

Team Exercise 7

The Acme Insurance Company Claims Processing Service

Progress So Far:

Using the Lean approach, a value stream map (VMS) has been completed revealing several Kaizen opportunities for removing Time. Using the Six Sigma approach, a cause and effect diagram and a Pareto chart have been completed, which corroborates the VMS and drills down further into potential x variables that could be driving the unwanted service outcome (Y = claims checks take too long to get to customers).

Next Step:

With this information in hand, suggest to ACME management where information technology can be applied to remove Time, reduce variance and also reduce the cost structure of the service. The key VLIFT strategies to consider are –

- Use IT to shift complexity away from the customer via process automation, thereby eliminating unnecessary customer-provider interactions.
- Use IT to reduce the time and effort on the part of customers and to reduce the cost of the service.
- Use IT to address service gaps.

Write up your suggestions and submit to the drop box on iCollege.