



Case Study: Insurance

Stabilizing call centers and back-office operations positions insurer for a digital future

Cognizant exceeds targets for handle time, quality and customer experience.

High attrition rates, negative customer service experiences and failed performance metrics led this major U.S. property and casualty (P&C) insurer to reevaluate the relationship with its existing service provider. Recognizing that the provider lacked the industry experience and skilled resources needed to effectively manage its operations, the insurer sought a new provider for both its onshore and offshore facilities.

Cognizant's 12-year relationship with the insurer providing IT support, coupled with a significant presence in the U.S. insurance industry and extensive experience managing insurance back-office operations, made it a top contender. In addition, Cognizant could leverage its Philippines based global clinical services team staffed with clinicians trained in the intricacies of U.S. insurance. Based on such strong credentials, the insurer engaged Cognizant to transition and assume management of its customer- and provider-facing call centers. Cognizant had to meet an aggressive six-month migration timeframe and achieve the desired performance requirements without disrupting customer service.

At a Glance

In an initiative to transition work from a poorly performing service provider, this major U.S. P&C insurer engaged Cognizant to take over its onshore and offshore operations. Working under an aggressive timetable, Cognizant successfully stabilized operations within six months. Through detailed planning sessions, Cognizant identified project requirements, hiring requirements and training needs, and established a robust transition plan. Transitioning operations and call center work to Cognizant allowed the company to focus on its digital strategy and leverage Cognizant's market-leading capabilities to digitally transform its operations.

Training speeds migration and powers digital growth

Meeting goals

By leveraging Cognizant's expertise, the insurer met its call center, back-office and customer experience goals.

Cognizant conducted migration planning workshops to facilitate discussions, identify skill requirements for each line of business and set the basis for a detailed transition plan. The requirements analysis helped define hiring needs and scope of training. Cognizant began hiring in phases, onboarding 250 in the Philippines and 120 in the U.S. within five weeks.

By deploying creative training techniques, Cognizant ensured a rapid, smooth migration. Cognizant sent a U.S. team of 18 to a company location for a "train-the-trainer" program, and client trainers and subject-matter experts were sent to the Cognizant office to help facilitate the early phases of the U.S. migration.

In its Philippines location, the insurer wanted to leverage Cognizant's operational framework and qualified medical workforce to augment its medical strategy and reduce costs, so it asked Cognizant to assume management of its medical business contact center. Armed with strong clinical and training expertise, Cognizant had the ability to hire and train resources quickly to meet this goal.

Cognizant leveraged its existing resources to meet 25% of the staffing requirements, which reduced training needs and shortened the learning curve. New hires went through three to four weeks of preparatory training on U.S. insurance basics and four to 12 weeks of training on customer-specific products. This further reduced the learning curve, and multiple layers of governance ensured an efficient migration.

Outcomes

Cognizant exceeded the company's requirements in every area.

- Advanced migration time by 30% reducing migration costs.
- Integrated a team of ~300 clinical resources in the Philippines to support the company's clinical strategy and reduce medical costs.
- Reduced the transfer rate in personal lines by 5% through robust training and operational rigor, which improved customer experience.
- Implemented a first call resolution approach to eliminate redundant calls.
- Established a robust forecasting and scheduling framework with strong operational discipline to ensure contact center SLA adherence, resulting in greater than 95% SLA adherence against a target of 90%.
- Initiated contact center digital transformation by leveraging modernization and consulting expertise to improve customer experience.

Cognizant's approach created efficiencies that reduced the six-month migration deadline by approximately 30%, exceeded service level goals by 13% and reduced attrition from an industry average of 45% to 50% to approximately 20%. In addition,

Cognizant exceeded both the average handle time and customer experience requirements, and reduced transfer rates by approximately 5%, enhancing customer experience.

Establishing a successful global call center was critical to preventing disruption to customer service and ensuring superior customer experience while building a foundation that could support future digital growth initiatives. Backed by excellent performance and seamless delivery, Cognizant piloted the insurer's first-ever customer-facing contact center in the Philippines during the second year of the contact center engagement. The pilot was highly successful and paved way for future opportunities to explore additional benefits.

Value embedded delivery facilitates digital transformation

Cognizant is currently working with the company to explore opportunities such as platform changes, process reengineering, contact center

modernization and speech analytics interventions to deliver incremental benefits by introducing next-generation contact center technologies. Cognizant's focus on continuous improvement and incremental transformation provides both tactical and strategic benefits.

Cognizant continues to reduce overall operational costs and provide additional value using improvement methodologies, digital capabilities and operational efficiency measures. For example, Cognizant implemented a first contact resolution approach for outbound calls that eliminated redundant calls and improved process efficiency.

The insurer is now actively working with Cognizant to add other digital capabilities like chatbots, sentiment analytics, and robotic and intelligent process automation. Cognizant's cultural alignment, partnership mindset and collaboration with subject-matter experts were clear differentiators.

About Cognizant

Cognizant (Nasdaq-100: CTSH) is one of the world's leading professional services companies, transforming clients' business, operating and technology models for the digital era. Our unique industry-based, consultative approach helps clients envision, build and run more innovative and efficient businesses. Headquartered in the U.S., Cognizant is ranked 193 on the Fortune 500 and is consistently listed among the most admired companies in the world. Learn how Cognizant helps clients lead with digital at www.cognizant.com or follow us @Cognizant.

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