

ADEPTIA

ROI of Customer Onboarding Acceleration

10 Components of ROI for Insurance Benefits Providers

10 COMPONENTS OF ROI FOR INSURANCE BENEFITS PROVIDERS

Manual processes in customer onboarding operations are the bane of every insurance benefit provider. By definition, manual processes are the enemy of efficiency, and the source of innumerable data errors. Nevertheless, with customers wanting to send their data in a wide variety of formats, manual processes have been a necessary evil if you want to be perceived as “easy to do business with.”

Automation can simplify customer onboarding in a way that empowers business users. Instead of relying on critical IT skills, automation can shift the workload to business users and let them create complex data flows for improved ROI.

Calculating the ROI of automation is a tricky task, since it won’t show up neatly as a line item in a financial report. If you want to truly assess the ROI of automated, simplified customer onboarding, consider these ten ways that automation delivers fantastic value – in hard dollars as well as by other standards of measure – for your business.



> **“ A dramatic (up to 80%) reduction in onboarding times can achieve ROI in several months.**



01 Reduce Cost Per Transaction

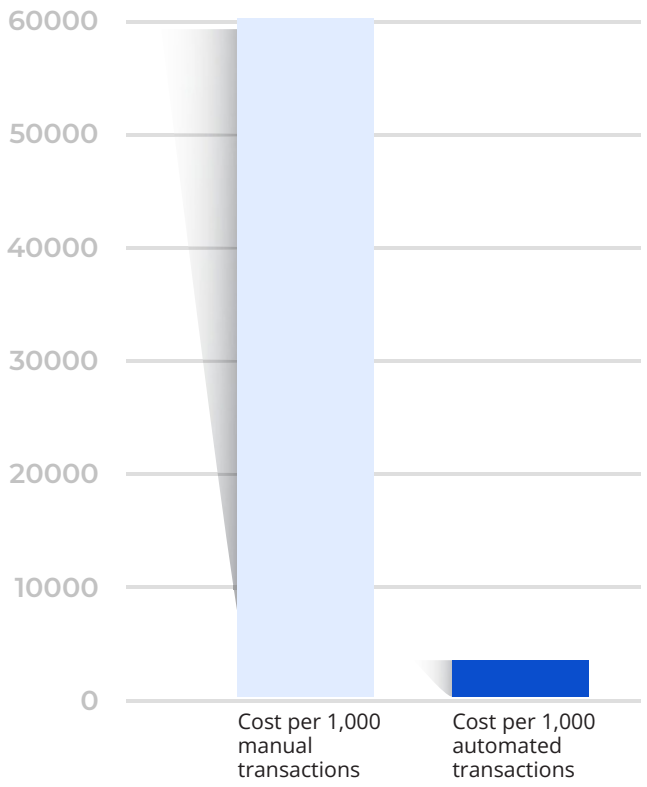
The most obvious place to look for ROI is in the cost per transaction as you move from manual tasks to automated processes. According to Gartner, an automated transaction costs approximately $0.25 to process. A manual transaction, on the other hand, averages $60.00.

That is a huge discrepancy, but it makes sense. In customer onboarding, there is the cost of getting a customer's data file in, checking it, and either converting it or entering it via manual data entry. The data may even need to be entered into multiple backend systems, creating duplicate work. Then there is the management and oversight of the manual processes to be accounted for.

When you consider how many thousands of manual transactions you as an insurance provider might process each month, the savings quickly mount up. There is a good likelihood that the ROI from this one cost reduction alone could pay for the entire automation investment in relatively short order.

$0.25 per automated transaction

$60.00 per manual transaction



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02. Increase Operational Efficiency

By eliminating manual processes, you dramatically improve operational efficiency. For example, we have seen customers experience:

