

McKinsey
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Rewired in Action

Real world examples of Digital and AI transformations
and how leading companies succeeded



BCP: Taking banking to new heights on a digital rocketship

The opportunity

Achieving excellence in customer experience and efficiency

Peru's largest bank, Banco de Crédito del Perú (BCP) has been a leader in traditional banking. In an era of rapid change, its executive team saw an opportunity to create distinctive experiences for banking customers through digital. The aspiration was to become the best bank in Peru, which pushed BCP to set twin goals: to dramatically rethink and improve the customer experience on the one hand, and on the other, to make its operations more efficient. Digital transformation was not a goal—but it turned out to be the best means for BCP to achieve its aim.

“It is very difficult to make a case for change when business results are good... we need to continue to be good for a hundred more years and understanding the culture at our organization is really important to make a good case for change”

— Francesca Raffo, Chief Transformation Officer and Deputy CEO

The solution

Maintaining an unwavering focus to build capabilities and transform the culture

Leaders at BCP speak of its goal for digital transformation as going to “Planet ExEf” (for experience and efficiency) with new capabilities (digital journeys, data & analytics, cyber risk, etc.) as the enabling engines. BCP brought in McKinsey to help map out and implement a digital transformation using new techniques and approaches, technology modernization, data and advanced analytics, and digital tools that are changing the way people work throughout the bank and the way customers interact with BCP.

From the beginning, BCP's focus on its twin goals of experience and efficiency never wavered. McKinsey helped BCP identify six priority “plays” to focus on — examples include digital onboarding, digital payments, analytics to drive insights, and overall customer experience, from queries and complaints to credit evaluations for small business clients. Throughout this journey, BCP continually raised the bar on its aspirations.

As it began to digitize journeys, BCP saw that new capabilities alone were not enough; it needed to re-engineer its culture. BCP created the concept of *Samay*, a Quechua word for soul, which refers to the new culture leaders hoped to create. Today, some 4000 employees—almost everyone outside of the salesforce—works in agile teams, making BCP feel more like a startup than a bank with more than a century of history.

BCP's transformation has helped it see market opportunities and customers in new ways. For example, as an emerging economy, Peru has a big portion of its population that is unbanked and operating in a cash only economy. With McKinsey support including designers, architects and strategy consultants, BCP built and launched *Yape*, a digital-payment mobile app, to improve financial inclusion. More than 11 million users have downloaded the app to date and more than two million have opened their first bank accounts on the app. Today, *Yape* is the third most-used app in Peru, behind only WhatsApp and Facebook, and BCP has plans to turn it into a super app by expanding it to other daily activities.

The Impact

26%

year-over-year growth in mobile banking usage in 2022 with **5.6M sole clients**, representing **32% of all transactions**

60%

of customers doing digital banking (up from 23% before the transformation)

22pts

score improvement in NPS across BCP (34 in 2021 to 56 in 2022) with the **aim to cross 60 by 2025**

60%

of Peru's adult population are YAPE users

Lessons learned



Strategic Roadmap

Maintain a firm focus on the vision and the “why”

BCP created the vision around the “rocket to Planet ExEf,” a vivid illustration of their goals and enablers. This analogy was easily understood and made the vision real throughout the organization. The ability to constantly review and adapt the plan was also critical to ensure the transformation stays on the right path.



Agile Operating Model

Make the change stick through leadership and culture

To generate traction and spread the culture change, BCP was utterly disciplined in its implementation. To make sure there was no backsliding, BCP put in place a dedicated leadership team focused solely on the transformation, ensured C-suite buy-in on the changes, and set up new reporting structure.



Talent

Upskilling current talent is equally important as bringing new talent

BCP learned that it needs to not only bring new tech talent for growth but also upskill its current talent on new ways of working and latest technologies to deliver product and services faster in line with the technology vision.



Technology

Don't forget about cybersecurity

BCP underestimated the cybersecurity capabilities it needed when it started its transformation journey. As it absorbed the magnitude of the risks, BCP shifted its focus to develop cyber risk capabilities and mitigate new risks in the digital age.



“McKinsey was strong in its adaptability and commitment to success with BCP. If we needed to change teams, in terms of more digital capabilities, more design capabilities or more architectural capabilities, the flexibility and adaptability from McKinsey was very helpful and a key success factor in long term transformation programs”

- Francesca Raffo, Chief Transformation Officer and Deputy CEO

“Our story had ups and downs. I think that was part of leadership resilience, focus and conviction for doing things well. There was a strong case for what we were building and that has allowed our success.”

- Raimundo Morales, CEO of Yape

Video link and case story

<https://mckinsey.com/rewired-in-action-bcp>