Deloitte.

Future of Advice podcast

Document governance as a hidden driver of better customer experience

This podcast episode is based on the Deloitte Luxembourg article below and includes content generated, assisted, or edited using artificial intelligence technology. It has been reviewed by a human prior to publication. The voices featured are synthetic. This podcast is provided for general information purposes only and does not constitute any kind of professional advice rendered by Deloitte Luxembourg. Deloitte Luxembourg accepts no liability for any loss or damage whatsoever sustained by any person who uses or relies on the content of this podcast.

Host: Welcome back to the Future of Advice podcast by Deloitte Luxembourg.

Guest: Glad to be here.

Host: So imagine spending, I don't know, millions of euros to build the most breathtaking, intuitive, totally hyper-personalized mobile banking app on the market.

Guest: Like a really beautiful front door.

Host: Exactly. A beautiful front door. But then you sit back and watch 70% of your new corporate clients abandon it right in the middle of the onboarding process.

Guest: They just walk away.

Host: They literally just walk away. And we're sitting here in our Deloitte Luxembourg offices today looking at this incredibly insightful piece of research that tackles this exact nightmare.

Guest: It's a huge issue.

Host: It really is. And the crazy thing is that what's causing this mass abandonment isn't a glitch in the app itself.

Guest: No, not at all.

Host: It's something happening deep, deep in the back office. So today's deep dive is about a topic that honestly masquerades as totally mundane.

Guest: It sounds incredibly boring at first glance.

Host: Right? But it's actually the hidden backbone of the entire modern banking experience.

Guest: It's the ultimate behind-the-scenes reality check, really. You can build this gorgeous digital façade, but if the foundation underneath is crumbling, the client is going to feel it the second they try to actually do business with you.

Host: We're dealing with this massive paradox in the financial sector right now. Banks are pouring billions into that beautiful front door. Looking at the research we're analyzing, the European digital banking market is projected to grow from €9 billion in 2025 to €32 billion by 2033.

Guest: Which is just massive growth.

Host: Insane growth. So we're talking about biometric login, slick dashboards, instant push notifications—

Guest: Everything looks perfect.

Host: The front door has literally never looked more inviting. But then you actually walk through it. You hit "Open Corporate Account." You upload a passport or maybe a complex corporate registry extract. And then… nothing.

Guest: Nothing. You hit a total wall.

Host: Yeah. And that wall is made entirely of manual processing. Because behind that super-sleek user interface, you often have a completely disconnected reality. Those documents you just uploaded so seamlessly? They're dropping into shared email inboxes.

Guest: Like just a generic Outlook inbox.

Host: Exactly.

Guest: They're being manually opened, read, and classified by actual human workers. They get bounced across different departments, downloaded onto local desktop folders, and ultimately stored in highly fragmented legacy systems.

Host: That's wild.

Guest: It is. The millisecond your document enters the bank's ecosystem, the whole digital illusion just shatters.

Host: So our mission for this deep dive is to figure out why having a world-class, award-winning app means absolutely nothing if your back office is still stuck in an analog operating model.

Guest: A paper-age model, basically.

Host: Yeah. We want to uncover why document governance is the true driver of customer experience. And earlier you touched on the business impact of this, which is staggering.

Guest: It really is. The data in this research from Fenergo's 2025 Global KYC Survey is a huge wake-up call. Seventy percent of banks are losing clients purely due to slow onboarding, and that's up from 48% just two years ago.

Host: Which tells us the problem is accelerating.

Guest: It's getting worse.

Host: Exactly. Customer expectations for speed have skyrocketed, but the back-end reality has completely stalled out. According to the research, only 4% of banks have fully automated their KYC workflows.

Guest: Four percent. That's nothing.

Host: It's basically zero. And the sheer cost of this is terrifying. For just a single commercial bank, the annual cost of manual KYC reviews can reach €160 million.

Guest: Wait. €160 million for one bank?

Host: Just one bank. Every single year. That's an enormous amount of money spent on humans doing manual checks, data entry, and chasing down missing documents.

Guest: Okay, so it's like buying a €300,000 Ferrari and leaving a lawnmower engine under the hood.

Host: That is the perfect way to put it.

Guest: Because every euro spent on that flawless red paint job is wasted if the car won't actually move when you hit the gas. But let me challenge the premise for a second. If banking executives see a €160 million hole in their balance sheet, why wouldn't they just buy better technology?

Host: Right? That's the obvious question.

Guest: Upgrading cloud storage or buying faster servers seems like the obvious fix.

Host: It's definitely the instinctive fix, but it's the wrong one.

Guest: Really?

