Corporate & Commercial Banking Trends

From fragmented processes to real-time, intelligent banking

temenos

Making complex corporate banking simpler

Corporate banking is moving into a new phase of digital transformation. Long-standing manual processes, fragmented systems and bespoke workflows are increasingly difficult to reconcile with clients who expect speed, transparency and real-time insight.

Economic uncertainty adds to the pressure. Businesses need greater visibility over cash and liquidity, while demand is growing for more flexible funding models and faster access to credit. Yet significant parts of corporate banking remain non-digital: Temenos Value Benchmark data shows that only 13.8% of corporate banking products are both originated and transacted digitally.

That gap is creating an opportunity for technology to reshape both the economics and experience of corporate banking. Unified lending platforms can bring previously fragmented credit processes together. AI[1] agents can help orchestrate complex workflows and reduce administrative work where traditional automation has fallen short. Corporate banking is known for its operational nuances and bespoke contractual arrangements, which AI can now help manage more intelligently. Meanwhile, real-time, API-driven data is changing treasury, while digitalization is enabling banks to integrate more closely with the systems and processes their clients already use.

The opportunity is therefore bigger than digitalizing individual processes. Banks that connect data, workflows and decision-making across the client lifecycle can make complex banking significantly simpler, while creating more scalable and responsive corporate propositions.



[1]Explore Technology trends shaping the future of banking



Lending broadens to include flexible credit

Working capital is under pressure with persistent economic volatility and uncertainty. Many businesses require loans for their strategic ambitions or day-to-day operations, but traditional corporate and commercial lending models often fall short. Lengthy approval processes and reliance on historical data can make it difficult for businesses to access credit.

This is accelerating the adoption of alternative finance structures that respond to changing business circumstances. These include solutions like supply chain finance to optimize cash flow management, leasing arrangements free from large upfront costs, and cash flow or asset-based lending that make credit decisions based on current and future cash flow, as well as considering the value of company assets, such as machinery.

The scale of this shift is evident in the growth of private credit markets, which often finance companies with complex risk profiles, and may accept alternative forms of collateral. Private credit markets were estimated at roughly $3 trillion for 2025 and are projected to hit around $5 trillion by 2029, signaling the growing role of non-bank capital in corporate lending – and its direct competition with banks.[2]

Banks are expanding their offerings beyond traditional credit facilities to provide alternative solutions that better reflect business needs. This also helps them compete against digital challengers that already offer more flexible, bespoke credit solutions.



[2]https://www.morganstanley.com/ideas/private-credit-outlook-considerations

BAIN & COMPANY

Unified lending platforms: Building the digital core of corporate lending



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Corporate credit remains slowed by fragmented workflows, product systems, and manual hand-offs. A unified lending platform consolidates the end-to-end client life cycle into one digital experience, from origination to monitoring. Combined with embedded AI, it can accelerate decisions, increase transparency, and enable more tailored pricing.

Leading banks will consolidate the entire credit life cycle - origination, assessment, decisions, documentation, and monitoring - into a single digital platform. By standardizing processes across products and geographies, banks can improve turnaround times, reduce rework, and increase transparency across the portfolio.

The second defining feature of unified platforms is embedded AI. Rather than layering AI onto fragmented systems, banks are integrating it directly into the core workflow. AI can pull key data from client financial statements, produce a first-pass credit view, support affordability and sustainability checks, and automatically approve simple, low-risk loans with minimal human intervention. For more complex cases, it flags potential risks and supports credit specialists with structured insights. The shift isn't from humans to machines but rather from turning a traditionally manual process into human–AI collaboration within a single environment.

Unified lending platforms aren't just about internal efficiency. They also allow banks to plug directly into clients' workflows. As lending integrates with enterprise resource planning systems, banks can remain visible either by partnering tightly with those platforms or by expanding their own digital capabilities to deliver a broader, stickier client proposition.

