
VELO MOTOR ACCIDENT MANAGEMENT LTD. MARLOW, ENGLAND

EUROPEAN EXCELLENCE AWARD: IMAGING, SILVER

EXECUTIVE SUMMARY

VELO Motor Accident Management Limited is the largest fleet accident management company in Europe, owned jointly by VELO Limited and AON Risk Services Limited. VELO Limited is a subsidiary of Kleinwort Benson Limited and a member of the Dresdner Bank Group, one of Europe's leading banking groups. VELO Motor Accident Management handles some 120,000 fleet vehicles for over 300 top UK companies. Based at the VELO headquarters in Marlow, Buckinghamshire, VELO Motor Accident Management Limited has a dedicated operational staff of more than 120 insurance professionals.

VELO provides a comprehensive range of accident and risk management services to United Kingdom corporate fleet buyers. This is a highly competitive market and VELO prides itself on providing high quality, flexible and consistently personalized customer service to differentiate itself from its competitors. The key to providing this level of service is the use of highly knowledgeable expert staff who dedicate themselves to customer satisfaction.

Not least of VELO's problems has been the need to recruit and retain staff with the appropriate levels of knowledge and experience. In a working environment traditionally involving masses of information held and managed in paper form, too much valuable staff time was being dedicated to managing the paper mountain which, in itself, provided no direct benefit to the customers. VELO looked to technology to eliminate these "non value-added" activities and thereby achieve a step-change in the amount of time which could be dedicated to delivering excellent customer service.

INNOVATION

The resulting ClaimFlow system brings together a series of diverse technologies to provide an overall solution that fully automates 29 distinct business processes. From simple handling of correspondence to complex handling of the Total Loss of a vehicle (involving hundreds of discrete tasks) each process is optimized and represents established best practice.

In the course of the project, every opportunity has been taken to re-design the processes in the most efficient manner possible. Wherever possible, tasks have been eliminated or automated. Wherever the technology enables a more efficient approach to completion of a particular task, this has been utilized. As a result, the way in which business is now conducted requires user input only where human judgement is required. The mundane, repetitive tasks

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are carried out automatically by the system, leaving the people free to deliver the excellent customer service of which VELO is justifiably proud.

As a result of implementing the workflows, VELO are now in a position where information/metrics on the work being conducted is automatically collected. This will be used to further refine the working practices (and hence the workflows themselves) to achieve further gains in efficiency.

IMPLEMENTATION

Throughout the project, business users have been closely involved in the design of the workflows and the user interfaces through which they are operated. This has led to a high degree of user buy-in and minimized any resistance to the implementation of the technology. It has also ensured that the delivered system truly meets users' needs.

The system has been implemented in a number of phases which has introduced the overall change to working practices in a manner which the users found non-threatening. At each stage, careful attention was paid to the users' training requirements and tailored training courses were delivered by VELO's in-house training staff to ensure successful use of the system once implemented.

IMPACT

VELO are recognized as the provider of the premier service in their marketplace within the UK. This was confirmed by the award for "Best New Service" made by the UK Fleet News Magazine to VELO in respect of this system. Implementation of the system has helped the business to maintain its rapid rate of revenue growth without a corresponding growth in staff headcount, making VELO now the largest business in Europe within its field. At the same time, the system has "raised the stakes" for competitors wanting to share VELO's market space.

Based on VELO's success in changing their competitive landscape in the European marketplace they do not wish to disclose the hard dollar cost justifications they have realized via the system. They have realized a 25 percent gain in productivity. All savings are passed along to their customers via lower premiums offering additional competitive advantage.

THE SYSTEM APPLICATION

VELO provide a comprehensive range of accident and risk management services for their clients. These include:

- 24 hour emergency service
- Incident control and management of repairs via a 45-strong in-house engineering team

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- Claims handling (including liability claims)
- Uninsured loss recovery via an expert in-house team
- Risk management reporting, advice and policy implementation
- Premium negotiation and placement
- A range of additional services including a European travel service and a driver excess management scheme

The ClaimFlow system addresses the accident management area of the business. When the driver of a VELO-managed vehicle has a claimable incident (i.e. is involved in an accident or has their vehicle or its contents stolen), they contact VELO. The VELO organization then handles all aspects of the incident, including:

- Arranging vehicle repairs and/or replacement of stolen audio equipment
- Arranging a replacement vehicle
- Dealing with the insurance company to progress the claim
- Collecting any excesses from the Driver
- Recovering any uninsured losses
- Dealing with Third Party claims arising from incident

The ClaimFlow system is used by users carrying out all the above business processes.

