



opx

HCL IBS

# CASE STUDY

 **CMS**  
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# INTRODUCTION

HCL IBS Ltd, a UK subsidiary of HCL, has become one of the most efficient financial services outsourcing companies in the BPO marketplace.

They have stepped ahead of their competitors with original and advanced back-end administration systems augmented by the OPX solution. HCL IBS services a diverse range of over 1 million policies for leading financial organisations within the UK closed book L&P marketplace, regulated by the FCA. With OPX, HCL continues to progress further functional enhancements, pushing boundaries and enhancing their competitive edge.



# KEY REQUIREMENTS

HCL IBS faces a continuous challenge operating a closed book revenue stream. The number of active policies on each book reduces over time.

This, compounded by volatile economic markets, increasingly financially risk adverse customers and changing market regulations all causes a steady attrition to the outsourcer's margins.

Having exhausted meaningful cost reduction through process and operating model initiatives, in 2009 HCL IBS decided that they had to find a long-term solution to meet their challenges. They needed to find a platform agnostic solution that would sit on top of any policy administration system without the need for complex integration.

The reliance on manual workarounds and a vast product range meant that a robust and flexible solution was needed to refocus hearts and minds; creating a common goal and shared vision of the future, with the flexibility to meet the changing face of UK regulations.

*"We wanted a transaction-based processing solution with a one and done philosophy, we wanted to increase first-point resolution and deliver more solutions to our customers. With the FCA driving us more and more towards positive customer outcomes, it was crucial that we improved efficiencies and managed our resources more effectively with minimum manual intervention".*

**Paul Barrow, Chief Operating Officer from HCL**

HCL initiated the Operational Excellence (OPX) project to deliver immediate and sustainable reductions in operational costs whilst improving productivity. The overriding principle? To develop a model that embraced end-to-end transaction processing where work moved seamlessly from start to finish.

The new model considered prioritisation, estimated effort at a granular level, resource skills and competence, and empowered line leadership to influence the distribution of work by type and queue, rather than manually assigning work.



*“OPX was a game-changer for our business. We now manage work with workflows and effective queue management, we have integrated MI, extremely powerful performance management functionality, integrated QA and complaints management – altogether giving us a holistic view of all transactions.”*

# IMPLEMENTING OPX

By the business, for the business, into the future.

This meant redefining the organisational structure, and people's roles within, to align with the new model, structured around the OPX principles and philosophies.

HCL needed a solution that would help drive the business forward and the real-time management information within OPX became an essential contribution towards strategic decision making.

OPX collates service requests from phone, post or e-mail. Transactions are processed, whether manual or robotic, all supported by an operational agility dashboard that sits across the top. The 'Get Next' approach ensures the work is prioritised by what is best for the business and ensures staff are not 'cherry picking' work. When complexities arise, as they do, staff can make use of a host of OPX functionality, providing a tailored customer experience; all managed centrally by OPX.

OPX gives operational leaders the time to lead. The MI is real-time information displayed in dynamic dashboards which are driven by roles and permissions. Team Leaders can come into work and immediately see what work is outstanding and what needs to be done that day according to the company's SLAs.

The Team Leader will also have visibility of performance and the skill sets of their teams; this is also useful to pinpoint where skills gaps lie and allows them to invest effort in their teams' growth and attainment, supporting continued operating model improvement.

SLAs and KPIs are historically driven around timelines, however, with the FCA pushing for positive customer outcomes and away from numeric measures, HCL needed to capture those quality measures and build them into the OPX process to improve the customer outcome.

HCL and the OPX team created a culture that promoted the new attitudes to customer outcome and quality, championed by staff at the grassroots levels of the business throughout delivery. Once this was done the benefits started to be realised. Far from having a few isolated pockets of excellence, with OPX, HCL succeeded in raising the bar across the board.

By far the most impressive result was the complaints pipeline which was reduced by 70%. With the end to end complaints processing functionality, HCL were able to import real-time KPIs and receive detailed root cause analysis, which was fed back into the business for continuous improvement.

*“We had to repatriate work to the UK at zero notice whilst maintaining SLAs. We simply could not have done this without OPX.”*



# INTELLIGENT TECHNOLOGY, INTELLIGENTLY APPLIED

Servicing more than 4000 processes and a huge variation of product and plan types, following on from the successful implementation of OPX, HCL looked to expand the services they could deliver with Scriptflow, an add-on module of OPX.

