



Case Studies | RPA

A selection by Cognizant Consulting France Operational Excellence Practice

5 case studies that show how to use RPA

Discover how Cognizant helped large companies to increase their operational efficiency



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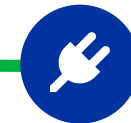
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Automation Center of Excellence reduces costs and improves productivity

Energy company with a broad vision for automation turns to Cognizant to create an automation center of excellence to power business-aligned productivity increases and cost savings.

A giant energy company had many robotic process automation implementations under way in different business units. Executive leaders were concerned these efforts were not delivering expected savings and efficiencies. Multiple vendors were deploying a variety of bots in projects not necessarily aligned with broader business objectives and strategy. The CFO and compliance executives wanted to establish better project controls and metrics. The company turned to Cognizant to develop an automation center of excellence to supply the strong governance and quality assurance necessary for a successful enterprise-wide automation strategy.

The company chose Cognizant because of our track record in intelligent process automation and CoE performance. The ideal CoE aligns automation investments with a company's overall automation strategy and its business objectives. Then, the CoE implements an effective governance program enabling the center to evaluate projects, ensure code reuse (such as software bots) and integrate automation efforts, eliminating data silos.



Powering up RPA

First, we educated different business units about RPA and its evolutionary path to IPA. Using a lean-based assessment method, we worked with stakeholders in the supply chain, finance, power generation and customer service units to identify time-consuming repetitive processes that typically are appropriate candidates for automation.

Next, we helped the client deploy a project intake model that combined top-down leadership with grassroots idea generation. Senior executives from each unit who were part of the CoE reviewed all grassroots ideas. From that central collection point, they identified similar ideas and objectives from different units and recommended how these could be connected in broader initiatives to achieve greater scale and benefits.



Then, we prioritized these projects based on the client's business objectives and scoped the effort necessary to create and implement them. Our solution also incorporated a strong governance program to build in security and risk management. Strong governance eliminates duplicated automation efforts, helps industrialize bot creation and deployment for consistent results and ensures units follow best practices across the business and its geographies.

We also piloted the concept of an RPA champion, a business unit expert who helps direct the efforts of the client's bot development squads. Training helps the RPA champion ask the right questions to identify processes suitable for automation.



This person's deep business knowledge helps deliver more and better ideas for automation. In turn, the change management effort required to adopt the new automation is more effective because the ideas come from within the business unit.

Additionally, analytics provides transparency into the performance and health of bots and processes, accessible via a dashboard providing customized data views to different users. The CoE ensures analytics captures metrics that align with expected business outcomes.

By using Cognizant-developed utility bots and reusable components specific to the client, the CoE has automated an additional 75% of processes. Cycle time to build bots has decreased by 50%, and cost per bot has dropped by 55%. In just six months, the CoE has delivered two times the savings the client achieved in the first two years of piecemeal automation. Annual savings have reached \$10 million.

At present

Cognizant supports the client's CoE and provides advisory services, ensuring new initiatives reuse or tailor existing bots and code for faster deployment; we also are assisting the client's evolution to intelligent automated workflows, AI-based chat and process mining, keeping these initiatives aligned with the client's overarching automation strategy and business objectives.

At a Glance

A giant energy company turned to Cognizant to develop an automation center of excellence to supply the strong governance and quality assurance necessary for a successful enterprise-wide automation strategy.

Outcomes

CoE with strong methodology and governance program industrializes creation and deployment of business outcome-driven automation throughout the client organization.
\$10 million in annual savings.

- 75% more IPA initiatives delivered through the CoE
- Cycle time to develop bots decreased by 50%
- Cost per bot decreased by 55%



Global Business Design delivers a finance transformation

Helping design and implement a financial transformation for a leading global bank by integrating and automating key processes, and improving accuracy and efficiency while reducing costs.

In a global bank's finance department, product control and cost control are key in governing the health of the department's financial statements. Product control regulates the revenue-generating trading desks, producing trade- and desk-level profit and loss (P&L) statements. Cost control governs expenses incurred by the lines of business, ensuring accurate financial reporting. Any operational or controls inefficiency in these areas will be costly.

That's why our investment banking client asked us to evaluate and help optimize its finance operations, focusing in particular on finance-related processes that the company believed could be better designed and more productive.

