

UNPRECEDENTED TRANSPARENCY TO CONSUMER LOANS PROCESS WITH PROCESS MINING



CHALLENGE

- UNDERSTANDING WHAT DOES THE PROCESS ACTUALLY LOOK LIKE
- WHERE THE KEY BOTTLENECKS ARE AND HOW TO MONITOR REWORK
- HOW TO IDENTIFY DEVIATIONS



SOLUTION

- START PROCESS MINING WITH QPR PROCESSANALYZER
- SET RELEVANT KPIS
- SET TARGETS FOR IMPROVEMENT ACTIVITIES



BUSINESS BENEFITS

- DEMONSTRATE PROCESS BOTTLENECKS TO MANAGEMENT
- INCREASED TRANSPARENCY
- IDENTIFY MANUAL REOWRK

STEEP CHALLENGE WITH AUTOMATION

Piraeus Bank is a forerunner in their filed. They have had automation in place in parts of their consumer loans process since 2007. In 2016, when they introduced automation also in credit process, they started to get complaints both internally from their own business as well as from their customers. This was when the IT department understood that everything was not running as smoothly as they had expected. Business had very clear needs. They wanted to understand especially the following topics:

- What does the process look like? What steps does an end-to-end process include?
- Where are the key bottlenecks?
- How to monitor process rework?
- What is the number of incoming and completed applications per product type or channel
- How to identify deviations from set targets?
- How to identify potential areas of improvement?

COMMON UNDERSTADNING AND CLARITY

The challenge could be summarizd into one question - how to bring clarity to a process which was often executed in a non-standard way. Despite conducting several previous business analyses, resolution to the problems remained out of reach.



Headquartered in Athens, with approximately 12.4th employees, Piraeus Bank Group offers a full range of financial products and services to approximately 5.2mn customers in Greece. Total assets of the Group in Greece amounted to €55.8bn, net loans to €38.7bn and customer deposits to €41.9bn on June 30, 2018.

“ Thanks to QPR ProcessAnalyzer’s powerful process visualization capabilities, we were able to demonstrate the consumer loan process bottlenecks to the broader management, identify optimization points and make recommendations to improve the process.

Lambros Bessas,
Senior Manager - Piraeus Bank



Analysis of the process, by using the traditional method of conducting interviews, suffered from limited visibility, subjective point of view and omitted exceptions. The potential hidden in the data behind the process remained untapped.

Piraeus Bank had identified that process mining could bring a solution to their challenges. They introduced QPR ProcessAnalyzer and were amazed how quickly they started to see results. After fetching the data, the process visualization and bottlenecks were visible in 5 minutes. As the analysis immediately showed, the main pain point was a lack of standardization of the consumer loan process and multiple inefficient variations of the process. A lot of time was wasted by “swimming against the flow” and returning to an already passed point in the process flow multiple times – rework was constantly happening and lengthening the process.

DEMONSTRATE PROCESS BOTTLENECKS

After the data-driven process analysis with QPR ProcessAnalyzer, an implementation plan for making the loan processes more efficient and simpler was put in place. Piraeus Bank defined and set Key Performance Indicators for their consumer loan process, such as Time to apply, Time to yes, and Time to cash. As an example, Time to apply KPI describes how long it takes for a customer to submit an application. In reality, the data showed that this takes on average 35 minutes. However, the target and market benchmark is 5 minutes and now Piraeus Bank is working to achieve this level.

“Thanks to QPR powerful process visualization capabilities, we were able to demonstrate the consumer loan process bottlenecks to the broader management, identify optimization points and make recommendations to improve the consumer loan process.” says Lambros Bessas, Senior IT

“Right away in 5 minutes, we saw the bottlenecks of the process.”



Lambros Bessas
Senior Manager - Piraeus Bank

INCREASED TRANSPARENCY

Transparency to Piraeus Bank’s consumer loan process was increased in many ways:

- Key bottlenecks, inefficient process variations, and their sources were uncovered
- Differences in employee performance and their reasons were diagnosed
- Process optimization points were identified

While the improvement actions are taking place, Piraeus Bank is continuously monitoring the consumer loan process to make sure they stay on the right track and improvements are taking effect. As the next step they are putting a lot of effort in keeping everyone informed about the progress and how the KPIs are improving by Introduction of standardized reporting across involved divisions, monitoring process performance based on SLA metrics, monitoring of process flow reworks, as well as monitoring of incoming/completed applications per product type/ origination channel.



QPR SOFTWARE OYJ

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