

Customer : L & T Insurance

1. Products/Lines of Business Involved:

Insurance

2. Year that Initiative went live (Please submit LIVE, FULLY IMPLEMENTED initiatives):

This solution was conceptualized in April 2013 and in a short span of 4 months went live in August 2013.

3. Brief description of initiative (drivers and targets, what is it, who are key users, what are key functions):

L&T Insurance have been processing 200,000 & more policies annually where policy processing is undertaken by internal and external users in a proportion of 80% and 20% respectively. Internal processing has been carried out with in house staff as well as outsourcing vendor. Before our implementation, general policies were processed using core system portal for processing retail general policies. Many flaws leading to higher TAT of up to 12 hours per policy, data entry user inconvenience and productivity loss were observed in this process and are listed as following,

1. Users had to access multiple systems leading to delay in processing.
2. Inconsistent data maintenance across systems as the process was manual and tracking of each proposal had to be maintained in spreadsheets
3. Absence of system enabled workflow mechanism resulted in poor tracking of cases and accessing multiple applications
4. Tight integration with the Policy Admin System (PAS) leading to high dependence on one system which meant that the processing would stop if the PAS is unavailable.
5. Lack of system based maker and checker capability that led to errors in internal processing.
6. Rigid and inconvenient data entry screens and limited flexibility to simplify it.

Given the challenges, and considering multiple alternatives, it was decided to develop an in-house, simple to use, offline and integrated back office application including middleware integration with PAS. Innovative approach in selecting the technology components was adopted and instead of leading technologies available in business process management space (packaged implementation), simple technology components were utilised to develop an integrated automation solution using agile development methodology.

CASE STUDY – Insurance Automation

Within 4 months of successful implementation of adStringO, we observed that TAT for policy issuance has been reduced to 4 hours from previous 12 hours. This has also increased the operational productivity that would result in savings of INR 67.10 Million over 5 years. This system driven process innovation has enabled us to achieve faster processing TAT, flexibility to operate 24 X 7 and engage with multiple service providers for outsourcing. Overall performance of the process has improved by 125% over non-optimized process along with 61% reduction in total estimated cost of ownership of the technology versus packaged implementations.

4. Brief description of technology used

We have developed a Web Based System

Code – Microsoft .NET (Customized Development with Vendor)

Database – MS SQL 2012

Platform – Windows

Vendor Product

Scan & Meta tagging application Solution

Integration

Core Policy Admin System Integration Code on .Net Windows Service (In house development)

5. Quantitative success metrics (productivity enhancements, cost reductions, etc)

1. Reduced TAT:

Reduction in average TAT from 12 hrs to 4 hrs (67% reduction in TAT) for in-house operations

2. Huge Savings in Processing Cost

- 50% Reduction in data entry cost per policy
- Estimated Cost savings of up to INR 67.10 Million over 5 Years

Note: We wish to request confidentiality for the commercial values mentioned in the metric above.

CASE STUDY – Insurance Automation

6. Other non-quantified results:

3. Anytime Anywhere Access:

Web based application allowing anywhere anytime access for processing work thereby enables operations team to outsource work to rural and low cost companies.

4. Integrate Business Process Workflow

- Comprehensive new business workflow capturing all the process steps from scanning to policy generation.
- This has allowed general Insurance company to closely monitor the cases which are under process and also resulted in elimination of any cases being missed out due to non-checking of emails/manual intervention.

5. Multi BPO Support

AdStringO also supports Insurance scenario where adStringO Ops can control the flow of documents to each Insurance. This offers an opportunity to Operations team for load balancing of policies and exploring low cost alternatives to the current vendor.

6. Offline System Eliminating dependency on Core System

- Real time integration with core system has been removed. Consequently, data entry operators can continue processing even being impacted by core system unavailability.

7. Ergonomic Design for Users

- AdStringO provides a simplified image based data entry screen which helps the user to avoid toggling between screens thus saving time per transaction and improving productivity.
- Single system catering to all the requirements and hence, eliminating the need to access multiple systems. This has helped in eliminating inconsistency in the data and improving efficiency of the process.
- AdStringO has an inbuilt scrutiny mechanism with a maker/checker concept which ensures that the error percentage is reduced to a great extent.
- Sales Managers and Resident managers can access the application for initiating fresh policies or for checking the status of their submitted proposals.
- Dashboards/Reports to adStringO Ops team for continuous monitoring of the process

CASE STUDY – Insurance Automation

7. Business Model Change & Outcome

Innovative & Low Cost BPM Automation to enable Front End Staff with Assured TAT & Delivery of Policy:

Unlike any other packaged BPM solution, LTI developed an in house solution to address the workflow and data entry simplification. Multiple activities were integrated together with improved process and low cost automation. Capturing scanned proposal form, data entry, premium receipting and issuance of policy through policy admin system is carried out at the adStringO front end by the outsource vendors where cases are allotted to vendors automatically. This solution is integrated with policy admin system with in-house middleware which enables real time and offline processing. This has been a great step change where offline data entry for operations resources is possible and guaranteed conversion of all proposals with assured TAT is achieved.

Enabler for Quality and Productivity of Operations Support Model:

As part of our expanding insurance business, outsourcing of policy processing has been one of the important strategies of adStringO. With adStringO success, we have achieved convenience of improving productivity of our outsource vendors and ensure adequate rivalry amongst our vendors to provide better quality and productivity.

CIO – Life Insurance Company

“With Smart-Force powered with adStringO™, field representatives themselves fill all Application Mandatory fields and capture supporting documents like KYC, AML etc. using Scanners & Mobile photos then Compress to smaller file without losing aspect ratio and Meta data to initiate critical business processes at the transaction point itself by a click of the button”.

To Transform your Back Office

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