Our assessment found two primary efficiency problems. First, we found that product control and cost control were operating independently of each other, even though they performed similar functions and created similar reporting outputs.



Second, we learned that the processes themselves were highly manual and prone to inaccuracy. Our multi-phase solution addressed both issues. We integrated the financial control processes, consolidating them under one vendor and standardizing procedures and controls. Next, we automated all manual tasks in the process using robotic process automation (RPA) as well as our point solution for P&L automation. Today, the single-vendor services model is delivering significant cost and performance benefits for the company. Operating costs are 30%-40% lower, outputs are delivered faster, and errors have been reduced by 80%.



Consolidate, then Optimize

The engagement was conducted in phases and can be described in terms of “inter-” and “intraprocess” redesign.

The inter-process work focused on consolidating product control and cost control processes under one vendor. This would yield significant efficiencies of scale, establish a standardized operating model, and generate immediate savings for the client.

The next step was to examine each process from end-to-end, identifying where there was duplication of work, and where the processes could be standardized and streamlined. The goal was to harmonize procedures and controls for standardized outcomes at every level of the organization.

Automate Manual Tasks

Next, we looked within the process for opportunities to automate manual tasks. To do this, our team utilized cognitive and rules-based automation, as well as our solution designed specifically for automating and simplifying P&L tasks and processes.

The result was a transformation of this key finance function, which shortened the period-end and financial statement reporting cycle, and greatly improved ledger and reporting accuracy. We also helped generate significant cost savings for the company.



At a Glance

A global bank needed to integrate key finance processes supporting its financial operations, aiming to optimize the processes, improve controls, improve output quality, and cut operating costs. We standardized and automated the processes, and developed and implemented an outcome-based services model to operate them efficiently.

Outcomes

- \$80 million in business value delivered through 40% FTE reduction
- \$1 billion in risk-weighted asset reduction
- Daily P&L delivery time reduced from T+1 to same day
- Period-end close accelerated by 5 days.
- Late posting reduced by 99% (from + 80/ minute to < 1 minute)
- 80% improvement in accuracy through automation



Leading insurance company clears claims faster with process optimization

We enabled our client to deliver a better customer experience, reduce its costs and improve productivity by applying lean principles, optimal sourcing, automation and organization redesign to its claims processing.

Claims processing operations for our client, a major multi-line insurance company, had grown complex and inefficient. Processing a single disability claim required multiple handoffs between systems and people.

Despite the process complexity, the company often did not collect the information it required to adjudicate its claims. Rework levels were high, and policyholders were unhappy with slow turnaround times on their payouts. Operating costs were growing while productivity declined.