Strategically, banks will need to prioritize budgets and AI enablers to stand up these platforms. IT capital constraints and limited AI talent necessitate the careful selection of areas to embed the capability across the organization. Done well, unified lending platforms turn corporate credit into a scalable advantage, accelerating decision making while preserving the human judgment that clients value.



AI agents transform complex workflows

Corporate and commercial banking has traditionally relied on highly bespoke processes designed to manage large transaction values and elevated risk profiles. As a result, achieving straight-through processing has been challenging.

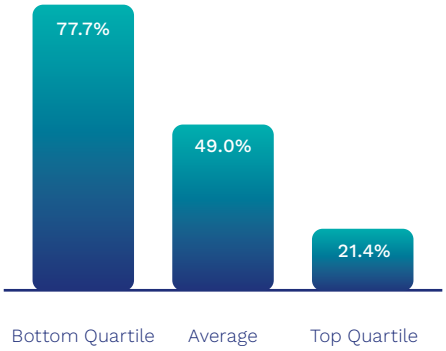
For front-office staff at banks in the bottom quartile, over 75% of their time is spent on admin tasks, which could reduce drastically with the help of modern technology like AI and automation.

Administrative burdens could soon be minimized with the rise of generative and agentic AI, which are starting to orchestrate workflows such as deal structuring, compliance checks, and multi-party documentation. AI agents can interpret unstructured data, coordinate tasks across systems, and deliver real-time insights, improving efficiency and reducing the duplication of tasks in areas historically resistant to or unsuitable for standardization.

However, human oversight and judgement, informed by experience, remains essential in this high-stakes industry.

While widespread adoption will take time, early pilots are expected to reinforce the value of these technologies, laying the foundations for greater efficiency in the corporate and commercial space by 2027. This forms part of a broader industry imperative to modernize technology infrastructure, and transform people and processes.

% of time spent on admin tasks by corporate banking front-office staff



Treasury redefined by real-time intelligence

Rather than waiting for a daily report, treasurers increasingly expect real-time visibility into cash flow and liquidity to make decisions that help them mitigate risk and maximize growth.

Against a backdrop of economic and geopolitical volatility, as well as fast-moving markets, treasury is evolving from static, batch-based reporting into a live business function powered by real-time insights into payments, liquidity, and cash positions.

As these capabilities become industry standard, banks are increasingly focusing on solutions that give treasurers the tools and insights needed to optimize payments and liquidity. Those that embrace this shift will not only differentiate through increased agility and resilience, but also enhance the user experience by making day-to-day tasks significantly easier.

This transformation is unfolding in two main ways. First, financial institutions must elevate the digital experience for treasurers, providing real-time, API-driven channels that allow data to be programmatically consumed by specialized ERPs and other treasury tools. Legacy batch-based mechanisms such as BAI2 and ISO 20022 outputs are no longer sufficient on their own. Meeting today's expectations requires a robust back-end infrastructure capable of supporting continuous data exchange.

Looking ahead, technology will continue to play a major role in this central function. A 2024 survey found that 82% of corporates expect AI to support their treasury functions within five years, particularly in forecasting, fraud prevention, and market analysis.[3]



[3]https://www.business.hsbc.com/en-gb/insights/innovation-and-transformation/real-time-treasury-smarter-liquidity-stronger-control-and-quicker-decision-making

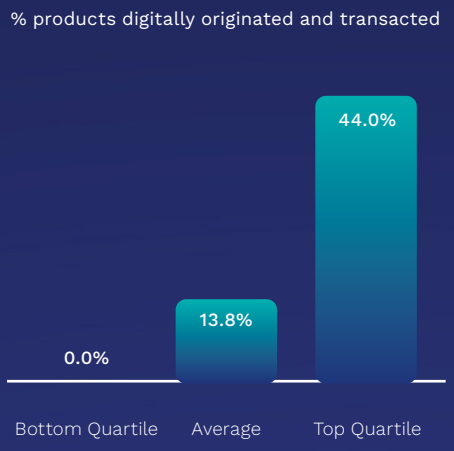
Digitalization moves from advantage to imperative

