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Case Study 1:

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Background and Overview



- Well known blue chip financial service (FS) provider.
- Death Claims process putting claimants under a lot of unnecessary inconvenience, delay and distress before settling a claim.
- Many complaints from solicitors and next of kin.
- Both time consuming and high staff costs.
- Paying out a lot of interest on late payments which could have been avoided if claims settled more quickly.

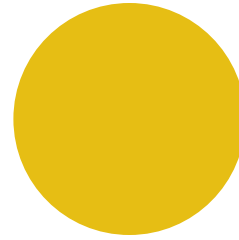
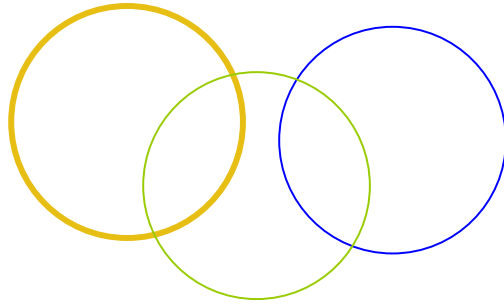
Background and Overview

continued



- Small claims limit (£5k) for investment products in place for over 20 years.
- Not in line with other FS providers (small claims limits of £25k and £50k from two closest competitors).
- Concerns by internal Compliance about holding deceased clients funds for too long.
- In excess of £3m held in suspense a/c.

My Role



- Specific responsibility to target a number of key processes with known issues and bottlenecks.
- Primary focus on Death Claims process because high profile.
- To analyse and map existing process, identify problem areas, design and implement a workable solution.
- ‘Free’ role to work with back office teams involving:
 - One to one analysis sessions
 - Process review workshops
 - Training and implementation

The Problem



- Piecemeal process with multiple requests for information at different times meaning long end to end process.
- Complex forms often not completed fully resulting in delays.
- Complicated letters with unclear instructions re next steps often led to confusion.
- 95% of death claims between £15k and £20k but Grant of Probate required for all claims over £5k.
- Oldest death claims case was outstanding for 2 years.

The Challenges



- Apathy and some resistance at first from death claims team:
 - ‘You’re the third person to look at this’.
 - ‘We looked at this a few years ago and nothing changed’.
- Resistance from other internal departments: Business Change and Operational teams (‘Can’t be done’).
- Timings, data gathering of past performance (analysis of historical claims versus £5k limit), number of complaints.
- No I.T. budget.

The Solution



- ‘One Stop’ process. Request all information, documents and signatures once and at the same time.
- One new, simplified indemnity form.
- New letters for solicitors and next of kin with clear bullet pointed information and next steps.
- Small claims limit increased from £5k to £20k.
- 2 tier process:
 - New death claims - Revised process
 - Existing death claims - Contact made, new indemnity form

Outcome



- Overall, an end to end process time reduced by 50% resulting in an improved customer experience and reduced complaints.
- Specifically:
 - Death claims settled in 6 weeks (max.) rather than 3 months.
 - No complaints received during two months following implementation.
 - Funds held in suspense a/c reduced and time held minimised.

Feedback



- Positive feedback from all, even from the ‘doubters’.
- Actual testimonial following successful completion of project:

‘Outcome was agreement to proposals, better processes and outputs to clients, less money sitting on suspense accounts awaiting settlement and less late interest paid. Proven benefit of using an outsider and expert in process improvements to come in and work alongside the business people to highlight and identify what we can do differently and benefits of doing it’.