When an incident is first notified, information is captured into VELO's existing Accident Management database system and a workflow is initiated. This workflow will automatically determine the type of incident (by reference to the information in the database) and initiate further flows to handle all aspects of handling the incident.

One important aspect of the system is that VELO tailors its service to meet each client's precise requirements. A 'profile' is held for each client who describes the various aspects of the service that VELO provide. The workflows automatically interact with these profiles ensuring that the correct action is taken at each stage in dealing with the incident. This contrasts with the fallible situation prior to the implementation of the system that relied on the users' knowledge of each client's preferences (or a time consuming look-up to find the appropriate action at each stage).

The system features the production of "intelligent" Claim Forms. Thus, once an incident has been reported, the right type of Claim Form is automatically produced by the system for the type of incident. This form is pre-filled to the greatest extent possible, leaving the customer to provide only the minimum of information. This Claim Form will be automatically dispatched to the customer by Fax or mail according to their "customer profile" preference.

Concurrently, another workflow will deal with the activities required to initiate the

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repair of the vehicle. Once these arrangements have been made and the vehicle has been collected and inspected by the repairer, VELO receive an estimate for the repairs together with *video stills* of the damage to the vehicle. This allows VELO engineers to assess the accuracy of the estimate and to ensure that the driver is not claiming for repairs resulting from another incident. This capability has vastly reduced the need for VELO to retain third party engineers to inspect damaged vehicles resulting in a saving which can be passed directly on to VELO's clients.

Further processes flow seamlessly from those described above, e.g. to handle the processing of the Claim with insurer, to handle the Total Loss of a vehicle, to handle collection of Driver Excesses, etc. Each flow represents the best practice approach to the handling of its own aspect of an incident. By allowing the system to determine what needs to happen, the user can be certain that the service they are delivering is what the client expects and is being conducted in the most efficient manner possible.

The overall job is one of information management. At each stage in the handling of an incident, the user needs rapid access to the information that will allow them to make the decisions that rely on their expertise, experience and judgement. The system ensures that as each task is delivered to a user the appropriate information is also made available directly on their screen, thus minimizing the time needed to carry out the essential tasks and eliminating paper handling activities completely. The system also provides comprehensive inquiry facilities to allow a user to access all the information associated with a particular incident in response to ad-hoc queries.

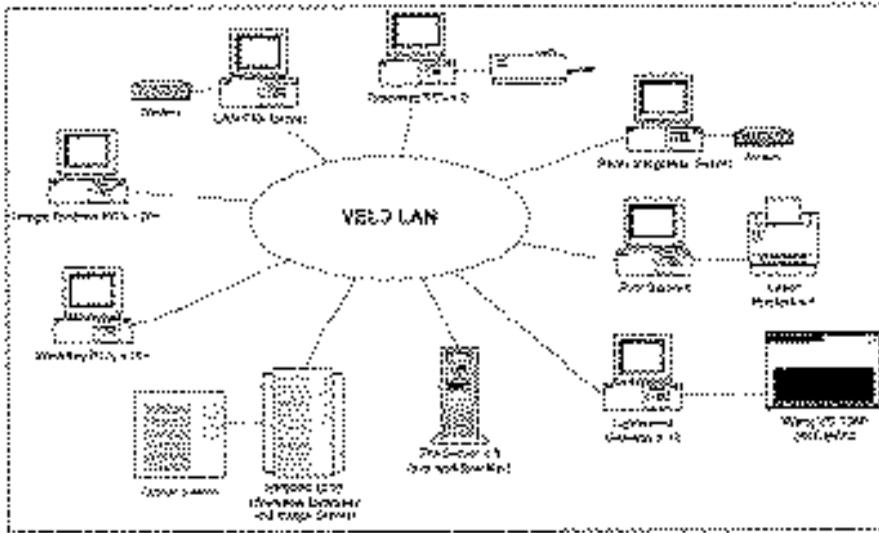
All outgoing letters are produced by an automated process. The system will determine which is the appropriate point in each business process where a letter needs to be produced. Some of these are totally standard and are produced with no user interaction. Others are produced on the basis of standard templates and collect information from the user to tailor the template to the specific circumstances of the incident being dealt with. The use of this approach ensures that all letters leaving the relevant departments are consistent in format and presentation.