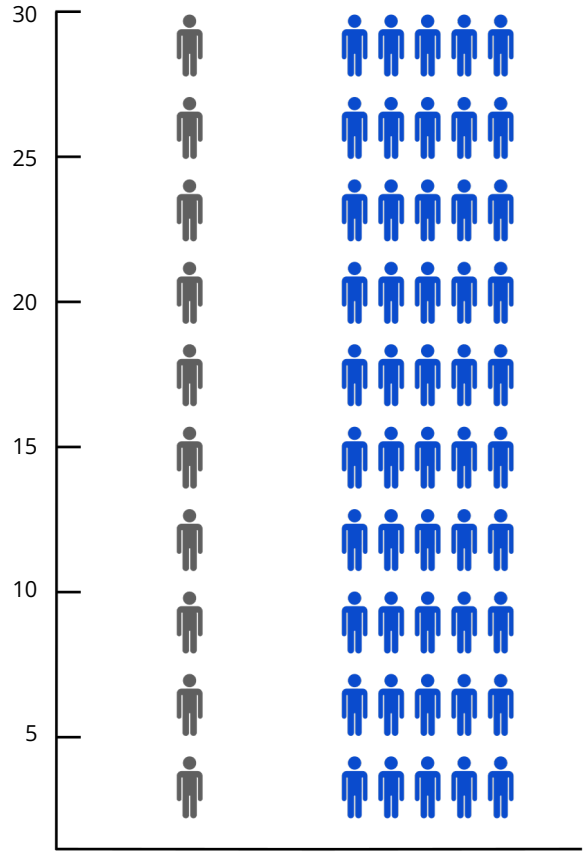
80% Reduction in onboarding time

75% Reduction in error resolution time

Consider a life insurance company that typically onboards 10 customers in 30 days. If onboarding time is reduced by 80%, they can now onboard 10 customers in just 6 days, or 50 customers in 30 days. By reducing onboarding time by 80%, operational efficiency is increased by 500%.

To accomplish the same processing volume without automation would require the life insurance company to more than triple their onboarding staff. Automation therefore has an ROI both in terms of gaining greater value from existing staff, and eliminating the need to hire additional staff.

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03. Reduce Manual Errors

Customer onboarding processes will never be error-free, even with automation, for the simple reason that the customer data itself will contain errors and omissions that have to be addressed. Gartner reports that with automated transactions, you can expect a 2 or 3% error rate.

This is a huge improvement, however, over the 6 to 9% error rate Gartner states is the norm for manual processes – predominantly due to manual data entry errors. Couple that 6 to 9% error rate with the fact that the average cost of fixing an error is approximately $75, and the ROI really starts to add up.



6-9%
error rate for
manual processes



2-3%
error rate for
automated processes



$75
Per error to resolve

Automation

Saves 50-78% in error resolution costs

04. Empower Business Users

Manual processes exist because so many of your customers have unique data formats that make mapping their data into your backend systems difficult. Automation can eliminate those manual processes, but automation doesn't happen in a vacuum. Someone has to create the automated process first.

Historically, this has been the realm of IT, and has involved expensive, time-consuming custom coding. With the right solution, however, it is possible to shift that responsibility to business users – namely, to your onboarding specialists. Adeptia's customer onboarding solution uses a web-based, visual mapping designer which eliminates the need for custom coding and, therefore, for IT's expertise. Instead, drag-and-drop, wizard-driven capabilities empower onboarding specialists to perform data mapping easily.

Empowering your business users generates ROI in terms of cost of labor. Instead of putting expensive, scarce IT resources on a critical path for onboarding each new customer, a business user can directly do this via automation. Business users can make connections while interacting with new customers without waiting for IT to step in.



05. Reduce Risk

An often-overlooked aspect of ROI is that onboarding automation such as Adeptia provides reduces business risk. With an automation solution that is easy to use and maintain, your company is no longer reliant on one or two in-house experts who could be unavailable at a critical time, or even leave the company – and take their customer onboarding knowledge with them. All your onboarding specialists will be able to confidently access data, update profiles, and manage the system.

