



PICKING UP THE PACE WITH WORKFLOW STANDARDIZATION

Abstract

Infosys BPM partnered with a US bank to re-engineer key processes that helped in cutting down cycle times significantly



Infosys BPM's client is a financial services provider based in the US. The banking giant recorded 2018 revenues in excess of \$10 billion, and has over 1400 branches across the US.

Missing the target

The client was facing multiple challenges with regard to its complex mortgage origination process for both direct and in-market channels, involving document collection, verification, and multiple handoffs and coordination between departments. The minimum loan submission rate for the bank was hovering around 69%, compared to its internal target of 80%. The customer experience

provided by the bank was also very low due to a significant pendency and related loan withdrawals.

Due to the mostly unstructured process workflows and non-standardized input quality, the bank also suffered from low operational efficiency, and was missing its target for process cycle time, which stood at 6 days. There was also a high amount of rework because loan support specialists

were not working as per their skillsets, and a high degree of role overlap meant that non-sales work was also being completed by loan officers.

The client partnered with Infosys BPM to assess and design a transformation roadmap for mortgage origination process by including digitalization, process optimization, and technology capabilities, and deal with their numerous challenges.

Standardizing inputs and re-engineering processes

The Infosys BPM team first conducted an assessment for direct loan channel of the bank's mortgage processes using waste analysis and value stream mapping. This helped identify the roles of loan officers and support specialists and the process steps that were in scope and out of scope for their roles.

On the basis of this review, which helped finalize the timelines for every process step and identify improvement opportunities, the team developed a comprehensive process re-engineering plan. The plan which was based on the 5S (sort-set in order-shine-standardize-sustain) and SCAMPER (substitute-combine-adapt-modify-put to another use-

eliminate-reverse) methods for workflow standardization. Re-configured roles and responsibilities and business offshoring model were proposed to balance the load between onshore and offshore teams (30% for onshore and 70% for offshore), simultaneously removing all role overlaps and ensuring that all key skill sets were being utilized. The team also arranged for process training workshops for all the process staff to give them a better understanding of the business value chain.

Next, the team recommended modifications to the existing technology-based platform, which paved the way to move away from paper work to soft copies completely. This helped enhance the

process cycle efficiency through reduced manual effort and a more streamlined reporting. The team performed the process profiling activity to capture the process dynamics and deployed the quality monitoring framework to improve the minimum loan submission accuracy score.

Based on the success of the direct channel, the Infosys BPM team proposed similar model for in-market to on board them on the current framework and also established a centralized team to achieve success. Lastly, the team helped the client develop minimum loan submission guidelines and created a checklist for front office callers.



The bottom line

The Infosys BPM solution resulted in process rework being reduced by 31%, and eliminated close to 80 redundant roles – both of which delivered the client savings to the tune of \$3.97 Mn. The minimum loan

submission rate also improved from 69% to 93%, resulting to the enhanced customer experience for nearly 480 additional borrowers per month. Further benefits included ramped up process efficiency for

loan setup and review which improved from 6% to 9% and ramped down cycle time which significantly reduced from 6 days to 4 days.

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