The Journey to AI Maturity for Financial Services Institutions

EMPOWERING FINANCIAL INSTITUTIONS TO SOLVE GROWTH AND RISK CHALLENGES WITH SCALABLE, EXPLAINABLE, AND USER-FRIENDLY AI SOLUTIONS.

www.tazi.ai

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Introduction to TAZI's Journey to AI Maturity

While many financial services organizations are looking to implement AI, at least in some parts of the organization, the process presents risks. The goals of AI - enhanced operational efficiencies and improved business KPIs - can be tricky to achieve if the organization's leaders don't first understand the current state: from data governance and integration to workforce readiness, cost, and cultural adoption. These leaders must also have a plan in place for how they want these to evolve. Other organizations get lost assessing the ecosystems of AI solutions and products — resulting in delayed AI initiatives, and anticipated business value lost.

In this whitepaper, TAZI breaks down how financial institutions should approach their AI implementation to build strong data foundations, implement ethical AI practices, and ensure compliance with industry regulations, all while fostering an innovation-driven culture that supports long-term success. Our process uses a self-guided methodology to help institutions understand their current capabilities, how they want these to evolve, what steps they need to take, and the benefits they'll realize at each step.

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Knowing Where to Start is Key to Getting Results

With all its operational efficiencies and improved KPIs, more and more financial institutions are looking to implement AI. But once the implementation process begins, many organizations get stuck when they discover just how complex and taxing implementing AI can be. One of the biggest obstacles is knowing where to start.

A successful implementation of AI needs a clear understanding of your current data governance, processes and workforce readiness, and how you want it to evolve as you move to AI enabled processes.

Before our customers start their journeys, TAZI emphasizes the importance of setting AI goals. We've developed a unique, proprietary approach that largely relies on a self-guided process.

Organizations that apply our approach will clearly understand where they are today - and where they want to be tomorrow.

The Journey Shouldn't be Overwhelming

The AI ecosystem is rapidly evolving and is increasingly crowded. Organizations that start their AI journey by focusing on a single AI use case like Voice of Customer or Customer Growth will likely find themselves lost in a maze of products, vendors and services. Figure 1 below captures just a fraction of today's AI offerings for Customer Facing teams.

Each vendor in Figure 1 offers tools designed to solve a specific problem, and time-consuming delays arise when organizations obsess over selecting the right vendor within a category. Part of the reason this is unproductive is that AI is evolving so quickly, and in unanticipated ways, that by the time a choice has been made, the rationale for that choice and requirements may no longer be valid. New AI solutions result from ongoing rapid foundational AI technologies development, so keeping up with each offering's details requires continuous and careful diligence.

It's important to stay focused on the bigger picture.

Implementing AI is about improving performance and achieving business value. The most practical approach is to look at solution selection from a holistic perspective. For example, if the goal is to select an AI platform that supports multiple business lines, be careful not to select one that places tight boundaries around use case handling, data usage, or data options.

At this point in the journey, **flexibility is key**. Look for offerings that are configurable, that can work with many data sources, and that handle multiple use cases - those that expand your range of choices rather than limiting them.

The AI ecosystem is complex and dynamic, so it's important not to get tangled in the weeds that the journey stalls.