THE KEY MOTIVATIONS BEHIND THE SYSTEM

VELO ClaimFlow is an innovative response to the problems caused by the company's rapid growth in the accident management field. With up to 3,000 new claims a month, streamlining the associated administration was considered essential if VELO's insurance specialists were to continue to focus on the important aspects of their work, rather than becoming inundated in paperwork which delivered no value to the client. In conjunction with Eastman Software and Relational Developments Limited (RDL^{See} Relational Developments Limited), VELO has created a £1m cutting-edge solution.

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THE CURRENT CONFIGURATION



The ClaimFlow system makes use of a number of diverse technologies to provide an overall integrated solution to the users. (These are client-server technologies. Where a particular element is identified with a particular piece of hardware, it refers to the server on which the services are running).

At the heart of the system is Eastman's OPEN/workflow for UNIX product running on the HP9000. Alongside this, Eastman's OPEN/image for UNIX (also on the HP9000) provides image storage and retrieval facilities. This includes the Optical Disk Management System that controls the use of a Wang-badged optical disk Juke Box providing over 40Gb of near on-line storage.

- The OPEN/image Batch Scan and Batch Indexing tools are used to facilitate rapid capture of image documents from paper.
- Non-image document objects (typically Word Processing documents and text notes) are stored on a Novell file server.
- A Document Index facility is provided by a bespoke database development. This was developed using Eastman's PACE for Open Systems database (the same database which underpins OPEN/workflow) and again runs services on the HP9000.
- Fax services (for both incoming and outgoing Faxes) are provided by Alcom LanFax which runs on a dedicated PC server.

Video stills are captured using DataCrown's Image Assessor product and are received via a modem. A dedicated PC server runs a bespoke process which converts these to OPEN/

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image file format, stores them in the OPEN/image environment and attaches them to the relevant workflows.

A key feature of the system is its integration with VELO's existing Accident Management database system (ACCMAN). VELO have no desire or requirement to replace ACCMAN with a new system. It fulfils an important role in their operation very effectively. Ensuring that VELO's investment in that system was protected has been an important factor in this project.

ACCMAN resides on a proprietary Wang VS minicomputer. Access to the Wang VS (for log-on and other services) is provided by MacSoft's Lightspeed product. This also has a series of API's which provide the capability for program-to-program messaging between the end-user PCs and programs running on the Wang VS. This capability has been used to build a series of services on the Wang VS and PC executable programs that communicate between the two environments. The effect of this has been to make the proprietary database accessible from the desktop PCs as though it were a modern open systems database, effectively protecting VELO's investment in the ACCMAN system. This is a key area of innovation in the ClaimFlow solution.

Access to the information held in ACCMAN is used primarily for two purposes. Firstly, it allows the workflows to reference the existing information base to make decisions about how a business process should proceed. This might depend on the circumstances of the particular incident being dealt with or on the preference of the client as expressed in the Client Profile data held in ACCMAN.

Secondly, information from the ACCMAN system is used for the automated production of personalized letters at the relevant point in each workflow. As well as automated retrieval of information from ACCMAN, certain ACCMAN data items are updated as a result of activities occurring in the workflow environment. In particular, ACCMAN has a "progress sheet" for each Claim on which are noted significant events in the processing of the Claim. These updates enable users who only have access to the ACCMAN system to obtain information with regard to what activities have been carried out in the workflow environment in respect of each Claim.

Automated letter production is carried out using Microsoft's Word 6.0 and a series of macros that control the production of each letter. The macros automatically apply a signature to each outgoing letter so that they do not need to be handled by the originator before being mailed or Faxed to the recipient.

A standard part of the OPEN/workflow product set is a Report Builder tool. This allows access to the base of metrics information that is automatically captured as work is conducted through the system. These metrics reports are used to gather information on the throughput of work that then informs further refinements of the work processes.

One key to the success of the system is the way in which these diverse technologies have

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been brought together to form a single coherent system which optimizes the conduct of VELO's Accident Management business.

The total user population numbers 70. Of these, 50 process their daily business through the workflow system. The other 20 have access to the Document Index and Image facilities to enable them to retrieve electronically any of the (previously paper-based) information that makes up the claim file.

IMPACT TO THE COMPANY.

In implementing the ClaimFlow system, VELO have transformed the face of motor insurance and accident management. In an industry traditionally associated with an overwhelming volume of paperwork, VELO have taken a giant step in eliminating the massive obstacle to efficiency. By combining innovative workflow technology with video imaging, fax gateways, and document image processing the benefits have become even more apparent.