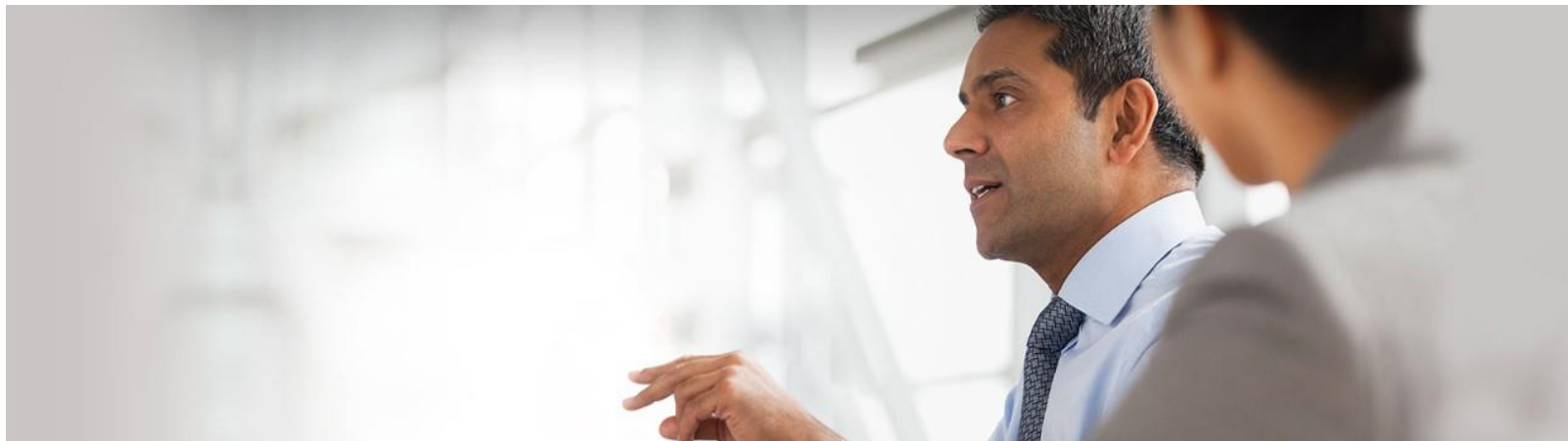
Making a claim on productivity

We completely revamped the client's claims processing workflows by applying lean principles, optimizing resources, redesigning organizational workflows, and deploying automation.



First, we analyzed the client's 80 claims-related processes, creating detailed workflow maps to identify opportunities for foundational process improvement opportunities. We eliminated activities that added no value and standardized rote and/or rules-driven tasks ideal for robotic process automation (RPA). Using process analytics, we discovered root causes behind delays in processing certain claims and developed automatic routing of claims to appropriate teams for best handling. Partnering with the client's IT organization, we made core administrative system changes that enabled more straight-through processing to eliminate many hand-offs in claims adjudication.

With each optimization lever working in concert, we created a greatly streamlined, highly automated claims process, including an optimized claims information intake workflow "kit" that a single person can manage. Handoffs decreased by 40% while productivity increased by 25%. Fewer repeat calls requesting information and more automation mean faster disbursements—and more satisfied policyholders. The optimized workflows will save the client more than \$37 million over four years.



At a Glance

Complex claims processing was leading to growing costs and dissatisfied policyholders for a major multi-line insurer. We applied four optimization levers—lean principles, automation, sourcing and organization design—to redesign its workflows.

Outcomes

- Projected cost reduction of \$37.4 million over four years
- 40% reduction in handoffs
- 25% increase in operations productivity
- Improved claims analytics
- Increased levels of straight-through processing



Automation transforms merchant certification process and speeds time to market

Transforming testing and validation for a global payment solutions company.

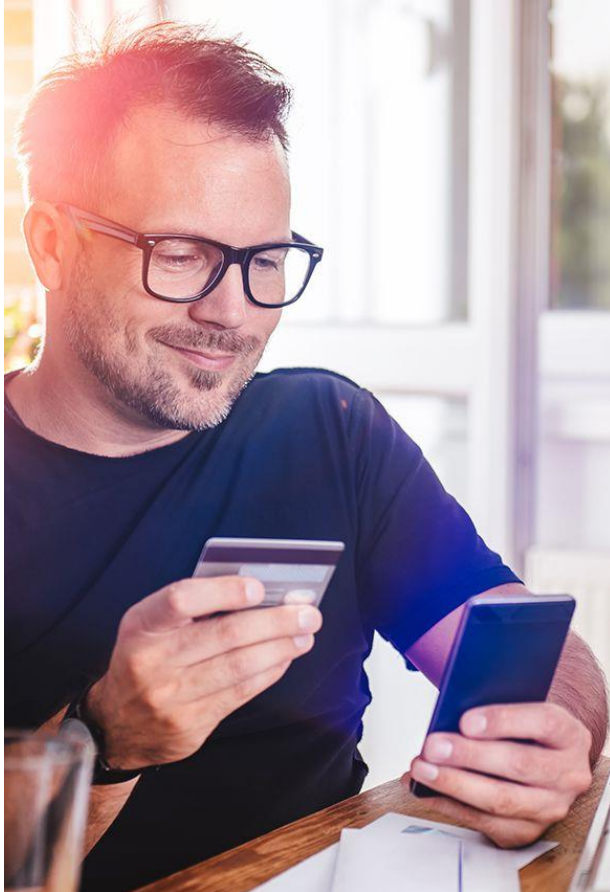
Onboarding merchants to its payments infrastructure was an onerous process for this global financial solutions company. In addition to completing forms, and establishing user ID and access, merchants had to test the point-of-sale payment terminals before completing customer transactions. The lengthy testing and validation process was critical to certifying merchants. Yet, it was completely manual and involved with multiple hand offs during the testing and validation process. This caused delays in the timely completion of transactions and resulted in loss of revenue and higher attrition for the merchant.