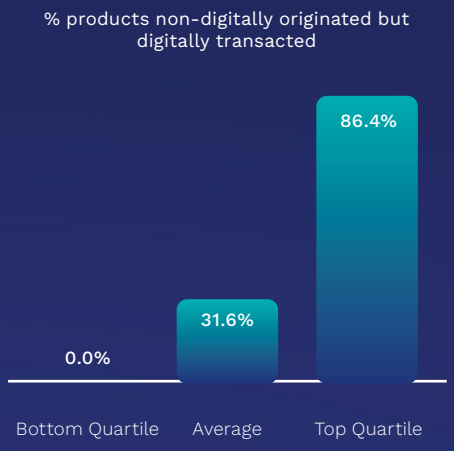
After years of underinvestment in technology relative to peers, corporate and commercial banking is embracing modernization, and this is expected to accelerate. The case for modernization touches almost every operational aspect – from replacing paper documents and faxes in Europe to phasing out checks in the US, and delivering intuitive digital experiences through treasury management platforms.

The opportunity to move more decisively into the digital world is clear, with Temenos Value Benchmark data showing that on average only 13.8% of corporate banking products are originated and transacted digitally, compared to 31.6% digitally transacted but not digitally originated. These findings show significant potential to digitalize processes, with many workflows still reliant on manual data entry, offline documentation, and fragmented approvals. Streamlining these steps through automation, digital origination, and integrated platforms will accelerate decision-making, reduce errors, and lower operational costs.

Industry analysis suggests that the "consumerization of corporate banking technology is in full swing", with front-office investments, including digital channels and customer lifecycle management, "front lines" for revamping client experiences.[4]

Corporate banks show stronger digital adoption in servicing than onboarding





[4] Celent, *Corporate Banking IT Spending Forecasts by Domain 2023–2028*

What this means for banks

Corporate banking has significant scope to simplify processes that have historically been manual, fragmented and difficult to scale. The prize is not digitalization for its own sake, but a more streamlined model that delivers outcomes like allowing banks to make faster decisions, serve clients more effectively and improve operating economics.

Connect the client lifecycle

Digitalizing individual processes will only take banks so far. The bigger opportunity is to connect origination, lending, servicing, payments and monitoring around the client, reducing manual hand-offs and creating a more consistent experience across historically fragmented workflows.

Turn real-time data into real-time decisions

Corporate clients increasingly need current insight into liquidity, cash flow and risk. Banks need infrastructure that makes data continuously available and connects it with the tools clients and employees already use. Real-time banking should become a decision-making capability, not simply a faster reporting mechanism.