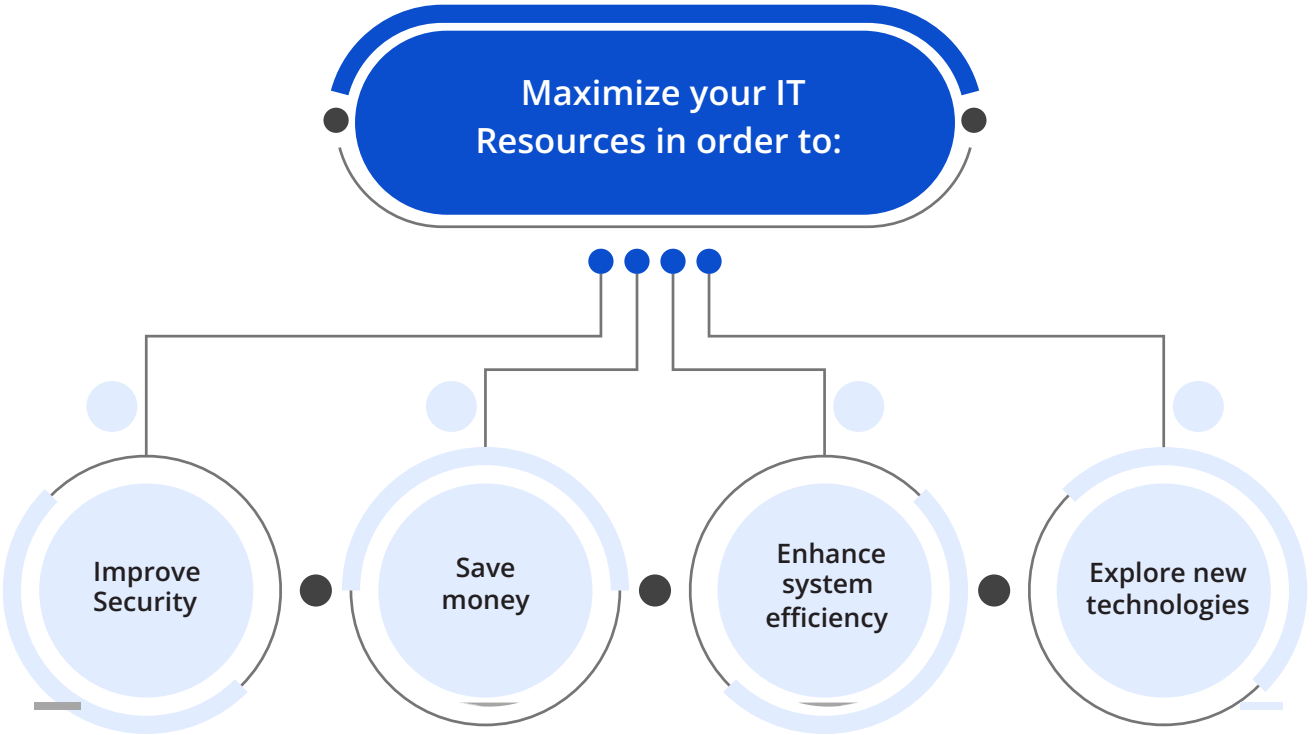
Additionally, business continuity is improved as it is dramatically simpler to document disaster recovery protocols for a single automated system than it is to document hundreds of manual processes.

The net result is that if there is an issue, you can resolve it swiftly, efficiently, and cost-effectively – rather than paying exorbitant amounts because you lack specialized knowledge or business continuity documentation in-house.



06. Reallocate IT Resources

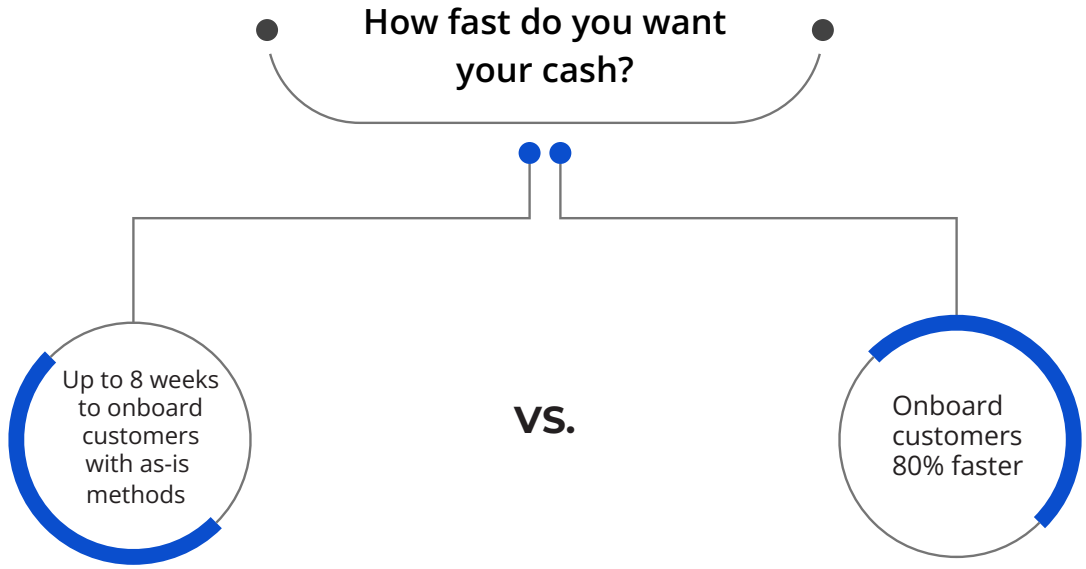
The ROI for simplified customer onboarding includes the value you receive by being able to maximize your IT resources through reallocation. Rather than devoting time to data mapping, custom coding, and daily customer onboarding maintenance activities, IT resources can be reallocated to focus on more strategic, innovative, and technically-challenging tasks, facilitating long-term gains for your business.