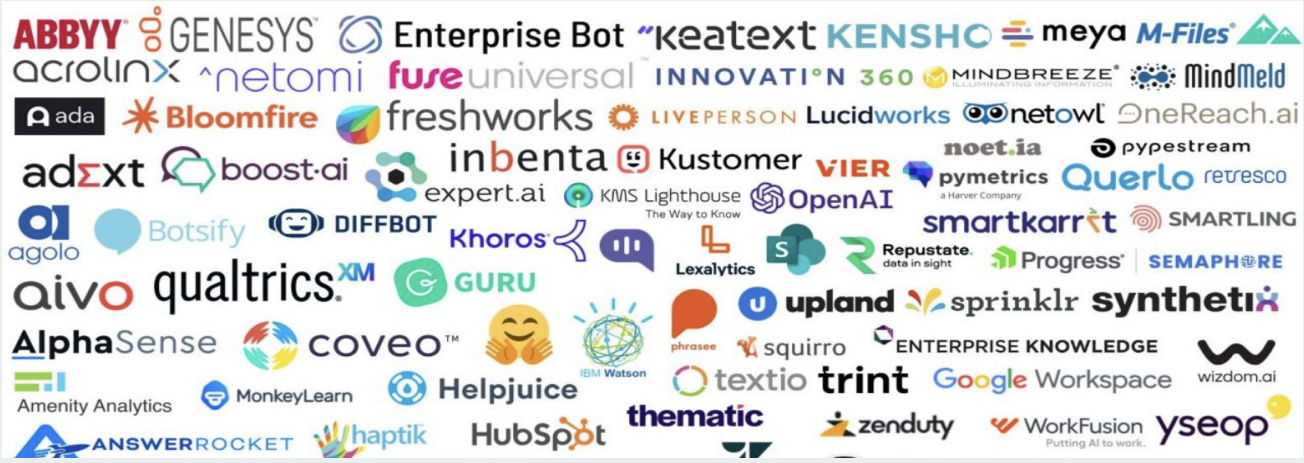

Figure 1: AI Solutions Ecosystem for Customer Experience

Understanding The Starting Point is Key

Adopting AI is more than just implementing new technology—it requires a cultural transformation that redefines how teams think, work, and collaborate. Success depends not only on technical readiness but also on leadership commitment, workforce engagement, and the ability to adapt to a data-driven mindset.

Step-change approach to the AI maturity (Figure 2, below) is a tool that helps organizations determine where they are along the AI maturity lifecycle. The Y-axis in this chart represents organizational impact and the X-axis represents operational AI maturity - from siloed AI to connected AI and, finally, AI at scale.

Organizations won't always move from Step 1 to Step 2 to Step 3 and so on. They could skip one or more steps altogether. For example, with TAZI, organizations skip to Step 3. Reaching Step 6 does not necessarily signify the end of the journey. As noted earlier, AI is a dynamic environment in which change and technological advancement are constants. Organizations should continue to evolve - provided that advancement offers real business value and is consistent with the organization's goals.

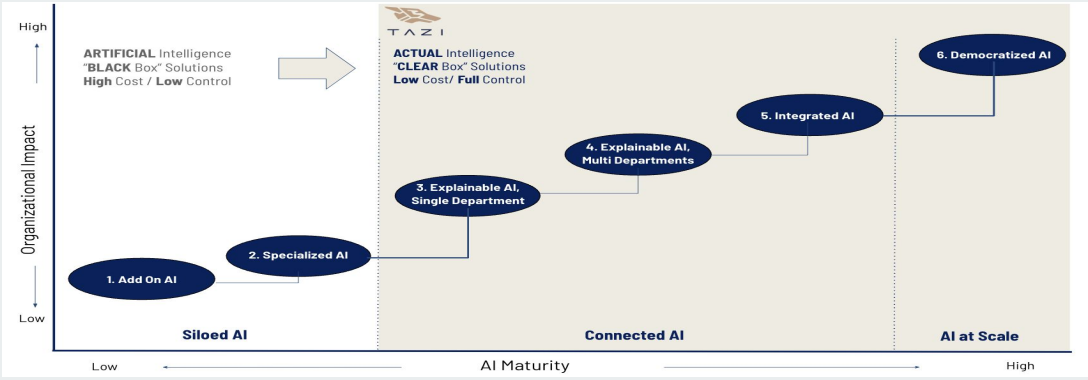

Figure 2: Step change process to AI Maturity (see appendix for bigger picture)

Each Step Brings Incremental Value

Most importantly, each step of the journey brings immediate productivity gains. Gains might be measured in improved business unit efficiency, improved KPIs, etc. Looking closely at Figure 2, it's interesting to note that some of the steps offer greater productivity gains than others. For example, there are greater gains in moving from Step 2 to Step 3 than from Step 1 to Step 2. The Executive team can quickly determine at which step they are currently located with the understanding that as they move up the stairway they are enhancing the organization's productivity, KPIs, and agility. Knowing at which step the organization resides provides a starting point in thinking about where it needs to go to support its business goals.

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How to Measure Success

There are six (6) steps to the maturity lifecycle, as shown in Figure 3 below. This details each step introduced in Figure 2 by looking at six (6) AI core competencies: operational efficiency impact, compliance, operations, organizational readiness, data readiness, and business accountability. Figure 3 illustrates how the financial services organization expands its capabilities as it progresses up the staircase.