Host: Why? Because throwing more technology at a broken operating model just gives you a faster broken operating model.

Guest: That makes sense.

Host: This is fundamentally a governance problem. Poor document governance isn't just a minor operational issue. It's a strategic failure, and it creates compounding friction across the entire client lifecycle.

Guest: Okay, so walk us through that compounding friction. What does it actually feel like for the client you're trying to serve?

Host: Think about the downstream effects. It starts with a slight delay during onboarding.

Guest: Right.

Host: But because the underlying systems aren't communicating with one another, and because documents aren't properly classified, the problem snowballs.

Guest: It gets worse.

Host: Much worse. A week later, a completely different department emails the client asking for the exact same ID they already uploaded.

Guest: Just because they can't see it.

Host: Exactly. Simply because that second department doesn't have access to the repository where the first document was stored. Transparency is effectively zero.

Guest: That is incredibly frustrating as a customer.

Host: It's infuriating. And that frustration doesn't stop with onboarding. It spills into credit origination, portfolio reporting, and every other major interaction. The governance gaps that damage the first touchpoint continue to erode every subsequent one.

Guest: Which means we need to redefine what document governance actually is. Because honestly, when people hear that phrase, their eyes glaze over immediately.

Host: Absolutely. It sounds dry.

Guest: People picture a dusty binder sitting on a shelf in some compliance office full of policies that nobody has touched since 1998.

Host: And that misconception is exactly why so many digital transformation efforts fail. Document governance isn't a static policy. It's a dynamic, enterprise-wide accountability framework. It's the capability that determines how content is captured, classified, secured, retained, and ultimately accessed throughout the client's entire journey with the institution.

Guest: So if we drag this out of the theoretical and into the practical, what does a governed piece of content actually look like? The research highlights a framework built around five essential pillars.

Host: Yes, the five pillars.

Guest: Instead of simply listing them, let's trace the life of a document. Imagine a client uploads a complex trust deed. The very first hurdle is intake and classification.

Host: Right. Because you can't govern what you haven't identified. The moment that trust deed enters the bank's systems, the platform needs to recognize what it is.

Guest: It needs to tag it.

Host: Exactly. Extract the relevant metadata and classify it appropriately.

Guest: Without that initial classification, the document is just an unstructured blob of data sitting on a server.

Host: And once it's classified, you can trigger the rules that govern its entire lifespan, which brings us to the second pillar: lifecycle management.

Guest: Exactly. Knowing how long you need to retain a trust deed versus a simple utility bill. Managing version control if the document is amended. Ensuring it's archived properly and remains legally defensible over time.

Host: But where I see things fall apart all the time is around who actually gets access to the document.

Guest: That's the third pillar: access and distribution.

Host: Right.

Guest: Access should be governed by policy, not by a chaotic collection of folders and shared drives where people hunt for information and hope they find the right version.

Host: That's a security nightmare.

Guest: It is. But the opposite problem is just as bad. The people who legitimately need access to authorize a transaction or make a decision shouldn't be waiting days for permissions to be approved.

Host: It has to be seamless.

Guest: Seamless and secure at the same time.

Host: Which naturally brings us to the fourth pillar: compliance and auditability. The phrase that stood out to me in the research was "embedded by design, not added retrospectively."

Guest: That's a critical distinction.

Host: You don't want to be scrambling to reconstruct an audit trail after regulators start asking questions.

Guest: Exactly. By that point, it's already too late. Every action should already be traceable. Every interaction should already be recorded. Compliance shouldn't be something you bolt on afterward.

Host: But the final pillar—ownership—is where I want to challenge the argument a little.

Guest: Okay, let's hear it.

Host: The research argues that document governance should have clear business ownership rather than being treated as an IT responsibility. If I'm a business unit leader, my immediate reaction is, "Why would I want to own document governance?"

Guest: Because it sounds like a technology problem.

Host: Exactly. It sounds like something IT should handle.

Guest: But that's where people get it wrong. IT manages systems. The business manages relationships and risk.

Host: Interesting.

Guest: Think about it this way. If IT owns the documents, they're likely to view them primarily as data assets that need to be stored, secured, and backed up.

Host: They see terabytes.

Guest: Exactly. They see storage volumes and infrastructure requirements. What they don't necessarily see is the business context behind the content.

Host: The actual customer impact.

Guest: Right. If a client is frustrated because they've been asked for the same passport three times in a month, the reputational damage doesn't land with IT.

Host: It lands with the relationship manager.

Guest: Exactly. The business suffers the consequences. The business loses the client. The business loses the revenue. That's why governance ultimately needs business accountability.

Host: That makes a lot of sense. The people who experience the consequences should own the rules.