When this project was started, VELO was a wholly owned subsidiary of Kleinwort Benson Limited. The joint venture with AON Risk Services (to form Europe's largest accident management company) has happened since the implementation of the first phase of this project. While there are many factors that influence a business decision of this magnitude, the fact that VELO had a leading-edge technology platform for processing their business must have been of some importance. It is significant that following the joint venture, VELO's working practices have been adopted for the new enlarged operation.

VELO have been highly proactive in using the system as a part of its overall PR presence. Articles relating to the system have appeared in many trade publications as well as in technology supplements of many daily national newspapers including The Times, the Financial Times and the Daily Telegraph.

Whilst many of the benefits of ClaimFlow have already been illustrated, there follows a summary of the overall benefits to VELO, its customers and the fleet industry as a whole:

- Manual processes have become fully automated saving valuable staff time
- Each process is carried out in accordance with defined best practice providing consistent levels of excellent service
- Productivity gains are anticipated to be 25 percent
- Electronically stored claim files can be retrieved instantly by any number of operators simultaneously. This has provided benefits even for those users not participating in the automated workflows and, most importantly, for VELO's customers
- Automated letter production provides consistent, high quality, personalized letters with a minimum of user input
- Step-by-step workflows with prompts in VELO terminology ensure that procedures are always followed through fully and speedily.

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- ClaimFlow automates the chase-up of outstanding documentation minimizing correspondence time-lag
- ClaimFlow has increased VELO's work capacity and hence growth capacity as a result of reduced administration. The same number of staff can now process more work.
- The use of leading edge technology ensures maximum staff motivation.
- After initial ClaimFlow training for all staff, the need for procedural training is reduced as workflow guides operators through the steps necessary to complete each business process. This also provides greater inter-departmental staff mobility.
- The system has provided new tools for management control in terms of audit trails and views of each department's workload. This has facilitated more pro-active management including the re-allocation of work during peaks of activity or staff absence.
- Complete electronic processing of claims facilitates easy production of summary and statistical reports vital to effective risk management.
- The partnership of ClaimFlow and VideoLink has reduced the need for on-site inspection of vehicles, saving the customers money and reducing off-road time for vehicles.
- ClaimFlow's total automation means that VELO's insurance specialists are able to devote 100 percent of their time to the important part of their job, providing the UK's premier accident management service, rather than being overwhelmed with mundane administrative tasks.
- The environmental benefit of an automated electronic office (in terms of reduction in manual faxing, photocopying, etc.) illustrates the advantages of the system in a wider context.
- ClaimFlow has raised the stakes in accident management, giving customers the right to demand a reputable, flexible, reliable and efficient service.

IMPLEMENTATION PROCESS AND METHODOLOGY

The project commenced in 1994, with the simple proviso that it had to be a practical, hands-on approach from start to finish, ensuring minimum disruption to the business.

The project was split into four stages:

Stage 1—Documentation of existing processes

All existing processes were documented end-to-end, for all categories of claims. The resulting analysis diagrams with accompanying notes were published and agreed by the client,

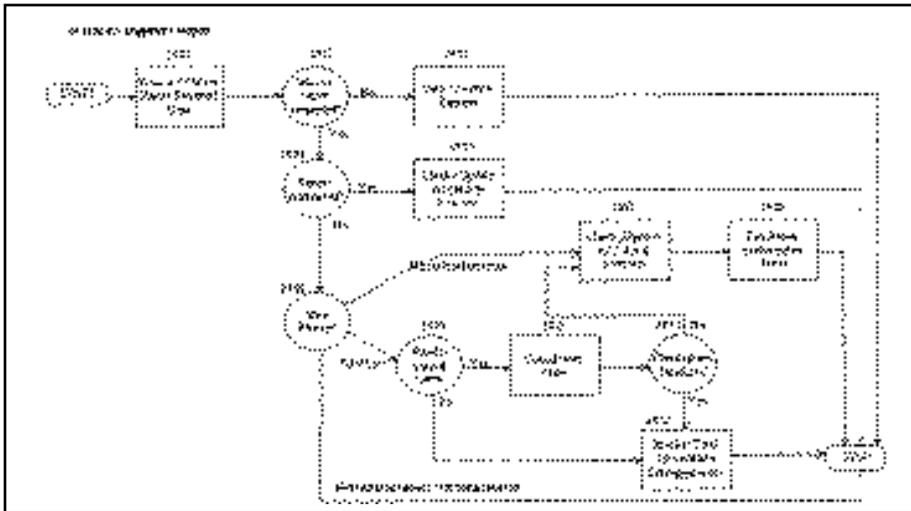
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the process being completed in three months using two business analysts.

