



## Optimizing Document-Centric Processes with OpenText

Enterprise wide deployment of Extended ECM for SAP® Solutions solves content management challenges at ICW Group

### Industry

Insurance – P&C

### Customer



### Business Challenges

- Mounting cost of storing paper files
- Inefficient and manual business process workflows
- Disparate, ineffective applications to manage enterprise content
- Legal risks around storing documents longer than needed
- Excessive legal discovery costs

### Business Solution

- OpenText Extended ECM for SAP® Solutions
- OpenText Records Management

### Business Benefits

- Digitization of documents for easy access and management
- Improved customer service efforts (improve call handle time and customer satisfaction)
- Efficient workflows for cost and time savings
- Increased data privacy and data protection management
- Content lifecycle management

ICW Group is a privately held company of multi-line property and casualty insurance carriers based in San Diego, California. The company provides Workers' Compensation, Earthquake, and Personal Auto insurance, sold throughout the United States by an independent network of experienced and professional agents and brokers.

In 2008, ICW Group undertook a major transformation of their back-office capabilities, and in particular looked at business process improvements in claims, billings, commissions, and the company financials. ICW Group identified business challenges related to document management, document retention, legal discovery, search, and disaster recovery. To address these particular challenges, ICW Group realized they would need an Enterprise Content Management (ECM) solution to augment the SAP ERP transformation they were undertaking. The team outlined a roadmap for ECM broken down into three tiers: a base capability, an intermediate capability, and an advanced capability. A base capability was the simple scanning, indexing, and electronic filing they needed; the intermediate level involved more workflow functionality; and the advanced capability was integration with native applications.

ICW Group identified the leading ECM vendors using official product rankings from Gartner and Forrester and then scored them using an internal ranking system mapped to business and technical needs. "We quickly came to the conclusion that because we were heading down the path of a major SAP installation, the best solution for us was OpenText. The strong out-of-box integration between OpenText and SAP and the number of features already built into the OpenText offering minimized the need for bolt-on solutions and additional software purchases down the road," says Waleed Sharaf, VP of IT. "The user interface in particular outshined the other vendors and we felt OpenText offered the most comprehensive package, including email management and document retention management functionality."

ICW Group purchased Extended ECM for SAP® Solutions in 2008. The deployment of Extended ECM will be a truly enterprise-wide initiative, with enough licenses to cover all employees. It will allow the company to manage all forms of content, both structured and unstructured, throughout the entire content lifecycle. Officially going live on a limited scale in March 2010 and rolling out with SAP in December 2011, the team is implementing this in every department on an iterative basis, with a new department going live every three to four months.

Using the OpenText technology suite, ICW Group is moving to a paperless environment and integrating the content of documents into core business processes for optimized workflows. This will bring about business benefits for end users in several departments, including underwriting, billing, collections, and claims.





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Waleed Sharaf, VP of IT at ICW Group.

### Fully integrated content management solution for multiple business processes

The drive to implement ECM came about from a desire to automate and improve a very people-intensive, manual process taking place in most departments. “We didn’t have one universal system to manage all the unstructured content, so most departments came up with their own customized approach. Some departments were using network share drives while others simply manually managed paper files as best they could. Our Underwriting department used a point solution that allowed them to attach documents to a portal, but it wasn’t really content management because there was no workflow or retention management being employed,” says Sharaf.

Extended ECM enables the organization to deploy a more consistent, integrated platform across multiple departments. “One of the main advantages of the solution is that we now have a mandate whereby all content that is created today will be saved into our unified ECM solution, which translates to significant content access and management efficiencies” says Roger Hiltbold, ICW Group Project Manager. With the appropriate permission settings, anybody that needs access to that content can do so via the Extended ECM web interface. Added Zumra Maner, Sr. Business Analyst, “It’s an intuitive, web-based system and we’ve found users can learn it very quickly. We did not have to spend a lot of time on training.”

ICW Group is leveraging OpenText classification module and applying a retention schedule to documents based on legal guidelines. The legal retention guidelines were defined, documented, and distributed by the Legal department, with subsequent sign-off from the business.

OpenText Extended ECM is integrated seamlessly with ICW Group’s existing SAP systems, including industry-tailored products such as SAP Collections and Disbursements, SAP Incentive and Commission Management and SAP Financial Asset Management. Additionally, it’s integrated with legacy applications such as their underwriting quoting system and also with OpenText Fax Server (RightFax), a solution that enables users to send and receive faxes directly from their desktops.

OpenText Email Management was also acquired at the same time and will help ICW Group solve issues related to retention management and storage. Using the solution, the team will place size limitations on mailboxes, since roughly a quarter of the employee base accounts for 90% of the storage use. From a legal standpoint, Email Management will also enable retention management capabilities to help with electronic discovery.

### The high cost of storing paper files

The deployment of OpenText solutions at ICW Group will particularly address a growing problem the company faced with the accumulation of paper files and the exorbitant costs of storage. Without an enterprise content management solution and a strategy to effectively manage electronic files, most departments at ICW Group printed out files and managed physical paperwork throughout the document lifecycle. “In a lot of cases we were killing any efficiency that had already been employed. When I look at the auto insurance line of business as an example, probably 70-80% of those paper files being stored were originally in electronic form. There’s some correspondence or mail that comes in, but a lot of it was content that already existed in electronic format and was being printed out and handled manually,” says Sharaf.