07. Get To Revenue Faster

As an insurance benefit provider, you have likely been frustrated at how long it takes to onboard new customers – particularly when those customers require manual processing. It is not uncommon for customer onboarding to take three to eight weeks. That means that for up to two months, you can't bill a new customer.

By simplifying the customer onboarding process with automation, you can slash that time to just one or two weeks – often, to one or two days. This allows you to invoice your customers weeks ahead of when you would be able to now. With invoicing pushed forward, you can get to revenue faster, giving you access to a better cash flow to use for strategic purposes.



08. Scale Up Your Business

First, by removing manual processes, onboarding specialists can handle a greater volume of work, not less, because of the efficiencies that are attained.
You can therefore ramp up sales efforts and take on new customers with ease, avoiding the dreaded, “Yes, I can sign you up today, but we can’t actually get to you until next month at the earliest.”

Second, you can add new insurance products without creating a nightmare of manual processes on the backend.
For instance, you might move into legal insurance, disability coverage, identity theft protection, accidental death and dismemberment policies, etc. With a complete customer onboarding automation solution, you can accept any data format, from any customer, for any product, at any time. It is that simple.

Third, you can accept data from third-parties in order to boost the value and benefit of your services. As far as automated processes are concerned, there is no difference whether the data is enrollment data from a customer or census data from a third-party – all data onboarding can be accomplished with equal ease.

09. Become Easier to Do Business With

Streamlining customer onboarding makes you easier to do business with by eliminating a friction in the customer onboarding experience. Customers experience fewer (and shorter) delays before doing everyday business with you and attaining the value of your products and services. They don't have to endure frustrating back-and-forth delays between IT staff and business users as one of the early experiences they would have had with your brand. All they need to do is ease through the process as business users, not IT experts, converse with them about their data and make connections on the fly.

Your customers won't have to modify their internal data processes to match your data requirements. Through simplified data onboarding, customers keep their processes and data formats intact and the intelligent onboarding solution can take care of all the data mappings, transformations, and protocol selection without relying on expensive IT resources.

In turn, you can delight your customers through accelerated service data feed onboarding (up to 80% faster).



10 Future Proof Your Approach to Customer Data Integration

Consider the things that can change with regard to customer data integration. Perhaps your relationship expands with certain customers thereby requiring a much larger set of bidirectional data feeds to support collaboration and visibility in service delivery. Or perhaps your service lines grow in capability and need additional fields to support added degrees of service? Of course, you'll also want to celebrate as new customer relationships are added without fear of new and complex customer-mandated data formats and data access methods.

Is your current customer data integration architecture up to the task? Can you quickly onboard any customer data feeds into your digital business ecosystem? Is your remedy that you have really smart IT people who will eventually get to the work—they can solve any integration problem given enough time?