The company was experiencing significant growth and needed to shorten the validation process to speed the certification and onboarding of merchants and improve productivity. In a competitive bid, the company selected Cognizant to transform its payments onboarding process through automation. We reviewed the end-to-end validation process to determine what could be automated and evaluated several off-the-shelf solutions, ultimately selecting Automation Anywhere®.



In addition to customizing and implementing the Automation Anywhere solution, we employed design thinking concepts and intelligent automation to streamline the testing and validation process for faster certification.

We developed a proof of concept, conducted an initial pilot and iterated frequently as it introduced bots into the process. Bots automated manual tasks that led to faster certification, such as comparison of transaction logs and messages, and significantly reduced the number of errors in the certification process, which further improved time to market.



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At a Glance

This rapidly expanding global payments solution company needed to improve merchant onboarding by streamlining the certification process. Manual testing and validation processes were time consuming, labor intensive and prone to error. The company engaged us to implement a digital transformation solution using automation to improve productivity and speed time to market.

Outcomes

- Improved time to market by 18%.
- Reduced operation costs by 20%.
- Improved end customer experience due to smoother terminal transactions.



Digitization of mortgage operations improves the Borrower Experience

A Mortgage company leverages robotic process automation to eliminate the friction from origination processes and deliver the flexibility to scale up or down with limited to no operational impacts.

When it comes to obtaining a mortgage, the days of driving to a closing table and signing copies of a massive stack of disclosures and agreements are soon to be over, at least where state law allows.

For the client, the promise of a swift, convenient, fully digital mortgage operation is a market differentiator. The client is an online digital mortgage provider, assuring borrowers a fast, painless experience from application to close.

Powering up RPA

When the client began its journey to providing a true digital mortgage experience, it knew it needed to streamline its operations. At the same time, the seasonality of loan volumes made it difficult to normalize resource requirements. The client sought to remove manual intervention in its mortgage approval processes as much as possible, and to do so at scale. The client sought the help of HPA/Cognizant's robotic process automation (RPA) services to digitize processes over the lifecycle of originating a loan. Their deep expertise in the mortgage industry made Wyndham confident that HPA/Cognizant could guide their automation program.



The automation opportunity in mortgage lending

Despite strong home sales nationwide, the mortgage lending industry has experienced unprecedented margin compression in recent years, in part due to continuing low interest rates and market fragmentation. Loan fulfillment is beset by non-value-added manual processes that force humans to “stare and compare.” Many lenders have customized their mortgage systems over the years. Those revisions add a layer of complexity that requires costly work-arounds and causes loan processes to be error prone.

Manual processes increase processing costs and cycle times, expose loans to human error, and hinder the lender's ability to handle seasonal volume changes. From application to approval, a typical mortgage now takes [30 to 45 days to process](#), according to National Mortgage News.



HPA/Cognizant's automation services would streamline loan processing, allowing the client to turn loans in a fraction of the time, regardless of volume, while also reducing overhead costs significantly. As an Ellie Mae® strategic partner, HPA/Cognizant's automation technology seamlessly interfaces with the Ellie Mae® Encompass® digital mortgage solution, which the client utilizes as their loan origination system.

"We wanted to be able to scale our business and embrace technology," says Jennifer Kovacs, The Client Process Improvement Manager. The mortgage approval process was a good candidate for automation because of its multiple redundant tasks. "For example, in Loan Services, the user checks one field for accuracy, then moves to the next. It's not a thought-provoking task," adds Kovacs.

Her team began working with HPA/Cognizant in October 2017, with the project going live in December. As its first areas of focus, the team identified four processes as bottlenecks to streamline loan processing.