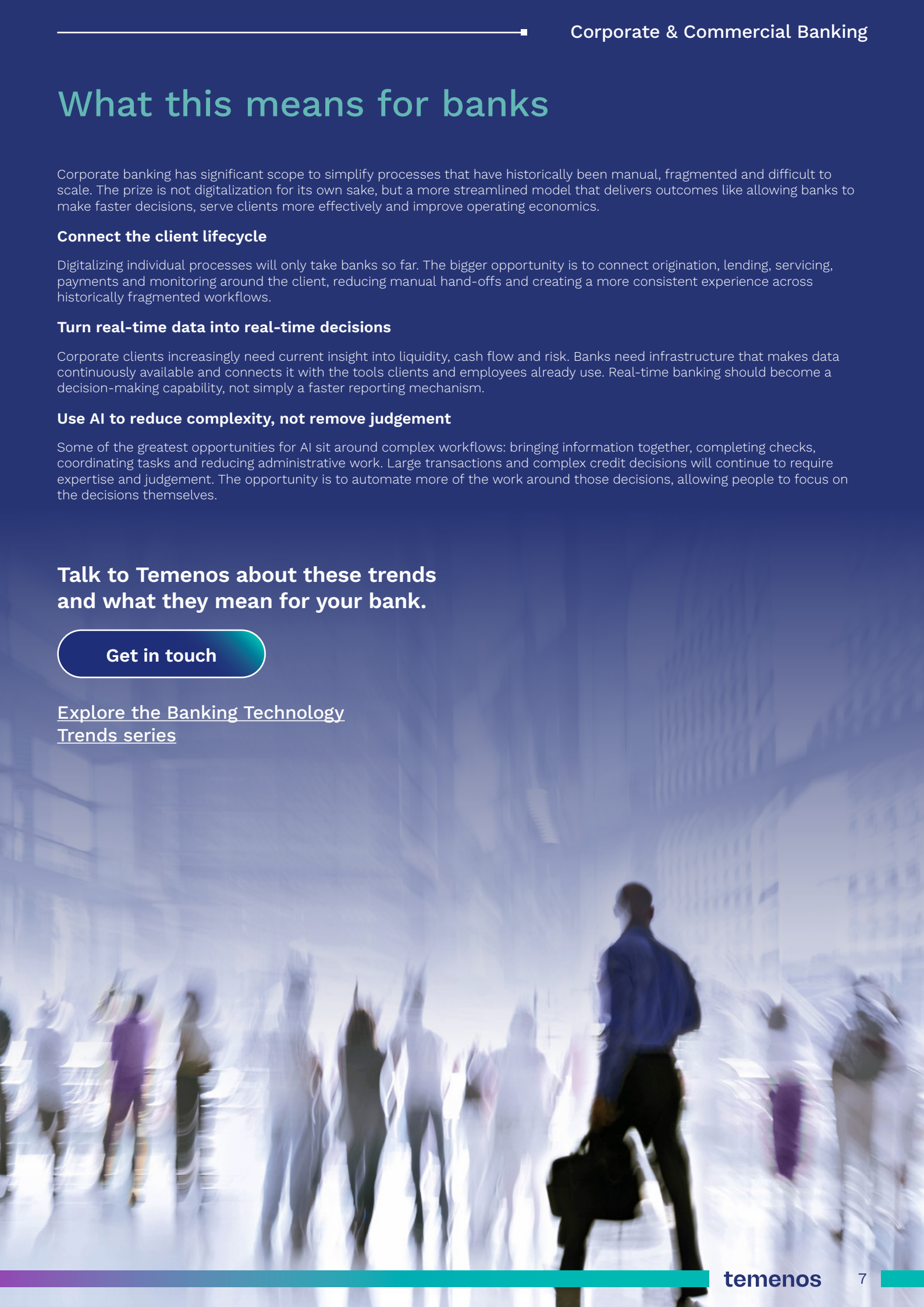
Use AI to reduce complexity, not remove judgement

Some of the greatest opportunities for AI sit around complex workflows: bringing information together, completing checks, coordinating tasks and reducing administrative work. Large transactions and complex credit decisions will continue to require expertise and judgement. The opportunity is to automate more of the work around those decisions, allowing people to focus on the decisions themselves.

Talk to Temenos about these trends and what they mean for your bank.