Over 29 different business function workflows were identified and documented by use of a flowcharting tool with accompanying notes that gave the role of the person performing the task, the background detail to the current process, and the anticipated workflow improvements.

These covered three distinct business areas:

- New Reporting
- Engineering
- Claims



No	Type	Role	Description
24.01	Task	Engineer's Assistant	Check and Update ACCMAN with Report Received Date (PC)
24.02	Question	Engineer's Assistant	Was the report requested from the engineer by VIS?
24.03	Task	Senior Engineer	Decides if any non workshowed action required.
24.04	Question	Engineer's Assistant	Have the repairs been authorized? Can be automatically determined by checking relevant ACCMAN date.
24.05	Task	Engineer	Check and update ACCMAN Estimates if necessary as a result of the Engineer's Report.

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24.06	Selection	Engineer	Select the reason why the repairs have not been authorized. Possible options are: The vehicle does not require repairs, or it has been decided not to repair the vehicle; The vehicle has been designated as a Total Loss; or the authorization should have been given, but was missed.
24.07	Task	Engineer	As 24.05.
24.08	Task	Engineer	Fax Repair Authorization forms to insurer.
24.09	Question	Engineer	Should the client be consulted before declaring the vehicle a total loss? A new indicator, CONSULT TOTAL LOSS IND, has been prepared for each Customer Profile record. A value of 'Y' indicates that the client should be consulted.
24.10	Task	Engineer	Telephone the client and ask for their agreement to proceed with the claim on a total loss basis.
24.11	Question	Engineer	Does the client agree to proceed with the claim on a total loss basis?
24.12	Task	Engineer	Update 'Total Loss' to 'Y' on 'AB/CLAIM / Estimated Costs' and initiate total loss and salvage processes.

Stage 2—Assessment of processes to be workflowed

Having completed stage one of the project, VELO used the resulting information to re-design the accident management processes from a business perspective, providing a good example of how an investigation with an IT perspective can impact basic business processes of a company. At this stage a technique of color-coding the diagram was introduced, which provided a strong visual cue as to the balance of automated and user tasks within the process. This not only helped the business see the positive impact of automation on processes, but helped identify those where the use of workflow would yield insufficient benefits. Once agreement of the new re-engineered business processes had been defined user management approved them.

Stage 3—Selection of Technology

A series of brainstorm meetings were then held, involving the VELO and Eastman Software project teams and RDL in order to determine the detailed areas where technology could automate and improve the documented processes.

VELO's senior management and Eastman Software then worked hand-in-hand to define

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and agree the different technologies available for implementation and assign priorities to each of them based upon the impact they would have on business objectives.

It was agreed that the following should form an integral part of the automated solution:-

- Eastman Software OPEN/workflow (integrated to the existing ACCMAN system)
- Eastman Software OPEN/image
- Microsoft Word
- Alcom LanFax
- VELO's existing VideoLink video imaging system
- Document Indexing
- Changes to the existing ACCMAN system

Stage 4—Implementation of solution

Once the technologies has been established and prioritized, the development and implementation phases of the project were scoped and estimated. The implementation strategy was designed to ensure minimum disruption to day-to-day business operations. Detailed planning took the best part of a month and resulted in a ninety-page activity list. The true budget of the project was now known for the first time and was presented to VELO's senior management for approval.

Following project approval, a period of workflow development was undertaken—the majority of this time being taken to integrate with the existing applications. VELO personnel were now involved and became an integral part of the development team. As an example, VELO's training department wrote the "Help Screens" which relate to the individual tasks, and can be amended without recourse to programming skills or the need for new versions of the process.