There was also no retention management. “You could walk into the basement or go offsite and find documents that we’ve kept for 10, 12, or 30 years for example. This made things very difficult when conducting any kind of electronic discovery,” says Sharaf.

An estimated \$192,000 a year is what the team is projecting they can save from eliminating the management of paper files in the auto insurance line of business alone. This is due to the cost involved in buying paper, folders, and cabinets, renting space, and paying for offsite storage. “To put the magnitude of this project into perspective, we have 96,000 folders tracking active policies in our auto insurance line of business. Each folder contains about 10 documents, 10 to 25 pages each, which all together translates to about 14 million pages,” emphasizes Maner.



## Workflow efficiencies in the Underwriting department

In mapping out the implementation of Extended ECM, the team documented current workflow processes in order to re-engineer them and create efficiencies using OpenText technology. One of the areas that saw significant business process re-engineering was the Underwriting department within ICW Group's auto insurance line of business. The Underwriting department is responsible for managing risks, the incoming new business, and renewals. Tasks include assuring rate adequacy and compliance from a legal perspective as well as customer service activities and underwriting support.

One of the ways that the OpenText Extended ECM solution has helped is by streamlining their endorsement processing function. The department was printing out thousands of documents per month, sometimes upwards of 12,000 to 15,000 pieces of paper. Files received from multiple channels were printed out and then distributed to staff for manual processing. With OpenText functionality, they have established a corporate-wide taxonomy to organize documents, and are providing flexible and secure access to users. A new process was employed so that all appropriate paperwork flows into the workflow digitally, creating a collaborative environment where underwriters can assess and process documents in a cycle based on a first in, first out basis. It has drastically reduced the amount of time they spend deciding which endorsements need to be processed first or which internal correspondences they need to look at in order to process an endorsement.

Having that easy access and extraction of documentation is also important for compliance purposes. By law, the organization is required to correlate the accounting collection documents to the underwriting policy folder and index them properly. OpenText functionality allows them to produce that documentation very quickly to help in the case of an audit. The team also created permission settings and tiered folders to protect billing-related information.

Digitizing paper files for easy retrieval has also led to improvements in their customer service efforts. "We average over 25,000 phone calls a month and roughly 2,000 calls require us to pull up a document to answer a customer's question. This used to require our team member to leave their desk to pull a hardcopy file from a file room located on a different floor. The OpenText system provides us with the ability to immediately access the files we need right at our fingertips and we estimate this will reduce our call handle time by about 60%," says Elvia Alaniz, Director of Underwriting and Customer Service.



## Business process improvements in the worker's compensation business

In the workers' compensation line of business, ICW Group implemented process improvements within their claims, billing, and collections departments. The claims group previously faced challenges when it came to reopening closed files or adding new correspondences to existing cases. The files had to be brought back from offsite storage and a temporary drop site area was set up. Eventually this grew into an unmanageable makeshift storage area with stacks of 20 or more boxes. Staff members had to sequentially look through the boxes to find any pertinent information they needed for a particular claim.

OpenText Enterprise Scan allows them to scan documents into the system and index files per a defined taxonomy. With all files stored and organized electronically, it's easy for staff to instantly access the information they need. "Having our scanning solution seamlessly integrated with OpenText Content Server is a big benefit because of how simple it is to scan files and tie them to the archiving folder structure within the system," says Hiltbold.

Similar process improvements have been employed in the Billing and Collections department. All paperwork used to be handled and mailed out in hard copy form. This included commission checks, invoices, dunning letters, and any other type of outbound correspondences. "We faced challenges related to invoices getting misplaced or lost when sent to different departments via interoffice mail. Often we had no visibility into what the problem would be when invoices or other paperwork went missing and we had no method to track them down," says David Wallace, Manager, Billing and Collections.



### Next steps

ICW Group is continuing their enterprise-wide rollout of Extended ECM with the ultimate goal to have one central repository for their content and allow access, via a portal to Content Server, for multiple groups including their insurers, agents, and internal employees. "Our intention is to create an electronic customer folder with one single view of the customer, containing all the information related to their policy. This includes the endorsements, payment related data, all correspondences, and more," says Sharaf.

ICW Group continues to be impressed with the support received from OpenText Professional Services personnel who have been helpful in providing phone or on-site support throughout their implementation process. "We're happy with the attention we've received from OpenText and the capabilities and flexibility they've demonstrated throughout our solution rollout," says Sharaf. "Going forward, the OpenText solution in place today will allow us to proactively manage content with the full lifecycle management and compliance we need."

Using OpenText Extended ECM, all appropriate documents are now archived and easily accessible within the SAP Collections and Disbursements (CD) module. Invoices are created in a nightly batch and auto-archived in the SAP CD module. "When my collection reps take a phone call from a customer, they can easily pull up the document that the customer is looking at without having to put them on hold and track down the hardcopy," says Wallace. "When trying to resolve customer issues, having documents accessible at our fingertips is undoubtedly the biggest benefit."

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