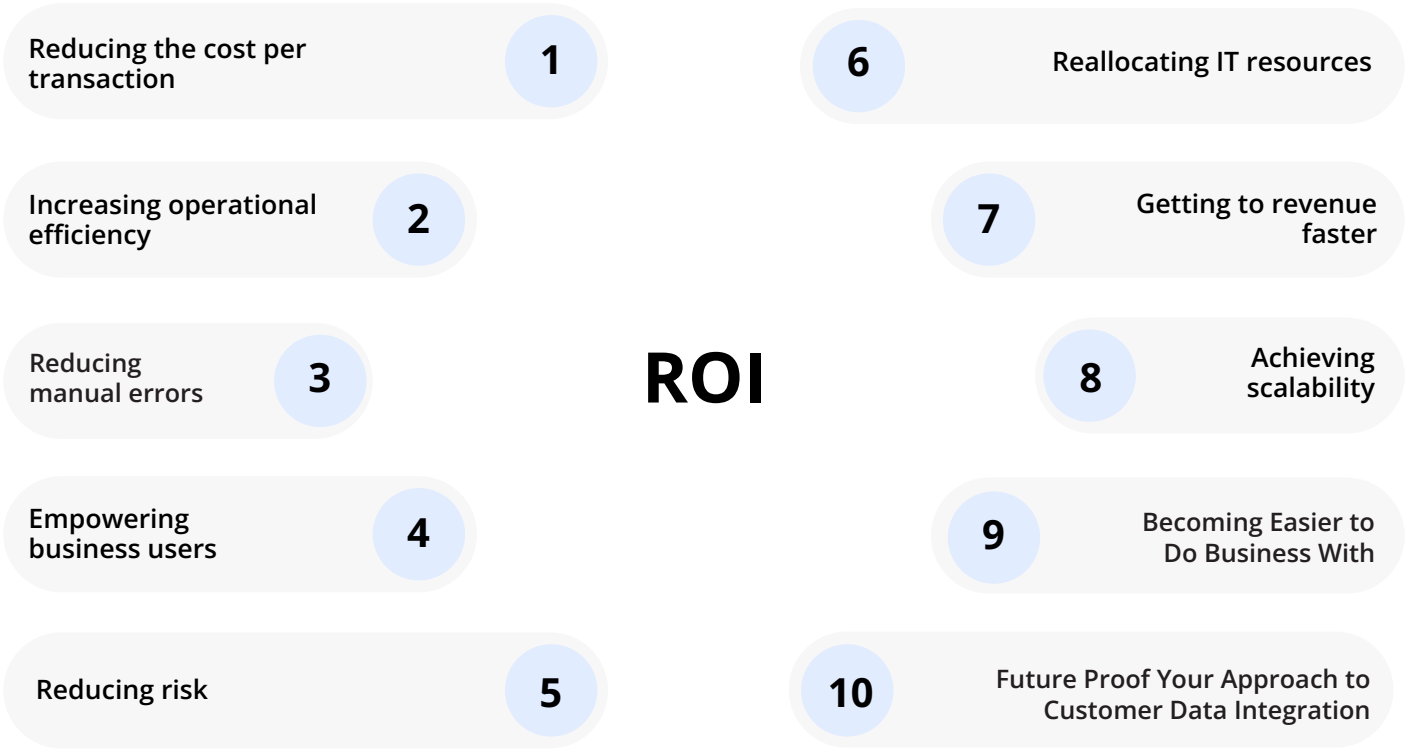
But if the present business condition has business and customer expectations that data integration onboarding can happen quickly and that they should be able to use business applications to make it happen without expert IT skills, aren't you already in an impossible situation? Further, as business user experience preferences change, will the web portals that you're IT built (or are building) be able to morph quickly enough?

By empowering your business and customer users to onboard customers with drag-and-drop ease, you can abstract away the complexities of data integration from business users while also avoiding having your expert IT skills on the critical path for customer onboarding. You'll be leveraging the depth of capability and girth of engineering strength of the Adeptia team in keeping the very best of customer data integration onboarding as easy and fast as possible.



Summary of Customer Onboarding ROI

You can finally breathe a sigh of relief and accelerate customer onboarding processes for your business. With the hard and soft dollar benefits of the 10 components of ROI, and investment in customer data integration onboarding acceleration can have an ROI breakeven measured in months.





Seeing is believing.

CONTACT US TO REQUEST A DEMO SO YOU CAN SEE FOR YOURSELF HOW MUCH FASTER YOU COULD BE ONBOARDING CUSTOMER DATA.

Visit www.adeptia.com to schedule your demo.

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