Guest: Precisely.

Host: And when all five of these pillars are functioning properly, the client never really sees them.

Guest: That's the beauty of it.

Host: The machinery disappears.

Guest: Exactly. The client simply experiences a frictionless process. They aren't asked for the same document twice. Their information is available when it's needed. Access is consistent. Decisions happen faster. Everything feels connected.

Host: Which is exactly what customers expect.

Guest: And that's the irony. When document governance works, nobody notices it.

Host: But having the rules documented isn't enough.

Guest: Not even close.

Host: The research points out that many banks actually have governance frameworks in place. They have policies. They have procedures. They have documented processes. Yet execution still falls short.

Guest: Because they're missing the connection between those pieces.

Host: The connective tissue.

Guest: Exactly. The research introduces a framework built around three interconnected components: governance, processes, and orchestration.

Host: Let's unpack that.

Guest: Governance defines the rules. It answers the question: What must be true?

Host: Things like required documentation, retention policies, classification standards, and access rights.

Guest: Exactly. Then you have processes, which define what happens next.

Host: The actual sequence of activities.

Guest: Right. Submission, validation, approval, escalation, reporting—whatever the workflow requires.

Host: And then comes orchestration.

Guest: Which is the execution layer. It's what connects governance and process in a way that actually works operationally.

Host: So it's the engine.

Guest: Exactly. Workflow automation, document intelligence, routing logic, case management—all of the mechanisms that make the process move.

Host: I like to think about this using a restaurant analogy.

Guest: I knew you were going to bring up food.

Host: Of course. Imagine a Michelin-star restaurant. Governance is the recipe book and the health regulations. Process is the sequence of activities in the kitchen. Who prepares what, in what order, and under what standards.

Guest: Okay, I'm with you.

Host: But orchestration is the expediter standing at the pass. The person coordinating everything, making sure the steak, the sauce, and the side dishes all arrive at exactly the right moment.

Guest: That's actually a great analogy.

Host: Because from the customer's perspective, they simply receive a perfectly prepared meal.

Guest: They don't see the complexity behind it.

Host: Exactly. They don't see the coordination. They don't see the decisions. They don't see the controlled chaos happening behind the scenes.

Guest: And that's precisely what great orchestration creates in banking. The client experiences simplicity because complexity is being managed effectively in the background.

Host: So let's bring this back to real-world outcomes. What does this actually look like when governance, process, and orchestration are working together?

Guest: The impact can be transformative. Take account opening. A client submits an application and can track its progress in real time. They provide documents once, through their preferred channel, and they're never asked for the same information again.

Host: Which sounds simple, but it's surprisingly rare.

Guest: Exactly. Behind the scenes, governance defines which documents are required and what rules apply based on the client's risk profile. The process maps the journey from submission to approval. And orchestration ensures the documents are collected, routed, validated, and tracked automatically.

Host: So the client experiences transparency instead of uncertainty.

Guest: Precisely.

Host: And the same principle applies to credit origination.

Guest: Absolutely. Imagine a corporate client applying for a major credit facility. Instead of waiting weeks for a decision, they receive one in a matter of days.

Host: That's a significant difference.

Guest: It is. The client follows a transparent process. They're only asked for documents that are genuinely needed. Information they've already provided is reused. Nothing gets lost in the system.

Host: And behind the scenes?

Guest: Governance determines the requirements based on the product and risk category. The process defines the path from application to decision. Orchestration automates document collection, validation, routing, and approvals.

Host: Which reduces friction for everyone involved.

Guest: Exactly. The research points to handling-cost reductions of 30% to 40% when these capabilities are implemented effectively.

Host: That's substantial.

Guest: It changes both the customer experience and the economics of the process.

Host: The article also talks about reporting.

Guest: Yes. Think about a client who wants to view their portfolio. In many traditional environments, they're still dependent on paper statements or fragmented reporting cycles.

Host: Which feels increasingly outdated.

Guest: Very much so. With strong governance, reporting requirements are clearly defined. Processes manage the reporting cycle. Orchestration delivers information through secure digital channels.

Host: So instead of waiting for information, clients can access it whenever they need it.

Guest: Exactly. They can view consolidated holdings across currencies, products, and jurisdictions in real time.

Host: Which brings us to one of my favorite principles in the research: "Store once, use many times."

Guest: It's a deceptively simple idea.

Host: But an incredibly powerful one.

Guest: Every time you create duplicate content, you create duplicate risk. You create multiple versions of the truth. You create inconsistencies. You create confusion.

Host: So the objective is to capture information once and then make it available wherever it's needed.

