HEXAWARE

Automated Fraud Prevention for a US-based Credit Union

AI-powered fraud prevention and 24/7 coverage enhance secure banking and customer trust.

Case study

Client

The client is a US-based credit union that caters to a diverse member base with account services, credit cards, loans, insurance, investment services, and digital banking. With a focus on member trust and innovation, the organization sought to modernize its fraud prevention operations to better serve its growing customer base.

Challenge

Manual processes and service gaps in credit union operations

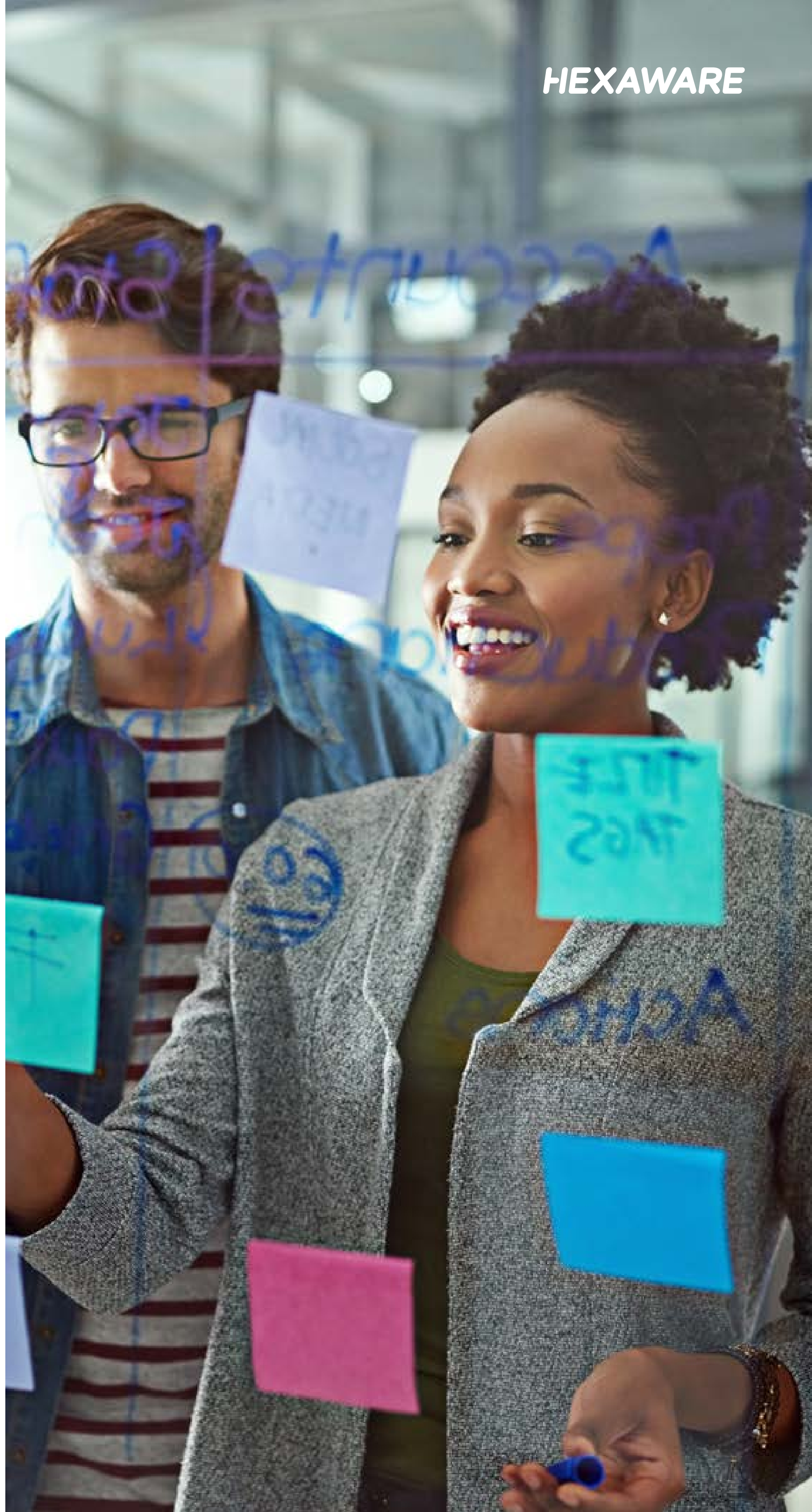
The credit union faced several critical challenges:

- **Manual, Unscalable Processes:** Reliance on manual check validation delayed fraud detection and increased financial exposure, especially during weekends and off-hours.
- **Service Gaps:** The incumbent vendor's limited 9 AM to 5 PM PST coverage left weekend transactions unprocessed and off-hours unmonitored, leading to higher fraud exposure for the organization and customer dissatisfaction.
- **High Costs and Limited Transformation:** Rising operational costs and a lack of bandwidth for transformation initiatives hindered the client's ability to evolve.
- **Vendor Shortcomings:** The previous BPO partner failed to deliver the specialized support required, resulting in service delivery gaps.
- **Missed KPIs:** Consistently falling short on key performance indicators, such as turnaround time and accuracy, threatened long-term growth and member retention.

