art Cognitive Intelligent platform built by an India based startup founded by IIT alumni. The key features of the solution built for the POC were:



- Automated extraction of information from the Annual Financial reports (PDF) into Excel worksheets with minimal manual intervention. The in-built Intelligence in the platform helped extract all relevant information from different formats of reports.
- Automated formatting of the excel sheet as per the format required by Analyst with minimal manual intervention.
- Analysts could receive the financial reports in the desired format within a noticeably short time frame thereby reducing their manual effort.

Around 10 scanned Annual Reports (pdf) with an average of 15 pages each were processed for the POC. Every document had the financial results in a different format and also had a different scan quality. Nearly 90% extraction accuracy for almost all the documents (with scan quality at a minimum of 300 DPI) was achieved. The solution had the cognitive intelligence to understand the information to be extracted after proper training with sample set of training data. The solution had an in-built OCR, so the customer was not required to invest in third party OCR tools for extraction of information.

RESULT

Striatum demonstrated its deep understanding of the domain and the customer did not have to spend much time in explaining the business requirements. The POC entailed minimum customization as the out-of-the-box features were used to deliver the desired outcomes. The solution also had the ability to seamlessly integrate with the existing application thus helping the customer to save on integration and implementation costs.

The POC gave confidence to customer that the solution can help them make their analysts more productive. However, since the solution required a minimum scan quality of 300 DPI, the customer had to implement internal process changes to ensure this before taking up the solution for implementation.