stereologic
Intelligent Operations

How did Pitney Bowes Accelerate Back Office Operations by 56% in less than 90 days?
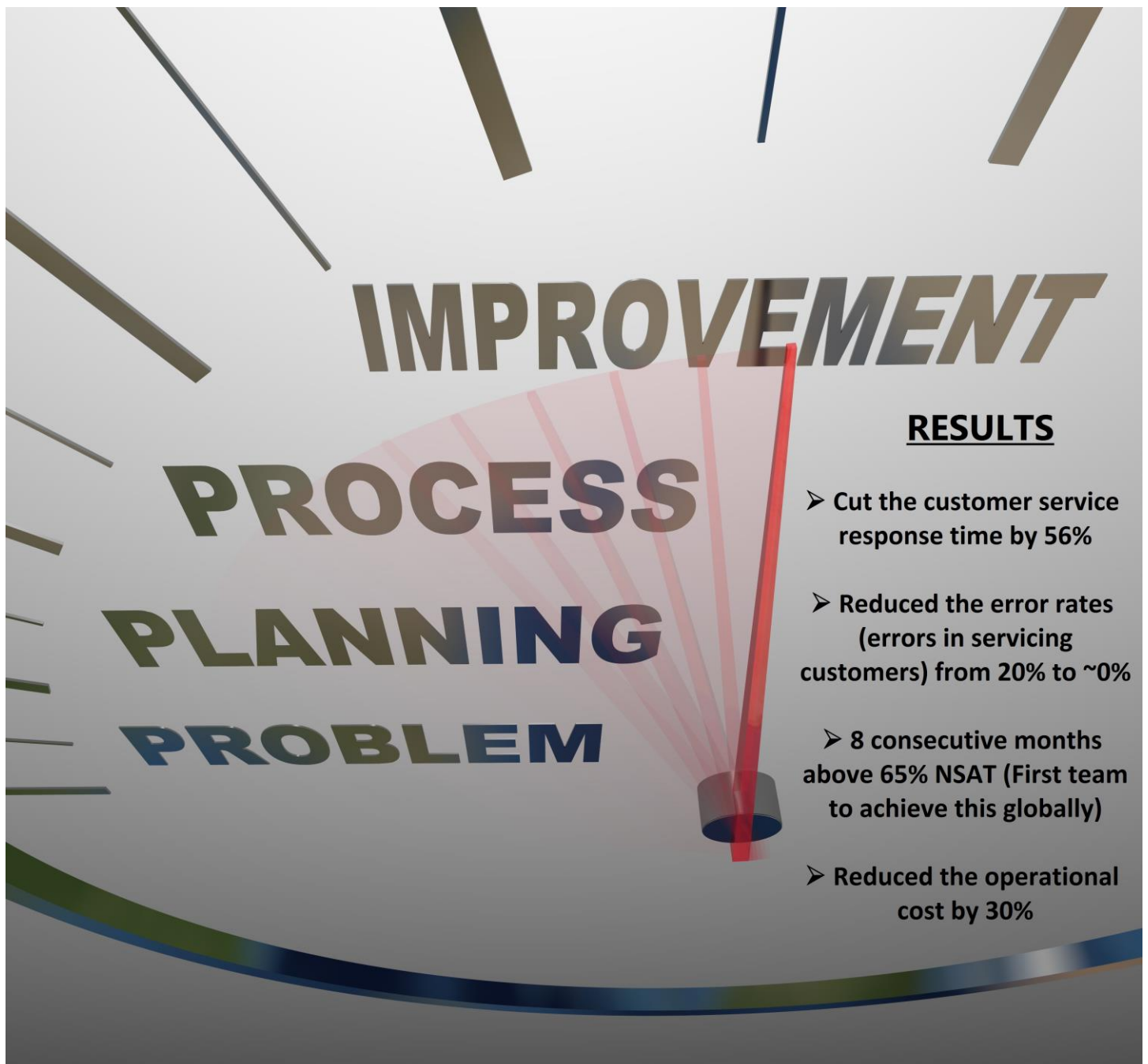
RESULTS

➢ Cut the customer service response time by 56%

➢ Reduced the error rates (errors in servicing customers) from 20% to ~0%

➢ 8 consecutive months above 65% NSAT (First team to achieve this globally)

➢ Reduced the operational cost by 30%

PitneyBowes reduces the operational cost by 30% and accelerates the customer service by 56% by implementing Rapid Automated Process Improvement with StereoLOGIC

Pitney Bowes is a global technology company offering innovative products and solutions that enable commerce in the areas of customer information management, location intelligence, customer engagement, shipping and mailing, and global ecommerce. More than 1.5 million clients in approximately 100 countries around the world rely on products, solutions and services from Pitney Bowes. Continuous Process Improvement is strategically important for Pitney Bowes due to its large number of globally distributed locations, multiple business lines and thousands of employees and clients. Following the recent three-month Back Office Customer Management Process Improvement project, the company achieved the reduction of operational cost by 30% and acceleration of the customer services by 56%.

Challenge: Improve Customer Satisfaction and Reduce the Cost in a Very Short Period of Time

Pitney Bowes has been focused on process improvement since its early days. The improvement effort has been taking place in customer services, field engineering, sales, financial and other areas globally.

Traditionally this work involved a large number of external process consultants performing process improvement manually. The manual approach was extremely expensive and time consuming. Six Sigma and its supporting tools helped only partially.

~ 20%   Error Rates in Servicing Customers

Despite the improvement efforts, Pitney Bowes have continued to experience the situations when Customer Service Time did not meet Service Level Agreement (SLA) and Error Rates exceeded the acceptable level. Employees had difficulties to properly complete some repeatable processes resulting in high operational cost.

