CASE STUDY

Wealth Management & Insurance

The following case study details how one of our clients was able to increase efficiency, identify capacity and better utilize the identified capacity in one of its operations.

Annualized benefit exceeded $6 million

Overview

Our client, an insurance and wealth management provider, tasked their North American business unit with a directive to eliminate $20 million from its' operating budget by 2020. This case study outlines how our client reached this goal in one of their locations while continuing to grow the business, maintaining customer satisfaction and improving quality. All of this was achieved by implementing the 20-week Enlighten Transformation Program.

The Challenge:

- Management was aware that capacity and waste existed across the business, but lacked metrics to quantify and provide visibility of the opportunity.

- There were no agreed-upon standards to help manage the daily transactions processed by each team.

- Individuals were completing two hours of value-added output per day, resulting in a low starting productivity of 34%.

- The Contact Center consistently missed Service Level Agreements (SLAs) and witnessed high Average Handle Times (AHT) of approximately 7 minutes.

- Part-time Contact Center teams were not completing other work items, resulting in 5-10 mins idle time between calls.

- Neither team nor individual performance was being measured, resulting in minimal active follow-ups and management by "instinct" rather than by numbers.

- Team members were unaware how their personal productivity compared to their overall team's and peer's results.

The Solution:

Our client needed a system to manage all areas of their operations. They called upon Enlighten's expertise to help provide visibility, identify latent capacity and redirect resources effectively. Enlighten was implemented at one of their locations, consisting of 296 employees in 26 teams. Enlighten took the following steps over a 20-week period:

(for more details, see "Program Implementation – detailed")

- Identified the type of work being completed by each team.

- Conducted over 1500 Value Added Assessments (VAAs) in liaison with the management team and team members.

- Provided "value-added standards" for all activities performed, allowing managers to measure capacity and efficiency.

- Implemented Enlighten tools and management methodologies, e.g. Daily turbos, "Week in Review" meetings, Visual Management Boards (VMBs), consistent one-on-one follow-ups, short-and long-term planning, skills matrices, Opportunity Logs, and Activity Based Costing (ABC) for most frequent activities.

- Conducted formal classroom training with managers and team members, as well as customized hands-on coaching.

Upon completion of the 20-week program, annualized benefit exceeded $6m, providing an ROI of $3.6:1 in Year 1 and break-even within 28 weeks.

Summary of Results:

- Actual annualized benefit: USD $6m (compared to USD $3 million expected).

- Output per employee improved by nearly 50% within two months as team members steadily increased value-added output from two to three hours daily.

- Efficiency increased by 24% in less than two months (from 49% to 61% efficiency).

- Productivity increased by 25% in less than two months (from 40% to 50%)

- AHT decreased by 22% to 5 minutes leading to a saving of nearly seven FTE.

- SLAs were consistently being met, with over 80% of calls being answered in 30 seconds.

- Structured planning processes were incorporated, enabling load balancing across teams and variance analysis that fueled ongoing continuous improvement initiatives.

- Contact Centre teams completed additional work during slower intervals in the day, leading to reduced backlogs.

- Overtime was significantly reduced, even as output continued to increase across all teams.

- Visibility of team and individual performance helped managers identify skills gaps (resulting in additional training) and opportunities for non-core work (e.g. projects) during quieter times of the day / week.

- Opportunities for cross-training and lateral movement within the organization are now more readily executed.

- Readily available daily metrics to ascertain daily performance.