Scriptflow tells the individual where to go next in a transaction, it's a signposted system which guides them through a script and process. In fact, by using Scriptflow HCL were able to reduce their customer journey quite significantly.

HCL piloted Scriptflow in their Telephone Surrenders team, who administer pension policy surrenders for customers.

In the past, HCL only had a very small number of staff signed-off to complete surrenders by telephone and, even when one of these highly skilled agents was available, there was a heavy reliance on reference documentation and supporting programs. This created a difficult and protracted customer call, often well in excess of 30 minutes.

Using Scriptflow, HCL were able to cut calls to 8 minutes. By reducing the training burden, telephone surrenders can now be offered by any telephone agent, improving customer service and reducing the amount of back-office work generated. The agent will use Scriptflow to determine if the customer and policy meet the telephone surrender criteria. If they do, the agent can complete the request on the call; providing first point resolution and issuing the surrender policy payment within 2 days.

If Scriptflow determines the customer does not meet all the criteria, Scriptflow guides the agent through their conversation with the customer to collect the necessary details, meaning there is no need to complete a lengthy surrender pack. The customer sends the required evidence and the policy can be surrendered within 3-5 days and paid out within 1-2 weeks, reducing the amount of customer contact.

The multi-site capability provided by OPX allows HCL to process their work in a consistent manner across sites in Romford, Preston and India. Users have the same view across any of those sites and their customer output is the same. The ability to move work seamlessly between sites was of huge benefit to them, when flooding closed an offshore office at short notice. HCL simply pushed the work back to the UK with a few clicks of a button and normal service was resumed.

*“OPX was the defining moment in our leadership approach. Management built on process experience was replaced by inspirational leadership based on people, performance and targets.”*

HCL IBS

United Kingdom Financial Services Awards Submission

# LASTING CHANGE

HCL IBS has seen the year-on-year OPX benefits continue to grow; exceeding their targets for time and cost saved and assuring the highest standards of quality.

These savings enhanced the competitive standing and reputation of HCL IBS, resulting in new opportunities and a growing market share.

## Cost Savings/Time Reductions

Improved throughput of work, together with an increase in “right first time” processing, means fewer delays, a major source of customer dissatisfaction and complaints:

- Reduced the number of complaints received by 70%, strengthening client relations and enhancing BPO market position.
- Increased the transactions processed per person (FTE) by 20%.
- Reduction in overall operating costs of c.15% in year 1, exceeding 30% in subsequent years.

## Increased Revenues

As an outsourcer in the closed book market, revenue on existing contracts reduces over time. The cost reductions achieved through OPX have

increased profitability and, crucially, are allowing HCL IBS to compete more effectively for new business with market leading pricing models. Models that would previously have been impossible without both the OPX system and the metrics to back up the complex bid processes they undertake.

## Quality Improvements

OPX delivers quality assurance controls through a combination of peer review, checklists and fully independent quality assurance. These are available to, and tailored for, every process that requires them, capturing volumes and outcomes to facilitate process improvement and performance management.

Key improvements include:

- Reduction in offshore rework
- Improved learning and development opportunities
- Trend analysis data facilitating informed business cases
- Reduction in internal and external audit findings
- Reduced training time for new hires
- Accurate metrics around potential and actual customer detriment
- Real time error reporting and remedial action setting

## Want to know more about OPX?

Arrange a free demo and find out how OPX could support your business at: [corporatemodelling.com/opx-demo](http://corporatemodelling.com/opx-demo)

# ABOUT US

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Founded in 2008, we have more than 35 years of experience in the field; we know the workforce optimisation space like the back of our hands.

The nucleus of the Corporate Modelling Services development team, based in Glasgow, UK and has been working together for over 15 years providing transformational software solutions to solve key business operations efficiency problems.

OPX is the result of over 200 man years of business focused enterprise software development and was conceived to provide a broad, functional, cost effective and yet easy to implement solution to aid the digital transformation of back office operations.

Every customer is unique. That's why we customise our OPX platform to fit every customer's needs precisely. Our Rapid Deployment Method (RDM) takes clients through the five steps of an OPX implementation in around 30 days.

**OPX is proven to increase productivity and utilisation; reduce costs; improve cycle times and enhance customer experience.**

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## MORE INFORMATION

For more information about OPX, please visit our website [corporatemodelling.com](http://corporatemodelling.com)

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