THE HIDDEN POWER OF LIFE EVENT DATA

apg

🏪

100 %
TRANSPARENCY

🪙

451 BN
TURNOVER

👥

40.000
EMPLOYEES

REVOLUTIONIZING THE CUSTOMER JOURNEY IN FINANCIAL SERVICES WITH PROCESS MINING.

When Dutch financial services provider APG Group purchased Celonis in 2017, this was the result of curiosity for understanding and improving customer-oriented processes. Ever since, the team has enjoyed the newly found insights and optimized returns for both APG and its customers.

APG Group is a financial services provider with a portfolio that contains services like pension administration, asset management, executive consultancy and employers' services. APG performs these activities on behalf of (pension) funds and employers in sectors such as education, government, construction, housing associations, energy and utility companies and medical specialists. APG manages 451 billion euros in pension assets for its clients in these sectors (July 2017).

Accordingly, the playing field for Process Mining on the in-house developed source systems is endless, offering APG the chance to use Celonis in creative ways to create value.

FIRST STEPS

The first implemented process visualized pension requests from the military. Soldiers returning from warzones can solicit pension claims in case of certain medical circumstances. **The overall throughput time for those particular pension claims was to be 180 days but deviated dramatically from the "should-be-process".** This was both the case for the administrative and the medical process steps, and could be traced back to dependencies from external parties. The newly acquired transparency helps to prevent rework, reduce cycle times and allows streamlining process flows to improve internal and external process satisfaction.

Celonis Process Mining was also implemented to gain insights into the APG call center. **The idea was to understand customer patterns, especially with respect to calls undertaken right after the online portal was visited.** Additionally, recurring calls dedicated to the same content could be identified. APG is now in a position to

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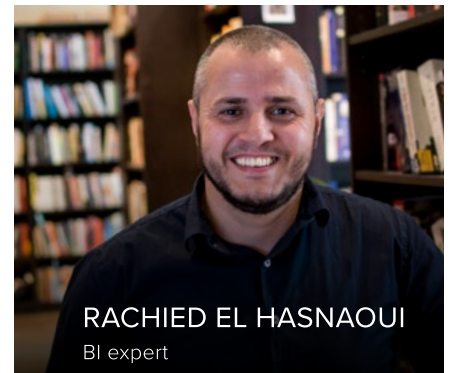
Rachied El Hasnaoui
BI expert

identify root causes for specific behavior and can constantly align with the domain experts to improve information on the webpage. **Apart from immediate customer satisfaction, resource planning in the call center can be optimized.**

Interesting insights related to the call center could also be derived in divorce-related pension aspects. When customers get divorced, many turn to the APG call center to get informed about entitlement rules. "We saw that the customers first visited our website, but did not find any information. We realized that no information had been on the webpage dedicated to people that were not divorced yet but intended to do so. Apparently, lots of customers want to know the financial consequences during their divorce procedure", says BI expert Rachied El Hasnaoui. **By putting more relevant information and actions on the webpage, calls were avoided and customer throughput time could be reduced – resulting in increased customer satisfaction**. Another use case was physical letters that are sent out by APG to customers once divorced. Although all divorcees receive a letter about the pension division, only in a low share of cases the respective persons responded. **By increasing the first-time response rate, follow-up letters are not needed and complaints are prevented.**

TAKING A RISK-ORIENTED APPROACH

"From a risk management perspective we looked if Celonis could support APG in order to redesign control mechanisms more efficiently and further on if the tool is suitable for auditing purposes", explain risk controllers Cindy Hursel-Gerards and Ron Neijnens. "**Amongst others, we concluded that there where no shortfalls in the segregation of duties. For instance, we used Celonis to prove that a pension case can not be executed and verified by the same employee.**"

Also, with Celonis Process Mining cases could be identified in which the control mechanism affected employee behavior and did not function efficiently. Accordingly, the verification guidelines of the newest internal APG software can be updated based on these findings. "We identified manual control mechanisms based upon segregation of duties, which were not conducted efficiently. This had an effect on the behavior of employees. **With Celonis we could explore this behavior, try to improve the control instances in the system and focus on a more risk-based approach**", explains Ron Neijnens.

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THE LINK TO AUTOMATION

In general, the pension entitlement and denial depend on a couple of easily calculated prerequisites, meaning that the process theoretically could be automated as much as possible. **With the help of Celonis, it became clear that a significant amount of manual workflows were inefficient and could be improved.** An additional process, the registration of civil partnerships, could in fact be automated completely after having gained transparency with Celonis Process Mining. "**We looked at the cases that took the most time and found out that automating the processes actually made more sense than a redesign**", says Rachied El Hasnaoui.
Another field in which Celonis Process Mining was applied were corporate

pension plans. APG offers programs tailored to companies, which in turn offer the pension insurance plans to its employees. Every month, APG summarizes all mismatches, comparing payments by companies to the number of employees receiving benefits. **Understanding the significant amount of mismatches was highly time-consuming and could be sped up decisively, affecting both customer satisfaction in case of reimbursements and extracting interests from outstanding payments**. Moreover, the number of follow-up letters could be reduced, and overdue claims are tracked

continuously to enhance liquidity. From the moment goods or services are provided, incoming payments can now be monitored to ensure that customers pay on time.
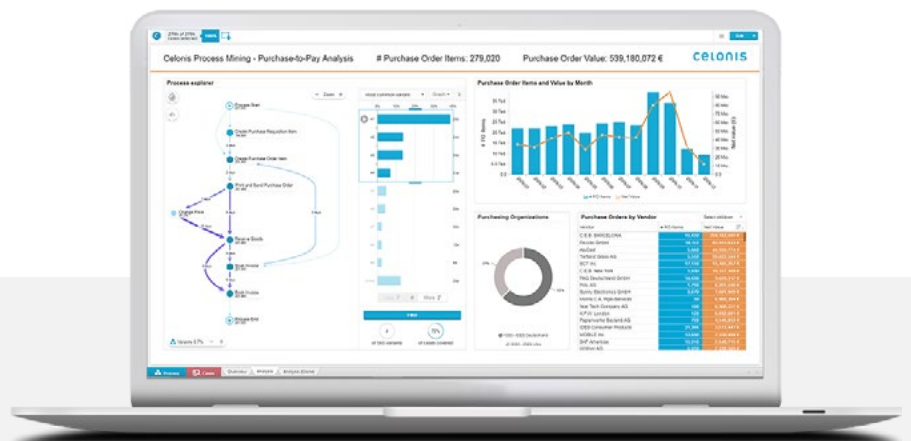
WORKING ON PROCESS CONFORMANCE

"We also use Celonis Process Mining in classical processes, such as Purchase-to-Pay", says Rachied El Hasnaoui. The focus at APG are approval workflows, but typical use cases such as invoices before orders, failed invoice matches, late

payments and three-way matches are also relevant. **A should-be Conformance Checker model was defined in collaboration with the domain experts, allowing to benchmark the true output against the proposed standard workflows.**

When asked about the biggest benefits of their Process Mining journey with Celonis, all three agree: "Celonis allows for visualized and fact-based improvements, translating insights to actions, which can be used on the backlog of processes that can be improved and automated."

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