These complex, multi-system processes required several dedicated employees, slowed the cycle time, and significantly raised overall processing costs. Our engagement focused on:

- Loan setup, including validating signed disclosures have been received, determining the credit card charge for the appraisal purchase, and ordering appraisals. It also includes the ordering of Veteran's Affairs and future appraisals. This process required a staff of six to eight full-time employees, depending on volume.
- Sending initial and closing disclosures, including changes of circumstance. This process required five to six full-time employees.
- Loan service initial review, in which a staff of 12 employees manually assigned the processor, ordered flood certificates and titles from thirdparty providers and verified borrowers' names, among other tasks. Accuracy was of particular importance here as fines are levied for errors.
- Lock desk, a time-sensitive process that took analysts an average of 45 minutes per loan. This workflow required employees to pick up new requests, validate all information, set up the locked loan in the secondary pricing portal, and send locked disclosures. The lengthy time to completion put the company at risk for incurring rate charges when it couldn't lock in the quoted rate before a refresh occurred.

Now, loan setup, as well as disclosures, are fully automated and the remaining originations processes are currently in progress. "We were able to eliminate the need for human touch once the loan application is accepted," says Kovacs. "That saved us a solid business day, with a seamless transition between loan creation and loan processing."

With HPA/Cognizant, the company saves roughly \$170 per closed loan, just on setup and servicing tasks alone. With an average of 500 closed loans per month, the savings add up to a little over \$1 million annually – a major improvement. And, with regulations increasing the amount of disclosures that need to go out to borrowers, Wyndham was able to handle a 160% increase in disclosures volume with no operational impact.



A digital borrowing experience builds consumer confidence

For borrowers, the increase in speed and the ease of digital processes translates to a better overall experience.

“In many cases, the borrower(s) would sign their disclosures in the evening, after business hours. These signed disclosures would sit until our Loan Setup Team came in the following morning,” says Kovacs. “Now, once the disclosures are signed, the bot confirms appraisal payment, orders the appraisal, and moves the loan into Processing. This allows loans to move into production faster, which decreases the cycle time and minimizes delays.”

“Many buyers are leery of working with an online lender. We want to do anything we can to eliminate their fear,” says Kovacs.

“Many organizations choose RPAs primarily for the cost savings or increased quality, but our principal driver for robotics is scalability. After evaluating multiple providers, we chose HPA/Cognizant due to their expertise and competitive price model. This model allowed Wyndham Capital to mitigate implementation risk by back loading the expense of workflows. They ensured workflows were developed and maintained to execute at industry-leading success rates. The HPA/Cognizant Team is knowledgeable, personable, and a pleasure to work with. We value their partnership and are continuing to expand our automation portfolio.” says Ben Cowen, Chief Operating Officer.

Looking Ahead

With the success of the initial RPA project, the team is now working on automating four to five more workflows in the next few months, including uploading appraisals, sending pre-approvals, and shipping packages to investors. The client will continue to provide a state-of-the-art digital mortgage experience using existing infrastructure while growing its business.

At a Glance

A Mortgage company has been in business for over 17 years, lending over \$18 billion to 60,000 U.S. customers. The client sought the services of HPA/Cognizant to automate their manual originations tasks.

Outcomes

- Increased consumer confidence with an on-time loan guarantee to their borrowers.
- A savings of \$170 per closed loan, attributed to automating set-up and servicing tasks alone.
- Over 94% labor savings, including
- elimination of over 660 hours of manual disclosures processes per month.
- Improved borrower experience due to 24/7 loan processing that reduces cycle time and delivers a decision to borrowers more quickly.

Make the smart move

Make the smart move for your building portfolio with a solution that addresses the needs of your business and a scalable, secure and future-proof. To begin your RPA journey, contact us at www.cognizant.fr/excellence-operationnelle



This selection of case studies is proposed to you by Cognizant France Consulting Operational Excellence Practice.
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About Cognizant Consulting

Cognizant Consulting combines deep domain expertise with advanced technology thinking to help global 2000 companies worldwide accelerate their digital journeys. By orchestrating capabilities across strategy, design, IT and industry/functional knowledge, we help clients solve their toughest business-technology challenges at speed and scale, and lead in today's dynamic digital age - while planning for whatever tomorrow brings.

Learn more by visiting us at www.cognizant.fr/consulting - www.linkedin.com/company/cc-france.

About Cognizant

Cognizant (Nasdaq-100: CTSI) 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 195 on the Fortune 500 and is consistently listed among the most admired companies in the world.

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