Data Gathering Methodology

Over 1500 Value Added Assessments (VAAs) were completed in a combined effort of team managers, team members and Enlighten consultants. All steps observed and the associated timings were documented and catalogued in a Master spreadsheet. These findings were shared on a daily and weekly basis with the management team to direct further efforts in focusing attention on high volume activities. The 75% percentile was calculated for all activities and signed-off by both the Enlighten and client's management teams. These standards would become the backbone for the Enlighten system and would not be changed unless there was a process improvement or if insufficient VAAs had been conducted for some of the low volume items. Standards were not estimated - they needed to be validated by performing more VAAs. Note: The systems used included AWD, CARS, Smartfix, and Cisco.
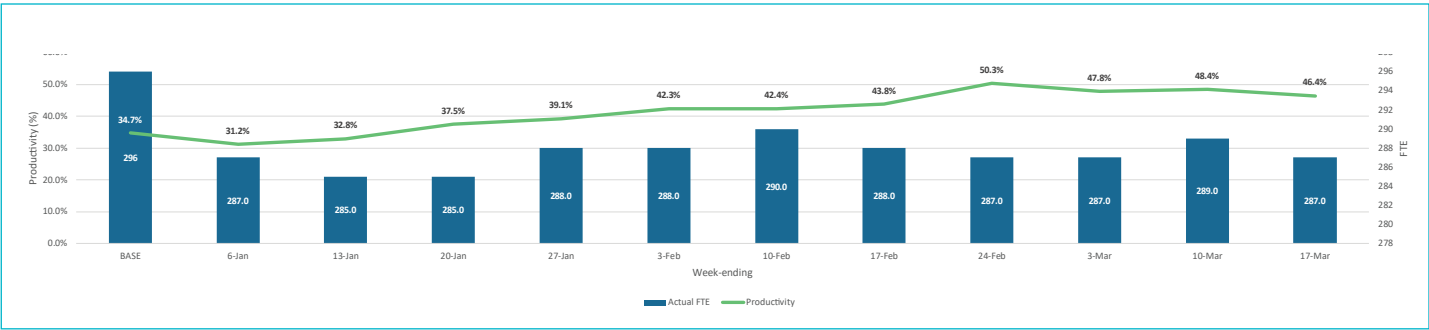
In the beginning I was quite skeptical of how Enlighten could help our organization be more productive. But I must admit, I cannot envision Enlighten not being a daily part of our operation going forward. We can now differentiate and measure individuals on our teams that are completing the easier transactions as compared to the complex ones".
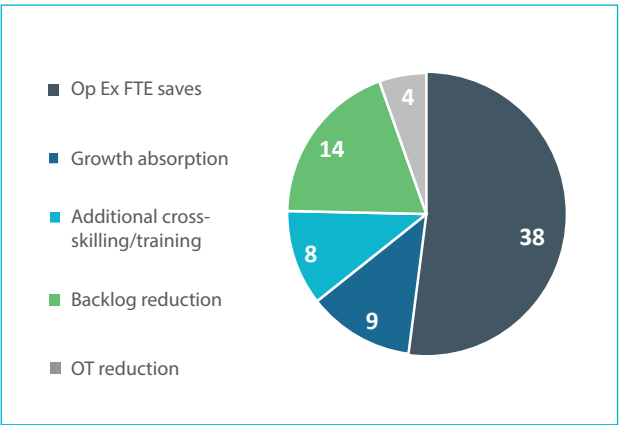
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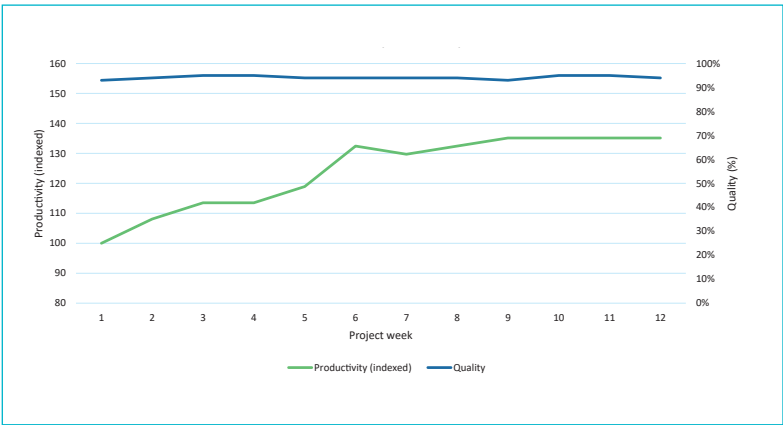
Cumulative (week-on-week) benefit

