

Improving Quality through Service Process Redesign

Industry & Client Situation

One of the world's largest insurance brokers was experiencing a 15 percent year over year increase in the number of customer claims citing broker error. The cost of settling these claims was growing at an annual rate of 58 percent.

Within the client's network of sales and service offices, there were a number of locations that appeared immune to these trends while others consistently displayed dismal quality levels.

Bridge was engaged to help the organization assess whether or not the rising claim count was simply a cost of doing business in a litigious world or a preventable trend that might be mitigated through a quality improvement program.

Approach

Bridge first worked with the client to identify the root causes of client claims and existing best practices.

- Reviewed every client claim to identify the root causes of the client claims and assessed whether a true servicing error occurred
- Analyzed best and worst practices evident among high-and low-performing brokerage offices
- Reviewed the current enterprise-wide quality standards, the training system used to instill those standards, and supporting compliance mechanisms
- Looked at systemic defect enablers including the general lack of quality incentives, management reporting processes, and defect detection processes
- Evaluated how client claims are remedied

Once the facts had been gathered and consensus existed among management that the claims were indeed avoidable, Bridge Strategy Group worked with management to establish a comprehensive quality program.

- Enhanced service standards
- Compliance processes focused on the root causes of poor quality and constant monitoring of the associated processes
- A chargeback system that forced both offenders and their management to feel the pain resulting from poor quality
- Management communications systems that allows management and legal teams to collaborate with the field staff closest to the problem
- Implementation and communications support that established a burning platform for change, conveyed executive support for the program, and armed local program coordinators with appropriate messaging

Results

The client remains committed to the quality program set forth by Bridge Strategy Group. An internal quality team has taken ownership of the program and continues to monitor claims to identify new root causes or trends and then alter the quality program accordingly.

The quality compliance processes continues to serve as a powerful reinforcement vehicle. Quality auditors have successfully transitioned away from the classic “gotcha” auditors to quality improvement consultants that train offending staff in best practice processes.

Rather than throwing a client claim over the wall to legal, the people who understand the client situation best – the producer and the branch manager – are motivated to stay involved in the claim handling process and do their best to preserve the client relationship.

Recent 15% claim count growth trends have abated; however, the true value of the quality program is noticed in the improved quality of the service found throughout the enterprise – a win-win for both the broker and its clients.