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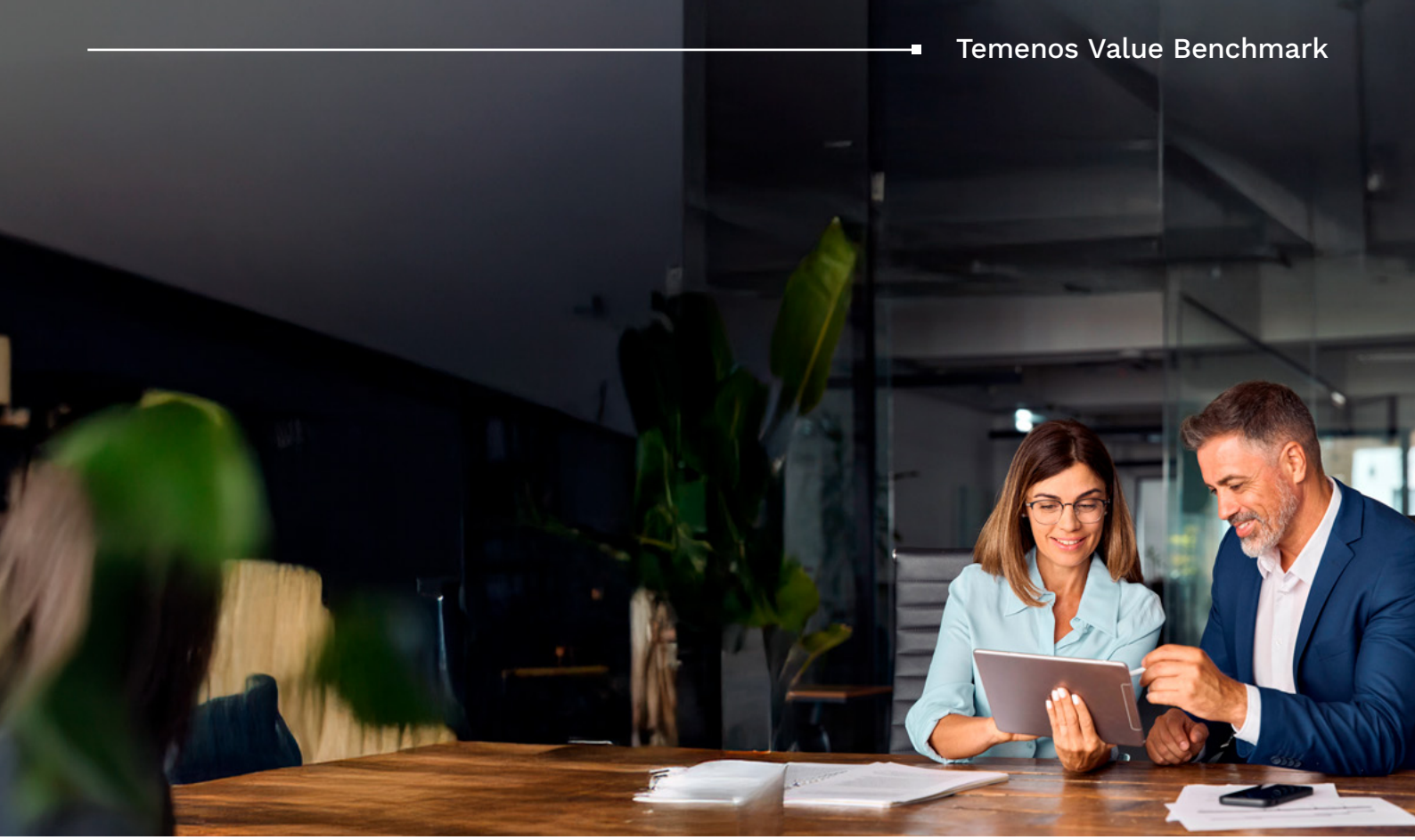
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Temenos Value Benchmark

The Temenos Value Benchmark is an industry-leading program that draws on insights from more than 200 banks and 100,000 data points to help financial institutions optimize their technology investments and improve profitability. As a customer value benchmarking and advisory service, it provides C-level banking executives with unique, data-driven insights into how technology can be leveraged more effectively to drive business value. In all graphs referenced in this report, quartiles are defined and sorted per metric.

Explore the program today

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About Temenos

Temenos (SIX: TEMN) is a global leader in banking technology. Through our market-leading core banking suite and best-in-class composable solutions, we are modernizing the banking industry. Banks of all sizes utilize our adaptable technology – deployed on-premises, in the cloud, or as SaaS – to deliver next-generation services and AI-enhanced experiences that elevate banking for their customers. Our mission is to create a world where people can live their best financial lives.

For more information, please visit www.temenos.com