	Siloed AI		Connected AI			AI At Scale
	1. Add On Black Box AI	2. Specialized Black Box AI	3. Explainable AI, Single Department	4. Explainable AI, Multi Departments	5. Integrated AI	6. Democratized AI
Summary	***ad hoc resources + process limited efficiency low cost high compliance risk***	***ad hoc resources + process limited efficiency high cost + resources high compliance risk***	***streamlined resources + process 2X efficiency (single function) low cost reduced compliance risk***	***streamlined resources + process 5X efficiency (multiple functions) low cost low compliance risk***	***dynamic resources 10X efficiency (connected functions) minimal compliance risk with automation***	***dynamic resources 10X+ efficiency (AI DNA) no compliance risk with automation + adaptability***
Illustrative Example	Core platform adding AI features.	AI-native Solution for Voice of Customer.	AI-native Platform with multiple solutions in Marketing.	AI-native Platform to with multiple solutions in Marketing, Sales, Services, Fraud departments.	AI-native Platform to with multiple solutions in Marketing, Sales, Services, Fraud departments connecting learnings.	Marketing, Sales, Services, Fraud, Finance, Operations departments create their own AI solutions.
Impact	5-10% efficiency gain from existing vendors	5%-10% efficiency gain from each new vendor	30%-300% efficiency gains from single new vendor	300%-600% efficiency gains from existing vendor	Compounded value as more departments implement AI solutions from existing vendor	Continuous incremental efficiency and business value as departments create new solutions
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Business Accountability	Project level	Department level	Department level	Department + CDO + CTO	Department + CDO + CTO	Department + CDO + CTO + CEO

Figure 3: Detailed process impact at each step of AI Maturity (see appendix for bigger picture)

Figure 3 reflects what TAZI AI has seen in financial services organizations. Determining where your organization falls along this continuum starts by understanding how you measure success and how adopting AI will help drive that success. Where do you need to end up on this stairway to optimize the value gained from AI? This self-assessment has proven to be a powerful tool to help organizations understand the breadth and scope of their journeys.

ARTIFICIAL INTELLIGENCE

1. Add On AI - Usually the starting point, utilizing added AI capabilities from existing vendors. Most organizations start here thinking it's the easiest way. However, organizational AI processes at Step 1 tend to be unstable and usually lack documentation, visibility, and standards leading to compliance risks.

2. Specialized AI - As the AI education matures, the value becomes more apparent and more AI tools designed for a specific pain point are available. Financial Institutions are developing first AI standards such as AI governance. However, this approach means having to buy dozens of specialized AI solutions with organizational AI processes continuing to rely on standards provided by vendors which also leads to compliance risks and high costs.

ACTUAL INTELLIGENCE

3. Explainable AI, Single Department - At this step, organizations have an opportunity to see higher value due to multiple AI use cases being identified and handled. Standardization on a common AI platform improves operational efficiencies and cost. Organizations begin to define own AI standards. AI explainability and readily available metrics provide the type and level of information necessary for assessing performance and reducing compliance risks.

4. Explainable AI, Multi Department - This step adds significant value as AI use cases expand to multiple departments across the organization, utilizing the same AI platform. Additional efficiencies are gained with same data utilized in multiple use cases. No additional tools need to be implemented reducing the IT overhead.

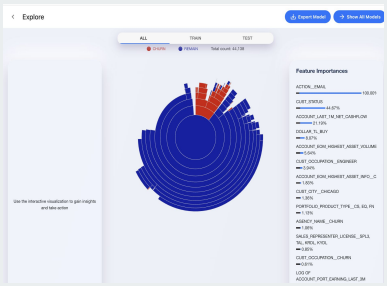
5. Integrated AI - At this step, the accountability of Data and IT at the enterprise level has increased. Data literacy continues to build as AI becomes integrated into the culture. Data/AI automation and governance are aligned with business needs. AI acceleration is now possible as clear AI processes, governance and compliance requirements have been defined and automated.

6. Democratized AI - At this advanced step, AI is democratized in the organization meaning "AI for everyone". Business teams across the organization are confident to create and maintain their own AI solutions. AI fluency is achieved across teams, fostering trust in AI-driven decision-making, and creating an agile organization that thrives in a digital future. The Executive team has evolved leadership, governance and ethics models to guide the organization through the AI transformation maintaining continued compliance.

