

# INSURANCE OPTIMIZES SERVICE FOR COMPLEX TRANSACTIONS

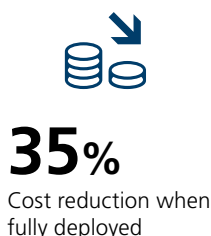
## OUTSOURCING OF THE PROCESSING OF LIFE AND PENSION INSURANCE POLICIES SAVES COSTS AND ACCELERATES CUSTOMER SERVICE



«For many years, Swiss Post Solutions has been assisting several lines of business of our insurance group in the processing of various business transactions. The comprehensive outsourcing projects combine very well SPS's experience and the conditions at our company. It is impressive how fast SPS employees are becoming more productive thanks to system-supported training.»

– Area manager, Insurance Company

**Guaranteed interest rates for life insurance policies have led to enormous cost pressure in the financial market during the last years. By outsourcing the entire handling of private and company pension processes to SPS, the insurance company can save around 35% of its costs. In addition, response and processing times are significantly reduced.**



Not only is the development of increase in interest rates on mandatory government bonds causing the company problems, the increasing regulatory requirements under

Solvency 2, as well as growing digitization and the need for new business models, are also placing additional burdens on the industry. The importance of life insurance policies as a means of pension provision has been declining steadily for years.

### **Future-oriented corporate development requires appropriate focus and resources**

Only by concentrating on future-oriented offerings can the company secure its successful market position in the long run. Appropriately qualified employees are needed for this. Since employees in the area of pension provision are of a high age, it was appropriate to gradually outsource this area of responsibility.

Therefore, it was decided to gradually outsource the qualified processing of highly complex issues in private, company and Riester-based old-age provision to SPS, after SPS employees had already been involved in the recording of applications and some

### **Customer Profile**

For more than 100 years, the insurance company has been supporting people and companies with insurance policies, savings contracts and financing products and now has more than 11,000 employees. The company offers everything from private old-age provision and legal insurance to special insurance types for selected target groups. The company is also extremely successful internationally thanks to its goal-oriented foreign strategy with a focus on Central and Eastern Europe.

Learn more about our solutions:



simpler follow-up workflows in the areas of motor vehicle, health and life insurance for many years.

The outsourcing to SPS was done step-by-step to ensure a smooth handover. Currently, 20 SPS employees are working for the insurance company. In the final stage, around 60 employees will be employed at SPS and will be responsible for all aspects of pension provision. Of the original 110 insurance employees, however, no one will be dismissed. The colleagues who will not retire in the foreseeable future will concentrate on customer consulting with a sales focus or will be qualified for future-oriented insurance topics.

SPS takes over the current workflows 1:1 and processes the business transactions in the company's systems. For the training and qualification of SPS employees, the SPS-internal knowledge database is used.

### Qualified outsourcing requires sound professional competence

The range of tasks from the initial creation to termination is enormously varied and makes insurance-related know-how indispensable. SPS uses employees with high professional competence from the insurance industry in order to cover the wide range of tasks like handling the countless documents covering inquiries into current life insurance value, the handling of contradictions in dynamic offers, contract reviews and decisions on exemptions from contributions, and change of provider in company pension schemes or changes to subscription rights, e. g. in the case of pension compensation for divorces.

A total of 150,000 transactions are processed each year. In the area of private old-age provision, there are eight different processing areas with 25 different core tariffs, in the area of company pension provision nine processing areas with 10 tariffs are known, and in the Riester area a further 14 processing areas have been added.

### Process efficiency requires high flexibility

Another important concern for the insurance company is how to make the handling of customer requests more efficient. They are

received almost exclusively in unstructured form by post, fax or e-mail. Together with SPS, the company regularly evaluates which processes can be automated.

Thanks to the efficient cooperation between the employees of the insurance company and SPS and the strict guidelines of Service Level Agreements, it has already been possible to significantly reduce the average processing time for documents.

Therefore, even though up to 25 different processing steps are necessary, most of the documents are processed within 1-2 days, provided that no necessary signatures or supporting documents are missing, which would have to be obtained from the customer. The average processing time per document is 8-10 minutes, and necessary resubmissions are also included in the calculation of the average values.

Thanks to the efficient and therefore prompt processing, a high-quality customer service is ensured by SPS. The employees of the insurance company who become vacant can concentrate on new business areas and therefore on the sustainable success of the company.



## Flexibility

increased thanks to expert teams



## Response time

reduced to 1-2 days

In addition, new applications that are now completely handled by SPS, including risk assessment, are processed within 24 hours. SPS employees are also subject to very strict specifications for withdrawals, but can also make independent decisions about payments.

Outsourcing to an external partner offers the insurance company the required flexibility to react promptly to the sometimes considerable volume fluctuations. SPS's employees are organized in different teams – Team New Application, Team Payment, Team Riester and Team Coverage – with the latter covering all other issues related to private and company pensions. It is ensured that the employees possess the most comprehensive skills possible to ensure flexible resource planning depending on the incoming documents, to exploit synergy effects and also to further optimize processing in accordance with market-oriented service levels.