

Solution to Common Wastes within Financial Services

A recent article published by Bob Kastle in ISixSigma highlighted seven common “process wastes” practiced within financial service organizations. The goal of the article is to make those seeking optimization within their process aware of where to look for waste. Impact not only tries to provide the best product, but is continually looking for ways to make their product work at its peak within the industry. By staying abreast of current issues, concerns and goals of financial services, Impact is able to provide a better process and experience through their products. Using this article as an example, Impact will briefly demonstrate how PlanLab addresses the seven wastes Mr. Kastle’s article mentions and eliminates them.

Waste #1: Over Processing

The two key problems of over processing are redundancy and ignorance to customer wants. By giving too much or too little because of an unawareness of what a customer wants or needs creates a huge gap in efficiency. Redundancy, a much more obvious inefficiency, wastes time, effort and energy by repeating and/or adding steps that are unnecessary to the process.

By allowing the customer to define the process, rather than the software, the waste of over-saturating the client’s wants and objectives is eliminated. Customers want an easy experience tailored to their exact expectations. PlanLab allows the customer’s goals to be the focal of the collection; creating an outline of relevant paths centered on their objectives. The planner and customer are excused of any involvement in activities that would be seen as a waste by having a program that enables removal or skipping of unwanted and unnecessary steps not beneficial to the customer. Using PlanLab, the advisor and team members are able to address only the specific concerns raised by the client; meaning time and effort are saved. PlanLab’s Executive Summary provides an overview of exactly what the customer is asking for before a more detailed inquiry is determined. In conjunction, pertinent issues are raised by PlanLab through this process that might not have been considered, but are linked to their situation.

Waste #2: Excessive Transfer of Material

Wasteful movements of a process; be it documents, data or knowledge drastically slow the pace of work flow and progress. A delay between actions is a serious flaw in work design. The delay not only adds time to a completion, but also gives more time for an error to occur.

PlanLab eliminates wasted time between data, document and information sharing by providing a centralized location for all aspects of the process. There is no wait time

between steps with a central location that every team member can access. Each member can reach information directly at any step of the process, rather than waiting to receive what is needed from another member before starting their tasks. PlanLab also ensures the security of every member’s work with versioning. Versioning allows each member to work simultaneously on the same document without losing, erasing or replacing the work done by other members. Another added benefit of versioning is the ability to monitor work flow and easily identify the location of a problem if any occur.

Waste #3: Inefficient Work Activity among People

In a service industry, inefficient use of people’s time and abilities is a critical waste. This arises in all levels of the team. Individual planners spend unnecessary amounts of time on tasks that utilize none of their productive skills and could easily be automated. Experts are invaluable assets that are often misallocated to activities that do not create optimal contribution, as well.

PlanLab is designed to eliminate as many aspects of inefficient work flow as possible. An impressive feat by PlanLab is the amount of once expectedly intrinsic steps done by an individual removed and performed automatically within the PlanLab. An individual using PlanLab collects data only once, submitting into PlanLab’s Fact Finder. Once the Fact Finder is uploaded, PlanLab automatically stores the data that is now available for use in multiple applications. It also populates additional data, makes pertinent calculations, generates a preliminary overview and recommendations, identifies experts and team members necessary for the case and has presence and business rule capabilities. The business rule feature of PlanLab maximizes each team member’s efficiency by assigning team members to appropriate tasks based on expertise.

Waste #4: Inventory

Inventory refers to overproduction of a process and is linked to the two previous wastes. Examples of inventory waste cited by Mr. Kastle are, "...physical piles of forms (in in-boxes...), a list of pending requests in a computerized email program, callers on hold..." Inventory waste can also be recognized as wasting individual resources, such as experts.

PlanLab makes better use of an organization's resources by allocating the proper resources to the appropriate people in an optimal manner. With PlanLab, there is only one central engine rather than multiple, disjointed systems. Updates are installed automatically online insuring every member is current and necessary installments are completed. PlanLab also helps an advisor provide the client with information and solutions that fit the scope of the client's needs without producing excess information that can be potentially overwhelming or confusing. With PlanLab, advisors are able to spend more time on prospective clients and their current clients' direct issues, rather than creating unnecessary and fruitless workloads.

Waste #5: Waiting

Waiting is a critical waste in numerous aspects of a process. It can be an invasive concern that infiltrates the process from the beginning to the final transference to a customer.

PlanLab actively addresses the waiting waste on multiple fronts. PlanLab makes it possible for there to be no delay between steps by enabling everyone to share a common workspace. With live presence features, members are able to see the availability of others needed and respond appropriately, whether that is contacting them directly or finding alternate resources if the party is unavailable. PlanLab also exposes aging tasks and the origins of delays. Data, progress history and task lists are available to access at any time by every team member. Individual members are no longer constrained by other member's schedules due to PlanLab's presence capabilities and its ability to relay progress. Each member is able to work on their tasks within their own time frame without the hassle of coordinating with others' schedules.

Waste #6: Defects

Defects in a service industry are any faulty, inaccurate, or incomplete features of a service.

The Fact Finder in PlanLab only requires data entry once for a case. This single entry of data is then used in all pertinent fields. Case data is no longer entered or reentered into multiple applications by multiple people. PlanLab allows the advisor to instantly review and confirm all aspects of the newly entered case data. Accuracy can be assessed immediately and planners are able to adjust accordingly; drastically reducing any chance of error.

Waste #7: Over-Production

Over-production wastes time and resources by producing or providing any unnecessary or unwanted procedure or service to a customer.

With PlanLab, data entry and recommendations can be as specific or general as the customer requests. Business rules are able to be configured to respond to certain tasks that aren't necessary for experts to handle, but would have usually been sent to them. PlanLab automatically reviews the needs of each case and determines the level of expertise required. This frees the experts to do what is most relevant to the needs of the team and client and eliminates wasting human resources on activities that can be automated or directed to less costly expertise.

Kastle, Bill. "Learning to Recognize Process Waste in Financial Services", *ISixSigma*, Financial Services, <<http://finance.isixsigma.com/library/content/c040324a.asp>>

** The seven wastes described above were derived from Bill Kastle's article, "Learning to Recognize Process Waste in Financial Services". There is no association between this article and the fore mentioned article.*