When using the step-change approach illustrated in Figure 2, one question that often arises is how can organizations leapfrog several steps and accelerate their journey. Attempting such a leap without a technology partner that supports the journey means that the organization's leaders must understand the challenges and must acknowledge both the costs and the risks. Embracing technology without clearly understanding the value it provides to the entire organization is ill-advised. A successful journey to AI maturity requires a change in organizational skill; often an experienced partner supplementing the team can be an effective path.

Sample Customer Success Stories

TAZI Informs Smarter Retention Outreach Delivering $20M NPV
This Financial Services organization tried to create an AI solution on their own for 2 years, and they couldn't. With TAZI they were able to see the first value in just 10 days.



Before TAZI, this team was manually researching which customers may be leaving. With TAZI, they instead get predictive lists that they use to organize their outreach efforts. Now they can predict customer churn and identify their most profitable customers, and they have increased the efficiency of their outreach team by 300%!

The business saw $20M in NPV, and the acceleration in adoption was achieved by integrating with Salesforce, so that the outreach team did not have to learn a new tool.

This organization continued their journey to AI maturity from **Step 3 to Step 4** by implementing additional TAZI solutions such as Voice of Customer and Targeted Marketing, and they continue to support new business units that identify use cases for AI, all without hiring specialized teams.

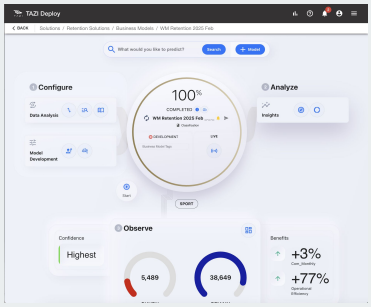
10
Days to value

3X
Efficiency gain

$20M
NPV

salesforce
Accelerated adoption

TPA Moves Quickly Along the AI Journey with a Lean Team
This $1.4B revenue Financial Services organization committed to automating all parts of their workflows utilizing AI to improve operational efficiency and business results.



They started their journey with a single solution in one department, and have quickly implemented multiple solutions in a couple of departments.

This organization jump started their AI journey starting in **Step 3** and quickly moved to **Step 4** by implementing 6 solutions across different departments with just one business intelligence analyst and a division CTO, with help from TAZI experts.

Now this organization is planning to move to **Step 5** and expand the use of TAZI across additional business units, and globally, because with TAZI they have confirmed that they do not need to hire expensive data science and IT experts to be able to implement AI at scale in a secure and compliant way.

78 days
To Implement Fraud Solution

185 days
To Implement Payment Audit

228 days
To Implement Risk Audit

3 more
Solutions in Pipeline

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TAZI

About the Authors, Contact Information

Zehra Cataltepe, PhD

CEO / Co-founder

zehra@tazi.ai
+1-415-612-0931

Zehra Cataltepe is the CEO of TAZI AI, provider of a patented adaptive, explainable, responsible AI and Generative AI SaaS platform. TAZI platform's capabilities have been accoladed in more than 30 Gartner reports, including a Cool Vendor and Magic Quadrant CAIDS report. Zehra aims to increase the number of non-technical AI builders in businesses so that they can configure, control, cooperate with and also take responsibility for AI and GenAI systems.

Zehra earned her M.S. and PhD in Computer Science from California Institute of Technology, has experience in academia and industry which led to more than 100 AI papers and 14 issued patents. She has articles published in *Forbes* Technology Council and also Nasdaq. She was honored as "Woman Entrepreneur of the Year" in 2024, 2020 and 2019 by Women in AI in Europe, Microsoft Turkey, and Istanbul Chamber of Commerce.

