



SUNGARD EXP

Case Study:
TIAA-CREF

TIAA-CREF is a national provider of financial services and is the premier pension system for people employed in education and research in the U.S. With more than \$290 billion under management, TIAA CREF is a leading financial services organization, a major institutional investor and the world's largest retirement system.

TIAA (Teachers Insurance Annuity Association) was established in 1918, as a non-profit entity. It is the insurance company component of the organization. TIAA provides pension plan participants a guaranteed minimum return as well as dividends.

CREF (College Retirement Education Fund) was established in 1952, as the nation's first-ever variable annuity. It is the investment company component of the organization. As a shareholder in over 4,800 traded companies, the organization is one of Wall Street's more prominent institutional investors. In addition, it is one of the largest U.S.-based stock investors in the international arena. The CREF stock account is the largest single-managed equity fund in the world with assets of \$131 billion.

Together, the insurance and financial arms of TIAA-CREF serve 2 million participants and over 10,000 institutions. Educators and their families turn to TIAA-CREF for their high-quality, low-cost financial products and unrivaled professional integrity. The organization is one of only four insurers to hold a triple-A rating from all four major independent analysts of the insurance industry.

THE CHALLENGE

In spite of its sterling reputation, management wanted to make TIAA-CREF an even better, more responsive company. To accomplish this goal, they set out to improve customer service. Management's game plan included ambitious goals to shorten the total processing time of participant requests. Collecting the data accurately would make or break the success of the plan. In-house participant services was already using state-of-the-art imaging technology from McKesson/HBOC, but it wasn't enough.

With 100 different transaction forms begging for action from participant services, the customer service function was overwhelmed. Indeed, the almost 2 million documents processed annually by the department ranged from membership contract applications to withdrawal of funds. Improving the turnaround time and accuracy of managing these documents was critical to the company.

The SEC required the company to process financial documents within a 3-day timeframe. And while the requirement was already being met, the company wanted to shorten processing time even more. A new workflow solution could accomplish that goal and aid participant services at the same time.

With hundreds of full-time data entry operators keying from image 70–80 thousand scanned pages a day, the company knew they needed a system that could read handwritten as well as typewritten documents. ICR (Intelligent Character Recognition) software was the way to go.

THE SOLUTION

TIAA-CREF called upon The Rochester Institute of Technology Research Corporation for their expertise in image information solutions. After extensive testing, the RIT and TIAA-CREF team determined that Parascript was the most accurate ICR engine for the job. But Parascript wasn't enough.

With the Parascript engine ready in the wings, the next challenge was to find a solution provider up to the task of creating the system to TIAA-CREF's specifications. Without the proper solution provider, there was no way to accomplish the daunting task ahead of them.

"We scared away 5 of the original 13 developers we asked to participate right off the bat," said John Henry, project manager.

"Our contacts kept telling us the handprint recognition we wanted couldn't be done without redesigning the forms. This wasn't an option worth considering. Due to the lead time for in-house marketing and SEC approval, we needed to find a solution with an ICR engine good enough to read unconstrained handprint on the existing forms."

In order to be successful, the systems solution provider would need to blend the Parascript software with off-the-shelf and custom forms processing and workflow solutions. Intelligently extracting data from an initial 20 different application forms was the goal. Of the hundreds of participant request forms, these were chosen because they accounted for 25% of the workload of the 100,000 new requests per day. Ultimately a much larger percentage of the requests would be processed automatically. Some forms could be redesigned for automatic processing, others would have to be used as is. A successful system would reduce the total response time needed to service a participant's request.

"Our contact kept telling us the handprint recognition we wanted couldn't be done without redesigning the forms. This wasn't an option worth considering. Due to the lead time for in-house marketing and SEC approval, we needed to find a solution with an ICR engine good enough to read unconstrained handprint on the existing forms."

THE RESULTS

Out of the original 13 forms processing vendors, TIAA-CREF narrowed their choices to two. The winner would need to demonstrate their ability to integrate Parascript seamlessly and modularly into the solution package. With Parascript already integrated into their award-winning EXP FormWorks solution, SunGard EXP of Birmingham, Alabama, landed the contract.

With SunGard's EXP FormWorks solution, TIAA-CREF was able to decrease document turnaround time while still providing a user-friendly system for operators. A productivity-tracking feature for supervisors has proved to be an invaluable bonus. In addition, the system's load-balancing feature automatically adjusts workflow for operators who are backlogged with too much work, or simply on break. With a speedometer on their screen, operators know how quickly they are working.

Today, TIAA-CREF's ambitious goals have become a reality. The company's belief system that "It's all about service" is paying dividends in customer satisfaction and employee morale. TIAA-CREF boasts a 50% reduction in the time it takes for participant requests to be identified and routed. In addition, the system now handles over 35 different types of documents with keying errors reduced by 80 percent. The 120 operators are able to capture accurate information from 2 million new requests each year, as well as convert 10 million "backfile" images from microfiche per year. And quality of work for key-entry operators is at an all time high. All this, and the system paid for itself in less than a year.



"One year after implementation, customer service is more responsive, efficient and effective than ever. Our system has already paid for itself and we have a prestigious award to remind us of our hard work and substantial achievements. I'd say we're a pretty happy customer."

In addition to the high marks TIAA-CREF has received from its internal audiences, they have also garnered industry attention and kudos from a less likely source. After implementing the award-winning EXP FormWorks software in their customer service operation, TIAA-CREF became an award winner, too. In fact, the company took 1st place in the annual Kinetic Information 2000 Process Innovation Awards. Kinetic Information singled out the insurer for its effective use of information technology to solve its business problems.

"One year after implementation, customer service is more responsive, efficient and effective than ever," said TIAA-CREF's Henry. "Our system has already paid for itself, and we have a prestigious award to remind us of our hard work and substantial achievements. I'd say we're a pretty happy customer."



About SunGard EXP

SunGard EXP helps empower large organizations to capture, manage, store and deliver content in order to automate workflow, enhance processes, track productivity, promote collaboration and deliver time-sensitive client communications. EXP features industry-leading technologies with EXP FormWorks, EXP MACESS, EXP Web, EXP Mailing and EXP SCORE, creating a comprehensive, single-source solution for the managed care industry. Offering single department to enterprise-wide solutions, EXP uses a proven implementation methodology that helps ensure the predictability of results.

www.sungard.com/exp

SunGard EXP
104 Inverness Center Place
Birmingham, AL 35242
Phone (205) 437-7500

SunGard EXP
1750 Kraft Drive, Suite 2000
Blacksburg, VA 24060
(540) 961-6500

SunGard EXP
Solmsstr. 2 - 22, Geb. 18
60486 Frankfurt am Main
Germany
Tel: +49 (0)69 70768-0

SunGard EXP
350 Automation Way
Birmingham, AL 35210
(800) 442-8511

SunGard EXP
33 St Mary Axe
London, EC3A 8AA
United Kingdom
+44 (0)20 7337 6000