"Customer Satisfaction has become a key operational parameter for us, as well as over the past few years we have been focusing on reducing operational cost. The one driving challenge at this point was – we had to reduce cost within a very short period of time."

Ronnie Mahabir, Senior Manager, North America Call Centre Operations, Pitney Bowes

Among other groups, the Back Office Customer Processing was most exposed to service delays and mistakes. The opportunity for improvement was further complicated by:

- Outdated process documentation
- The lack of budget for external consultants
- The necessity of process documentation and outsourcing in a short time period

Pitney Bowes was looking for a new efficient automated approach for the process improvement.
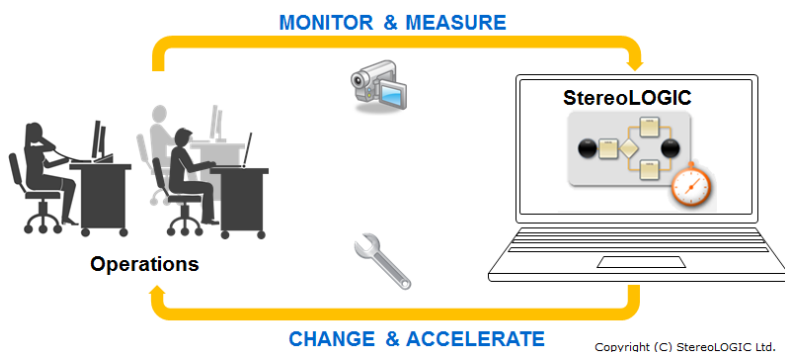
Solution: Rapid Automated Process Improvement with StereoLOGIC

Pitney Bowes selected StereoLOGIC automated solution because of its ability to accelerate and improve the employee processes in a shortest time, easy implementation and high precision of results.

"Can we do this in a short period of time? Can we develop a process document, which can be maintained with little effort by the operational experts, as opposed to having to deal with process engineers? I have to say, that's where StereoLOGIC came in. We were able to successfully do that and some of the results we got were pretty impressive."

Ronnie Mahabir, Senior Manager, North America Call Centre Operations, Pitney Bowes

StereoLOGIC Discovery Analyst ® has enabled Pitney Bowes to automatically monitor employee operations in multiple remote locations, visualize employee processes, time, deviations and inefficiencies.
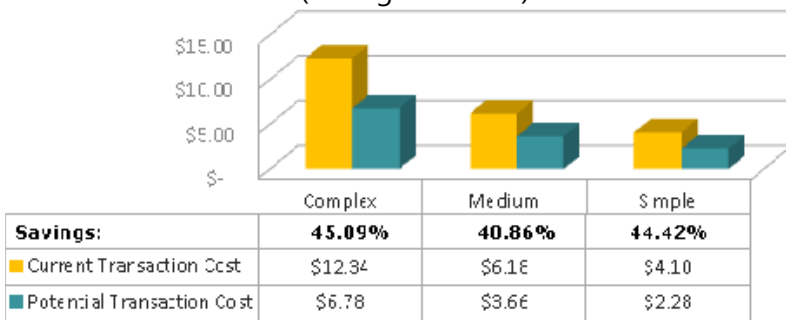

This in turn, allowed Pitney Bowes team to implement a Rapid Automated Process Improvement using the following strategy:

- **Dividing employees** into 3 basic groups based on criteria of process complexity (*High, Medium* and *Low)* and the process type

- **Selecting the best employee** representatives in each group

- **Automated recording and measurement** of the best employees' processes and using them as the Baseline for the entire group

- **Automated comparison** of the Baseline processes with similar processes executed by other employees of the same group

This approach has allowed them to instantly detect **deviations, wasted time** and **errors** in each group and visualize them.

More specifically:

- In just 2 weeks the team has revealed the Average Wasted Time of 43.5% and Average Error Rate of 20%
- Their impact on the current Cost of Transaction was estimated (see figure below)

	Complex	Medium	Simple
Savings:	45.09%	40.86%	44.42%
Current Transaction Cost	$12.34	$6.18	$4.10
Potential Transaction Cost	$6.78	$3.66	$2.28

Unnecessary process complexity and lack of training were determined to be the main root causes of errors and delays. **It became clear that more than 50% of the delays and errors could be fixed in a very short time.**

"You want to have the tool like StereoLOGIC in the hands of the supervisors and the subject matter experts that manage operations so that they could actually see - what the agents are doing vis-à-vis what they are supposed to be doing."

Ronnie Mahabir, Senior Manager, North America Call Centre Operations, Pitney Bowes

The Results:

Pitney Bowes Reduces the Operational Cost by 30% and Accelerates the Customer Service by 56%

The application of Rapid Automated Process Improvement with StereoLOGIC has allowed Pitney Bowes to accomplish significant improvement in a very short time (less than 3 months):

- Cut the customer service response time by 56%
- Reduced the error rates (errors in servicing customers) from 20% to ~0%
- 8 consecutive months above 65% NSAT (Global Corporate Target for Customer Satisfaction – first team to achieve globally)
- Reduced the operational cost by 30%

This project won the PEX Process Excellence Award 2014: Best Process Improvement Project under 90 days.

About StereoLOGIC:

StereoLOGIC Ltd., www.stereologic.com offers unique proprietary, patent-pending solution revolutionizing the way companies execute and control their operations.

StereoLOGIC continuously visualizes the 'hidden world' of: what employees actually do, how they make business decisions and how much time they spend for different operations.

StereoLOGIC protects companies from million-dollar losses of the operating budgets and customers, caused by hidden ad-hoc employee activities, service errors and delays. It is guaranteed, that StereoLOGIC clients will save 30% of operating cost, and significantly improve and accelerate their customer service. StereoLOGIC provides an unlimited opportunity for immediate control, correction and acceleration of employee operations at any remote location without any change of IT platforms.