Your autonomous back office is closer than you think

Thomas Steinborn, chief product and technology officer, Smartstream, outlines how agentic AI is reshaping financial operations by enabling autonomous, audit-ready workflows that reduce manual effort, cut risk, and unlock measurable efficiency gains across exception-heavy back office processes

Financial institutions are reaching a pivotal moment in operational transformation. Despite decades of investment in automation, back office operations remain dominated by exception-heavy workflows that consume up to 70 per cent of operational effort. Analysts spend their time chasing data across fragmented systems, relying on tribal knowledge, and repeating manual tasks that workflows never learn from. The result is higher costs, slower resolution, and increased operational and compliance risk.

A major shift is now underway. A new class of intelligence, agentic AI has emerged as the next accelerator for efficiency, accuracy, and risk reduction in financial operations. Unlike traditional or generative AI, which primarily advises or produces content, agentic AI can autonomously plan, decide, and execute multi-step workflows end-to-end, with full transparency and human oversight where required. This capability fundamentally changes how back offices operate.

Why automation has stalled

Most banks face three deeply rooted blockers that have held automation back for decades.

First, data fragmentation forces analysts into slow, manual 'user-chasing-data' processes across disconnected systems. Second, human dependency means critical operational knowledge lives in the heads of subject-matter experts, not in institutional systems. Third, workflow stagnation ensures processes never learn or improve, creating endless cycles of rework, triage, and verbose communication. These challenges are especially acute in high-volume processes such as reconciliations, cash breaks, settlement exceptions, and anti-money laundering (AML) and Know Your Customer (KYC) investigations — areas where regulatory pressure and data complexity continue to grow.

Rethink operations: The future is not about fixing processes but re-engineering them

The future belongs to institutions willing to rethink, not refine, and to replace repetitive tasks with intelligent systems that learn. This is where Smartstream's Smart Agents introduce a step-change.

Powered by agentic AI, Smart Agents are purpose-built digital operators designed for exception-heavy financial workflows. Instead of analysts navigating multiple systems, Smart Agents bring the right data, insights, and actions directly to the user

— or resolve cases autonomously without human involvement. They interpret exceptions, gather and validate data, determine the correct resolution path, execute actions across systems, and record every decision with full auditability.

This marks a shift from automation to autonomous operations: an explainable, resilient intelligence layer that strengthens governance, improves audit readiness, and reduces risk while scaling effortlessly across the organisation.

From manual effort to self-directing workflows

With Smart Agents exception-heavy, manual back office workflows are transformed at scale. Workflows become self-directing:

- Data is delivered, not chased
- Exceptions resolve with minimal triage
- Processes continuously learn and improve
- Communication becomes targeted and automated
- Operations self-manage and self-optimise

Manual touchpoints, from data gathering and cross-checking to execution and validation, are systematically removed. Human involvement is required only where judgement or governance is essential. The impact is immediate and measurable. Institutions see 20–40 per cent efficiency gains, up to 70 per cent reductions in manual investigation workloads, faster service level agreement performance, lower cost-to-serve, and stronger audit and compliance control. Operational staff are freed to focus on oversight, risk management, and value-added work rather than repetitive resolution tasks.

The Smartstream advantage

With over four decades of trusted domain expertise, Smartstream combines deep financial-services knowledge with leading-edge agentic AI. Smart Agents are deeply integrated across Smartstream's ecosystem and client infrastructures, offering rapid onboarding, policy-controlled autonomy, native auditability, elastic scalability, and continuously improving intelligence.

The autonomous back office is no longer a future vision, it is a practical, scalable reality that is already reshaping how modern institutions operate. Those who embrace it now will be the ones to build the scalable, resilient, future-ready operating models that define the next era of performance. ∎