Legend: Actual FTE Save · Absorption FTE Save · Cumulative Total FTE Save ($)

Week-ending	Total	Absorption FTE Save	Actual FTE Save	Cumulative Total FTE Save ($)
BASE				
6-Jan	8.9		8.9	
13-Jan	10.9		10.9	
20-Jan	19.5	8.6	10.9	
27-Jan	30.2	18.3	11.9	$14K
3-Feb	54.4	42.5	11.9	$89K
10-Feb	55.5	46.5	9.0	$163K
17-Feb	66.4	55.5	10.9	$251K
24-Feb	101.9	91.0	10.9	$387K
3-Mar	87.8	77.8	10.0	$503K
10-Mar	95.0	88.1	6.9	$630K
17-Mar	73.3	64.3	9.0	$727K
24-Mar	95.8	89.8	6.0	$855K
31-Mar	85.1	78.2	6.9	$968K
7-Apr	98.8	92.8	6.0	$1,099K
14-Apr	91.8	85.9	5.9	$1,222K
21-Apr	114.2	106.2	8.0	$1,375K
28-Apr	94.7	83.7	11.0	$1,499K
5-May	94.8	73.8	21.0	$1,625K
12-May	87.6	63.6	24.0	$1,742K
19-May	80.3	55.3	25.0	$1,848K
26-May	65.7	42.7	23.0	$1,936K
2-Jun	78.8	53.8	25.0	$2,042K
9-Jun	103.9	77.9	26.0	$2,179K
16-Jun	84.3	57.3	27.0	$2,291K
23-Jun	82.5	55.5	27.0	$2,401K
30-Jun	86.5	59.5	27.0	$2

Productivity vs. FTE

Legend: Actual FTE · Productivity

Week-ending	Actual FTE	Productivity
BASE	296	34.7%
6-Jan	287.0	31.2%
13-Jan	285.0	32.8%
20-Jan	285.0	37.5%
27-Jan	288.0	39.1%
3-Feb	288.0	42.3%
10-Feb	290.0	42.4%
17-Feb	288.0	43.8%
24-Feb	287.0	50.3%
3-Mar	287.0	47.8%
10-Mar	289.0	48.4%
17-Mar	287.0	46.4%

Total Benefit To-date

- Op Ex FTE saves — 38
- Growth absorption — 9
- Additional cross-skilling/training — 8
- Backlog reduction — 14
- OT reduction — 4

Productivity vs. Quality

Legend: Productivity (indexed) · Quality

enlighten
operational excellence

Program implementation (detailed)

- Finalized Activity Lists (week 5)

- Conducted Value Added Assessments (week 2-7)

- Signed-off on majority of activity standards, 100% on high volume activities (week 6)

- Associate data entry into Enlighten (week 6)

- 1-1 coaching with client's managers on using Enlighten software and interpreting results (week 7)

- Week in review meetings implemented (week 7)

- Weekly planning meetings implemented (week 9)

- Turbo meetings implemented (week 11)

- Visual Management Boards implemented (week 11)

- Discussion of latent capacity and active management behaviors (week 11)

- Introduced long-term Planning (week 14)

- Skills matrix completion (week 15)

- Activity-based costing implemented for high volume processes (week 17)

- Conducted two employee engagement surveys and completed team-specific action plans (week 5 and 15)

Change Management

- Senior management sponsorship was extremely engaging and allowed the Enlighten team to progress steadily to each new component of the Enlighten methodology.

- At first there was skepticism about the need and value of Enlighten, but a gradual shift in philosophy and buy-in throughout the organization began to emerge in Week 12 of the project.

- Once several team managers realized the benefit of Enlighten, the commitment to the program solidified

"

We never had a tool to consistently help us plan the calls for each of our teams. We used our "gut feeling" and past performance. With Enlighten, we can now more accurately plan for our associates' meetings and training needs with more precision while maintaining our service levels week to week".