Client Requirements:

- Maintain high service quality during weekends and off-hours.
- Empower offshore teams for independent operations and transformation.
- Reduce verification errors through intelligent automation.

During the trial statement of work (SOW), several constraints and limitations needed to be considered. The client required uninterrupted support across all time zones, including weekends and off-hours, which placed significant demands on resource allocation. Additionally, access issues to key applications delayed business-as-usual activities for three weeks, impacting overall productivity. A major technical issue originating from the client's side resulted in a complete access outage for the operations team, prompting the client to transition to Azure cloud services to address these challenges.



Solution

AI-powered, automated fraud prevention solution

Hexaware delivered a comprehensive, AI-driven fraud prevention operations model tailored to the client's needs:

- **24/7 Shift Rostering:** A 13-member team ensured seamless coverage across weekdays and PST-aligned weekends, eliminating service gaps. Shift schedules were aligned with peak transaction windows, including weekends and off-hours.
- **Hexaware's Intelligent Document Processing Solution:** Automated reading and validation of Remote Deposit Capture (RDC) checks, correcting incomplete or incorrect data.
- **Agentic AI Deployment:** Advanced AI identified and disambiguated fraudulent or erroneous checks, reducing manual intervention.
- **Parallel Transformation Initiatives:** Implemented a proof of concept (POC) for automation to reduce check mismatches caused by incorrect data. The POC stage allowed for iterative customization based on client feedback and operational nuances.
- **Automation Protocols:** Developed and integrated automation protocols to systematically reduce manual intervention and minimize false positives in fraud detection processes.

Client

Challenge

Solution

Benefits

Summary

Benefits

AI and 24/7 coverage ensure operational excellence in credit union operations

Immediate Impact:

- **90% of RDC volumes were auto-resolved** via Hexaware's intelligent document processing solution, with automated member responses for unprocessable checks.
- **Accelerated fraud case resolution** reduced backlog and improved workflow efficiency.
- **Seamless weekend and off-hours coverage** enhanced service delivery and customer trust.

Long-term Outcomes:

- **Turnaround time (TAT) for check processing reduced** from 24 hours to real time.
- **Customer experience improved** through faster payment cycles and fewer errors.
- **Strategic positioning** for direct Automated Clearing House (ACH) integration and expanded automation.

Key Metrics:

- **99% fraud detection accuracy**
- **90% reduction in RDC volume requiring manual processing**
- **Real-time processing of RDC rejects**
- **Significantly accelerated end-to-end payments lifecycle**

Summary

Transforming credit union operations with automation and AI-powered fraud prevention

Hexaware's AI-led transformation empowered a US-based credit union to overcome operational bottlenecks, reduce fraud exposure, and deliver superior member experiences. By combining 24/7 coverage, intelligent automation, and collaborative innovation, Hexaware set a new benchmark for secure, scalable credit union operations. The engagement not only delivered immediate efficiency gains but also laid the foundation for ongoing transformation—including expanded AI use cases and direct ACH integration. This case exemplifies client-centric innovation, holistic impact beyond cost reduction, and the power of proof of concept as a catalyst for change.

HEXAWARE

Ready to transform your fraud prevention operations?

Connect with Hexaware's banking transformation experts today at marketing@hexaware.com and discover how our AI-driven solutions can enhance fraud prevention and elevate operational excellence!

About Hexaware

Hexaware is a global technology and business process services company. Every day, Hexawarians wake up with a singular purpose: to create smiles through great people and technology. With this purpose gaining momentum, we are well on our way to realizing our vision of being the most loved digital transformation partner in the world. We also seek to protect the planet and build a better tomorrow for our customers, employees, partners, investors, and the communities in which we operate.

With offices across the world, we empower enterprises to realize digital transformation at scale and speed by partnering with them to build, transform, run, and optimize their technology and business processes.

Learn more about Hexaware at https://www.hexaware.com.

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