EU-based Pensions Provider PGGM Realizes Significant Efficiency Gains with Automation

PGGM

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PROFILE ORGANIZATION

PGGM is a cooperative Dutch pension fund service provider. Institutional clients are offered: asset management, pension fund management, policy advice and management support. As of June 2019, the company managed pension assets worth EUR 238 billion. PGGM aims to add value to the Dutch healthcare sector by providing excellent pension services for 2.8 million health care workers, their employers and retirees and to make available its expertise and networks to further strengthen the vital healthcare sector.

CHALLENGE

PGGM manages the pensions of more than 2 million people. This means there are high volumes of administrative activities in everyday pension operations, like policy changes and fund transfer requests. Each request has specific processes, and many are still done by hand.

The business was looking at automation to become more efficient while seeking cost-saving opportunities. Bringing in a new solution was not as straightforward due to PGGM's proprietary pension administration systems that were developed in-house by their IT teams. As with many IT departments, there was a significant backlog of work and little scope to explore the potential for process automation to help the business achieve its aims in a timely way. PGGM needed a user-friendly solution.

SOLUTION

To support their automation efforts, members from several Business Departments at PGGM were assigned new roles to specifically investigate automation. They worked with colleagues across departments to identify automation use cases and with the help of the Process Mining team, they started with simple processes based on structured data in pensions administration that could be easily automated. From there, they built a pipeline that was prioritized based on cost savings. These cases included automating processes for customers who are receiving their pensions each month and for people who are still working and building up their pensions fund for retirement, as well as processes that help clients transfer funds one pension to another.

Processes Automated
- Pension Administration
- Changes in pensions
- Funds transfer requests

Industry
Financial Services

> "It's a very flexible tool which makes it easy to automate in a continuously changing environment. We can serve our business departments very fast"
>
> — **Sander Van Romondt,** RPA Developer

BENEFITS

19,466	119,956	27
Hours saved in 10 months	Total tasks processed	Processes automated

STORY DETAILS

PGGM pensions team worked with an external supplier on automation in 2015. However, they found that they couldn't make the business case for automation work on many processes as the cost of automation and time to market did not meet their desired ROI within one year on each bot. In 2017, they begun the search for vendors who could enable automation in-house and selected Automation Anywhere due to the standard of support they received from the company and the large and active customer community. The setup of the automation tool, especially the separation between Bot Creator and Bot Runner, was key to what they were looking for in a solution, as well as having direct communication with the software vendor.

The initial proof of the technology was done on a simple process which had no financial risk. The team found the software was so easy to use they could automate with minimal training. Although some of the team members were skeptical about automation at first, when they saw how well the tasks were completed by the bot, they were happy to have a digital co-worker so that they could focus on more rewarding work.

PGGM shared their key learnings for those starting with RPA. This includes setting up a dedicated team to focus on the project. They advised not to try to document and research everything up front but learn by building bots. By enlisting the support of key departments (e.g., Architecture, Risk, Audit, and Innovation) from the start, they had useful information to guide the automation projects. They also recommended leveraging the learnings and insights of other organizations who are more advanced in automation.

THE FUTURE

The pensions team at PGGM is looking to continue to automate and maintain more processes across the business operations. At the same time, they are interested to understand the potential of the new technologies such as AI. They are watching closely the proof of concept with IQ Bot in the Asset Management division and are looking to expand the team with some new expertise to deliver new solutions.

> "To us RPA has proven itself as a sustainable source of efficiency as well as driving our thinking into more innovative, digital processes. In addition to that, the journey has been fun!"
>
> — **Harold Valkenburg, Herman de Greef, Sander van Romondt, Lisanne van Denderen,** RPA Developers PGGM

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