Guest: Exactly. A single trusted source of information that can be reused across the organization.

Host: Now here's the big question. None of these problems are new.

Guest: Not at all.

Host: Legacy systems, paper documents, manual reviews, fragmented processes—banks have been struggling with these issues for decades.

Guest: Forever, really.

Host: People have been talking about them since the early 2000s. So why is this suddenly such an urgent issue?

Guest: Because the environment around those problems has fundamentally changed.

Host: How so?

Guest: The research identifies several converging forces that are dramatically increasing the urgency to act.

Host: What's the biggest one?

Guest: Without question, artificial intelligence.

Host: Of course.

Guest: Every institution today is talking about AI. Every executive team wants an AI strategy. Every technology roadmap includes AI initiatives.

Host: And the adoption numbers are moving incredibly fast.

Guest: They are. According to the research, AI adoption in KYC and anti-money laundering processes increased from 42% to 82% in a single year.

Host: That's extraordinary growth.

Guest: It is. Banks are transforming content platforms into intelligent systems capable of supporting automation and decision-making at scale.

Host: But there's a catch.

Guest: A very important one. AI is only as good as the information it receives.

Host: So if your document governance is weak, your AI initiatives are built on unstable foundations.

Guest: Exactly. Imagine an AI model pulling information from an outdated corporate structure document because lifecycle management isn't working properly.

Host: The model could make a completely incorrect recommendation.

Guest: And it could do so with tremendous confidence and speed.

Host: Which is arguably worse.

Guest: Much worse. Without governed content, AI doesn't scale efficiency. It scales risk.

Host: That's a powerful observation.

Guest: Because many organizations assume AI will solve their information problems. In reality, AI often exposes them.

Host: And while AI is transforming the technology landscape, regulation is transforming the operating environment.

Guest: Absolutely. The regulatory landscape is evolving rapidly.

Host: Particularly around digital identity.

Guest: Yes. We're seeing major developments through frameworks such as GDPR, eIDAS 2.0, and the upcoming European Digital Identity Wallet—the EUDI Wallet.

Host: Which becomes mandatory by December 2027.

Guest: Exactly. And that's not very far away.

Host: Not in banking transformation timelines.

Guest: Definitely not. These developments are fundamentally changing how identity, consent, authentication, and information sharing are managed.

Host: We're moving beyond static documents.

Guest: Right. We're moving toward verifiable digital credentials, stronger authentication mechanisms, and much higher expectations around traceability and auditability.

Host: Which means institutions need strong governance foundations before these capabilities arrive at scale.

Guest: Otherwise they simply won't be prepared to operate effectively in the new environment.

Host: So we've talked about AI and regulation. What's the next force making document governance so urgent?

Guest: Scalability. Many banks are still operating on fragmented legacy architectures that were never designed for today's volume of information or today's customer expectations.

Host: So even if those systems technically still work, they're reaching their limits.

Guest: Exactly. Information becomes scattered across multiple repositories, business units, and platforms. Every additional process creates another layer of complexity.

Host: Which means customers experience the organization as fragmented.

Guest: That's right. They feel like they're interacting with several different institutions rather than one integrated bank.

Host: Because every department seems to have a different view of their information.

Guest: And often they do. Modern platforms help solve that by consolidating information and creating consistent access across the organization. Without that modernization effort, clients continue to experience disconnected interactions.

Host: Which brings us to customer expectations.

Guest: Probably the most visible force of all.

Host: Because customer expectations have fundamentally changed.

Guest: Permanently. Clients no longer compare their bank to the bank across the street. They compare it to the best digital experiences they encounter anywhere.

Host: The Amazons, the Ubers, the Netflixes of the world.

Guest: Exactly. Those experiences have redefined what people consider normal.

Host: And once people become accustomed to real-time visibility in one part of their lives, they expect it everywhere.

Guest: That's exactly what's happening. If I can track a package in real time, I expect visibility into my account-opening process. If I can monitor a food delivery minute by minute, I expect the same level of transparency when applying for a loan.

Host: Especially when the stakes are significantly higher.

Guest: Absolutely. Clients expect immediacy. They expect visibility. They expect seamless interactions. And increasingly, they view those things as basic requirements rather than premium services.

Host: Which creates enormous pressure on institutions that still rely on manual processes.

Guest: It does. Because clients don't see internal constraints. They simply experience delays and frustration.

Host: And it's not just customers who are frustrated.

Guest: Not at all. The final force identified in the research is talent and workforce expectations.

Host: Tell me more about that.

Guest: Think about relationship managers. Their job is to advise clients, build trust, and develop business relationships.

Host: Not chase documents.

