CARVING SAVINGS AND SUCCESS OUT OF 'HARDSHIPS'

Abstract

Assistant Vice President at an American investment management giant, Nadia Davis heads Operations and Participant Services team, which processes customer hardship withdrawals requests. When she noticed an alarmingly high turnaround time and low productivity in her team's query resolutions, she reached out to Infosys BPM in search of a digital-first solution that could deliver better outcomes. This case details how Infosys BPM completely redesigned Nadia's hardship determination process with strategic modernization and automation, to reduce cycle time by more than 65%, save over $370k, and improve overall customer experience.

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Adding to hardships

Nadia Davis is the Assistant Vice President at an American investment management giant, who heads operations and a Participant Services (PS) team, and is directly responsible for improving customer experience and maintaining cost optimization.

A significant part of the PS team's activity involved handling hardship withdrawals. This refers to the money withdrawn from an employer-sponsored retirement plan that is set up for immediate financial needs such as medical emergencies, higher education expenses, funeral expenses, or damage repair costs after natural disasters. To approve the requests for these withdrawals, the team needed to understand the queries of customers, collect complete information, and process the qualified transactions. Nadia noticed that during a high influx of requests and customer calls, her PS team struggled to manage all queries in a timely fashion.

Considering the time-sensitive nature of the operations and the customer experience that was getting impacted, she began scouting for an external service provider to help her streamline and speed up the review process. After a global RFP process, she struck a partnership with Infosys BPM based on their next-generation digital expertise and focus on innovative solutions. She then sat down with Asher Kennedy, a digital transformation expert leading the Infosys BPM team assigned to her, to discuss the scope of the project. Over a series of meetings, she briefed Asher about her fragmented and manually intensive hardship determination process, asking Asher and his team to bring down the cycle time of reviewing requests and approving withdrawal amounts to 3 business days.

Changing the course of action

Asher, along with his team, began the journey with an in-depth analysis of the review system to identify the fundamental problems underlying the poor productivity and increased turnaround time. They realized that the extensive process needed high manual interventions, with an average of 3.4 hand-offs occurring among employees. This, along with the resultant high number of repeat calls from customers directly affected the productivity levels. The situation severely impacted the time cycle so that the average time taken to process the requests was reaching 10 days. Moreover, the PS team's minimal domain understanding directly impacted their efficiency to deal with customer queries.

Asher called for a meeting with Nadia, where he presented the analysis results and put forward possible solutions to completely restructure the hardship determination process. Nadia trusting Asher and his team's digital expertise, gave the nod to move forward with the solution.

Approach summary

- Design thinking and Lean approach

- Standard and manual forms revised to simplify language.

- Workflow management system standardized for faster query resolutions

- Customer alert system to provide timely updates

- Hardship summary automation to reduce manual input

Nadia and Asher closely worked together and used a design thinking and Lean approach, to redesign the processes while maintaining focus on improving customer experience and optimizing the PS team's activities. As a first step, they tweaked the smart and manual forms to simplify the language and organize the documents as per respective withdrawal types. While the investment management giant was somewhat resistant to this change, Asher worked around the problem by conducting focused discussion sessions with jumbo and mega clients and requested the process teams to build awareness on the changes for medium and low size clients. They also standardized the workflow management system to improve the call handling and query resolution process, reducing the unnecessary hand-offs and total cycle time.

Then, they set up a responsive alert system that sent out text alerts to customers on rejection of their requests, prompting them to submit additional documents. The alerts sent also included the respective withdrawal numbers assigned to the customers and kept them looped in with all updates. Due to the regulatory requirements related to communications via text, the team also added an email notification option to the system for those who had not opted in for text alerts.