Gordana Vuckovic (G)

CCO

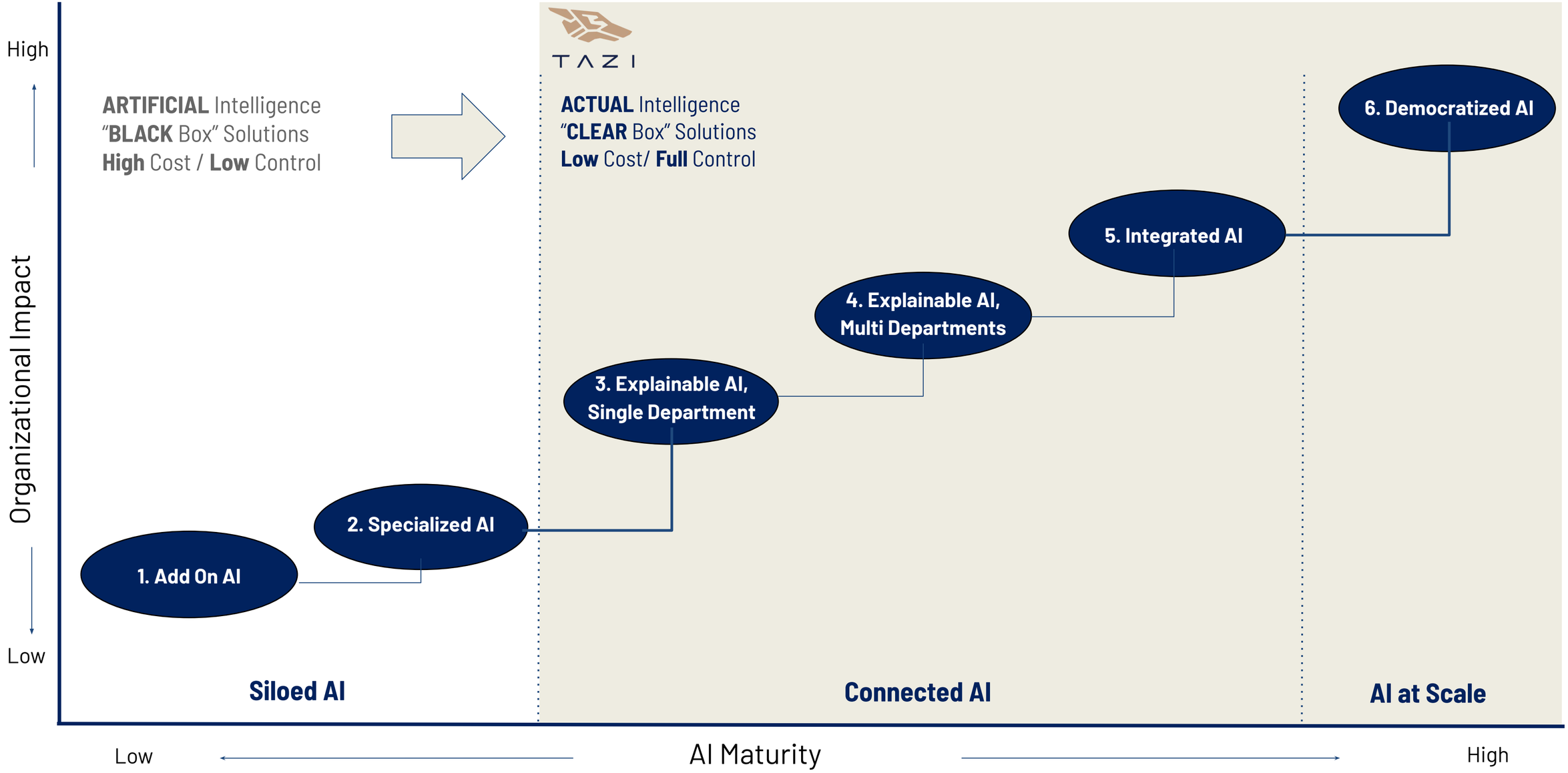
g@tazi.ai
+1-415-866-5877

Gordana Vuckovic is the Chief Commercial Officer at TAZI AI enabling financial institutions to leverage advanced AI technologies for client retention, fraud prevention, and operational efficiency. She is an accomplished leader with over 25 years of experience in enterprise SaaS and technology recognized for her strategic acumen, entrepreneurial mindset, and dedication to fostering innovation and growth.

As a founding member of the MACH Alliance (Microservices, API-first, Cloud-native, and Headless) Gordana helped establish the Alliance as a key advocate for flexible and scalable enterprise technology, further showcasing her commitment to innovation and collaboration across industries.

2022 CRO of the Year, honoring her dedication and exceptional leadership. 2020 Women in Technology Award by Aragon Research, celebrating her transformative contributions to technology organizations.

Redefining the Journey to AI Maturity



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