Guest: Exactly. Yet many highly skilled professionals spend an extraordinary amount of time searching for information, following up on missing documents, and navigating inefficient processes.

Host: Which is hardly a productive use of their expertise.

Guest: Not at all. The same applies to operational teams. They want to facilitate efficient processes. They don't want to spend their days applying workarounds to broken workflows.

Host: So poor governance affects employee experience just as much as customer experience.

Guest: It does. And the two are closely connected. When employees are constrained by inefficient systems, customers inevitably feel the consequences.

Host: So when you combine all of these pressures—AI, regulation, scalability, customer expectations, and workforce demands—

Guest: You end up with a perfect storm.

Host: A situation where maintaining the status quo is no longer a viable option.

Guest: Exactly. Taken individually, each of these trends would be significant. Together, they make transformation unavoidable.

Host: Which elevates document governance from a back-office concern to a strategic priority.

Guest: That's precisely the shift we're seeing.

Host: But recognizing the problem doesn't automatically solve it.

Guest: Unfortunately not.

Host: Because when people hear "transformation," they often imagine a massive, multi-year program that disrupts everything.

Guest: And that's exactly the trap successful organizations avoid.

Host: How so?

Guest: The research emphasizes sequencing and execution rather than trying to solve everything at once.

Host: Walk me through that approach.

Guest: It begins with assessment.

Host: Meaning?

Guest: Mapping client journeys and identifying where friction actually occurs. Where are delays happening? Where are duplicate requests being generated? Where are clients losing visibility or abandoning the process?

Host: So instead of starting with technology, you start with the customer experience.

Guest: Exactly. You follow the friction. And very often that reveals governance gaps that leadership wasn't aware of.

Host: Once you've identified those gaps, what's next?

Guest: Design.

Host: Designing both the customer journey and the operating model behind it.

Guest: Precisely. You redefine interactions, establish clear governance responsibilities, and determine the supporting technology architecture.

Host: Then comes implementation.

Guest: Yes, but not through a massive "big bang" deployment. Successful institutions typically adopt an iterative approach.

Host: One process at a time.

Guest: One process, one business unit, or one client journey at a time. They deploy platforms, automation capabilities, and integration layers incrementally.

Host: Which reduces risk and accelerates learning.

Guest: Exactly. And one point the research stresses repeatedly is shared ownership between business and IT.

Host: Because governance can't succeed if it's viewed as solely a technology initiative.

Guest: Correct. The business and technology teams have to work together.

Host: And finally, sustain.

Guest: Right. Because governance isn't a project with a finish line. It's an ongoing capability.

Host: So organizations need feedback loops.

Guest: They do. They need meaningful metrics tied to both operational performance and customer outcomes.

Host: Metrics such as onboarding time, decision time, paper reduction, and customer satisfaction.

Guest: Exactly. And those metrics help drive continuous improvement over time.

Host: Looking at this entire framework, it really changes the way we think about customer experience.

Guest: It does.

Host: Because it shifts attention away from the visible interface and toward the operational foundations that actually determine whether an experience succeeds or fails.

Guest: That's the central message.

Host: If we step back and look at the broader picture, there's a powerful conclusion here.

Guest: There is.

Host: In today's market, the competitive advantage isn't the interface itself.

Guest: That's right.

Host: Every institution is investing in digital channels. Every institution is improving mobile experiences. A modern interface is becoming table stakes.

Guest: The real differentiator is what happens behind the scenes.

Host: The speed.

Guest: The accuracy.

Host: The transparency.

Guest: And the ability to move information efficiently across the organization.

Host: In other words, the ability to turn digital ambition into operational reality.

Guest: Exactly. The institutions that succeed won't necessarily be the ones with the flashiest applications. They'll be the ones that have built strong foundations underneath those applications.

Host: Which brings us back to where we started.

Guest: It does.

Host: You can build the most beautiful front door in the world.

Guest: But if the foundation behind it is broken, clients will feel it immediately.

Host: And that's why document governance matters.

Guest: It's the engine behind the experience. It's what transforms digital investment into real customer value.

Host: So perhaps the next time you're frustrated by a supposedly seamless digital process that suddenly slows down because of document reviews, missing information, or endless requests for paperwork, it's worth asking what's happening behind the scenes.

Guest: Because the real story often isn't in the interface. It's in the processes and governance supporting it.

Host: And perhaps the more important question is whether our own organizations are still trying to build a digital future on top of an analog foundation.

Guest: That's exactly the question leaders should be asking.

Host: Thank you for joining us.

Guest: Thanks for having me.

Host: And thank you for listening to the Future of Advice podcast by Deloitte Luxembourg. Until next time.