Director of the Customer Contact Center

Detailed Results by Team/Department:

Team A

Teams had little reporting visibility into how team members were spending their time throughout the day. Using Enlighten reports, the managers identified that a typical team member spends only 21% of their day processing work.

- 31% of the team member's day is now spent "following up" on outstanding work items.
- 11% of a team member's day is now spent handling call volumes.
- Each team member is scheduled for a mandatory three hours of phone time per day.
- 67% of scheduled phone time is spent in idle status; resulting in over two hours of idle time daily per team member.
- Manager gained visibility into team member's daily performance, resulting in individualized coaching plans.
- Using Enlighten's consolidated reports as a guide, managers reduced weekly overtime hours by nearly 70%, i.e. from 129 hours in January to 40 hours at the beginning of March 2017.

Team B

The manager did not have visibility into the varying skill levels that were leading to fluctuating efficiencies between team members and unbalanced backlogs.

- The manager began utilizing capacity in the team to cross-train and fill skills-gaps, leading to an overall increase in the teams' efficiency, an increase in daily output and a reduction in backlogs.
- Overall productivity increased from 34.2% to 48% in five weeks.

Team C

This team is responsible for out-reach to 'at-risk' accounts. Consequently, outbound calls are a critical component of the work completed by this team. Prior to the Enlighten program, the team were averaging 143 outbound calls and 40 hours of output per day.

- Using Enlighten's daily data, the manager noticed he had team members who weren't hitting their "quota" of calls for the day. He used the Enlighten Turbo Meetings and data to communicate the issue to the team and placed additional emphasis on the importance of making the calls to at-risk customers.
- By Week 17 of the program, the team was averaging 190-200 outbound calls per day with 50 hours of work out – an increase of 36% and 25% respectively.

Team D

This team has three associates that process the same type of work all day long. Before Enlighten, the manager was aware of which individuals were stronger than others, but believed they were all around the same skillset level and getting through the same amount of work.

- Once the Enlighten software was enabled, the manager noticed that one of the associates was continuously achieving around 30% efficiency. This particular associate was not processing the same amount of work the other two were producing, yet was known to be just as strong a processor.

- Using Enlighten software and active follow-ups, the manager discovered that this associate was pacing and leaning on the other associates to process the work in the daily queue.

- The manager had a direct conversation with this individual, who ended up averaging 62% efficiency that same month.

- This associate now produces just as much work as the others and helps get the queue completed before the end of the day. This has led to an increase in production levels because the team has been able action specific "No Match" cases and reduce the backlog from 1200 to 700 cases over the month of February 2017.

Team E (Contact Center)

The respective Contact Center managers witnessed similar gains in their teams, and took action which resulted in a large drop in AHT. Coaching, coupled with better planning, allowed the Contact Center to hit their SLA's for the month of February 2017 as well – the first time in three months.

AHT by Team

Month - Jan - Present

Team 1 - 7:24 - 5:08 (31% improvement)

Team 2 - 6:43 - 5:20 (21% improvement)

Team 3 - 6:32 - 4:58 (24% improvement)

Team 4 - 6:31 - 5:23 (19% improvement)

Overall - 6:47 - 5:11 (24% improvement)

Efficiency by Team

Month - Jan - Present

Team 1 - 64.6% - 72.3% (12% improvement)

Team 2 - 60.7% - 68.3% (13% improvement)

Team 3 - 60.5% - 70.7% (17% improvement)

Team 4 - 58.3% - 63.7% (9% improvement)

Overall - 57.7% - 68.9% (19% improvement)

Team F

Using Enlighten, the manager realized that there is less work coming in Tuesday through Thursday. He reached out to other departments for work and began cross-training his associates. This initiative, along with daily management on core tasks, reflects in his improved weekly efficiency from 48% to over 60%.

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Prior to Enlighten, we had no meaningful metrics in places to help us manage our department. With Enlighten's help, our managers are able to provide visibility to the type of work that is consuming most of our time as well direct our efforts in identifying the various types of waste we are experiencing in communicating with our clients".

Vice President

FOR MORE INFORMATION, CONTACT ENLIGHTEN

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