Finally, Asher and the team added a hardship summary automation system to eliminate unnecessary manual investment and reduce the average number of touchpoints needed for the summary. They also granted additional accesses to the mainframe for the team to correct any problems in the hardship amounts recorded, without any additional handoffs.
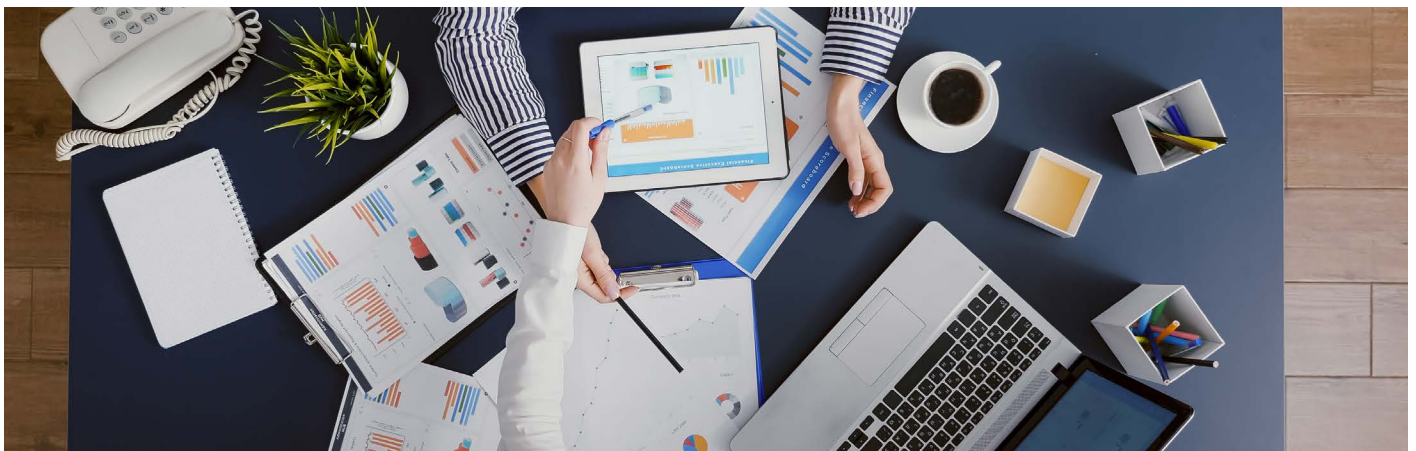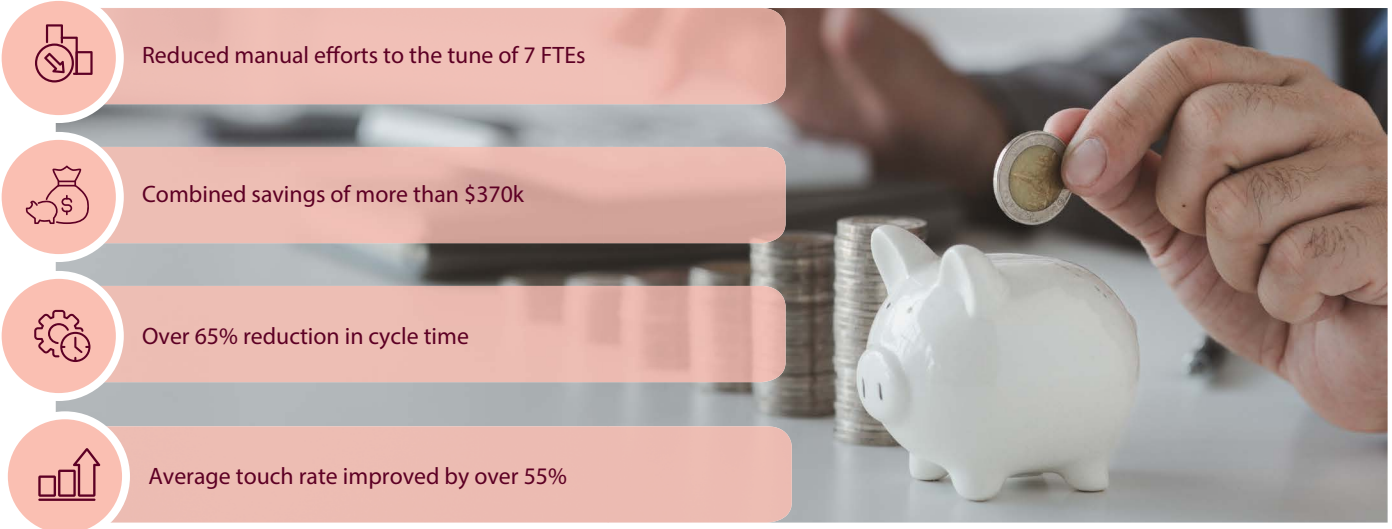
All ironed out

With the several thoughtful features in the restructured hardship determination process, Nadia and Asher succeeded in fixing the pre-existing problems around efficiency, turnaround times, and manual-intensive processes.

Key benefits

- Reduced manual efforts to the tune of 7 FTEs
- Combined savings of more than $370k
- Over 65% reduction in cycle time
- Average touch rate improved by over 55%

The digital system improved the touch rate by over 55%, reducing it from 3.4 to 1.5 and helping the PS team provide a better, streamlined customer experience. It was able to cut down manual effort worth 7 FTEs, leading to a total of $371,000 in savings. Asher and the team's solution over-delivered on Nadia's goals of clearing the withdrawal requests in 3 days, by bringing the cycle time down to 1 day. It's clear that the new review system visibly removed all 'hardships' from Nadia and her operations/PS team's activities.

Names have been altered to preserve the identities of the people involved.

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