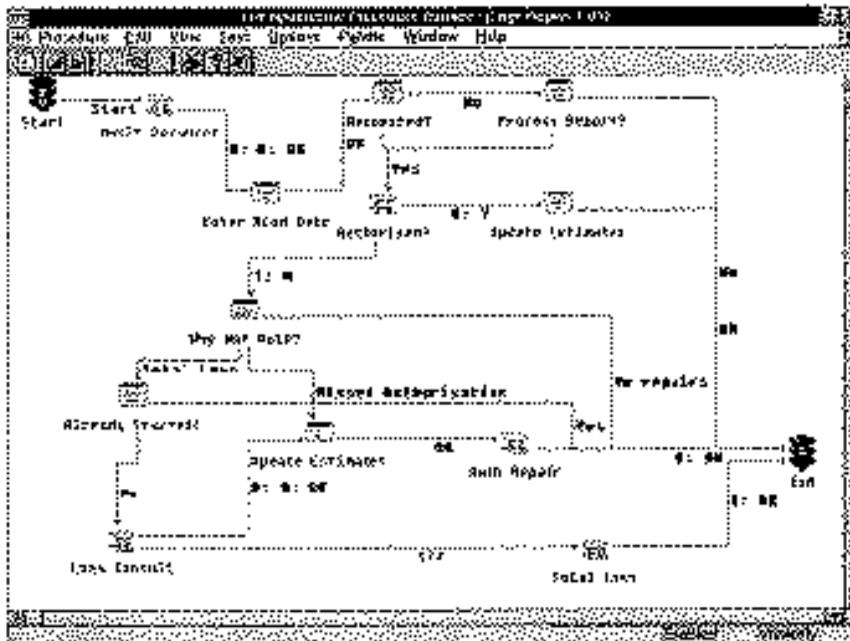
As a result, implementation was a continuous process, with no "big bang". Bugs were fixed during the testing and training stages, and perception gaps which often occur when systems are developed in isolation and then given to users en masse to approve, were avoided.

The first three key workflows were demonstrated in a test environment to users not directly involved with the project, resulting in heightened awareness of the system throughout VELO, and personnel wanting to be part of the testing process. VELO's senior management was now able to market internally the customer service improvements that the new system would deliver.

The development process for each individual workflow included key VELO users to verify the process diagrams immediately prior to the build. In some cases it was six to nine

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months since the original process had been documented. Any procedural changes during that period were verified and approved by user management. The output from the workflow build was viewed and verified by VELO project management personnel, with users being seconded to the preview testing process as deemed necessary. This resulted in a much higher quality product being delivered for full user acceptance testing along with considerably reduced time scales for this process.



Document image processing was introduced first and “stub workflows” were used to route the images to the desktops of users in the relevant departments. From these they would be able to forward documents to other departments, start a case with the document already attached as processes were implemented, and write any appropriate replies with data extracted from the existing database system. Prior to the full workflows being delivered, users would therefore be able to access claim-related information via the document manager.

The first departments to receive the full workflowed processes were New Reporting and Engineering. As the processes of each department closely interact where a vehicle needs to be repaired, it was not seen feasible to separate the implementation of these departments. An indication of the success in workflow being able to guide users through procedures has been the blurring of role boundaries, to the extent that a future change will be the merging of two of the original processes to be carried out by a new joint department.

The Claims departments were the last to receive workflow implementation, and involved

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a longer period of build, testing, revising, and training. This was primarily due to the greater complexity and fluidity of the practices they were describing, but have resulted in improvements caused by additional streamlining and redefinition of the job roles from those originally envisaged.

In all cases, once a process was considered sufficiently well defined and technically robust to go live, the period of final acceptance testing and training was organized to proceed as swiftly as possible. In this way, changes required by the business and 'wish list' features would be delayed as little as possible before work on a subsequent version of the process could begin.

The staged introduction has allowed for effective training in small, manageable groups, with support staff on hand to assist with day to day problems in the live environment. In fact, such has been the enthusiasm and acceptance of ClaimFlow as part of the workplace that few problems arise for the users. Furthermore, the standard of in-house training has been so high that the departmental supervisors are able to resolve most issues without recourse to support personnel.

THE OVERALL TECHNOLOGICAL INNOVATION

The main feature of the system is the way in which it brings together a number of diverse technologies to provide a coherent solution to a business problem. The best way to understand this is to follow a Claim through its life in various business processes. The description below only covers one small part of the business processes involved in handling a Claim. However, it serves to illustrate the way in which the technologies have been brought together under the control of OPEN/workflow to form a total solution to VELO's processing problems.

Typically, a Claim is initiated by the Driver of a VELO-managed vehicle calling the company to report an incident. Brief details of the incident are captured into the existing ACCMAN database system. The user then clicks on a desktop icon to initiate the processing of this new claim.

The program run from this icon automatically interrogates the ACCMAN screen to retrieve the Claim Number allocated by the ACCMAN system and initiates a workflow case for the handling of the Claim.

Once started, the workflow progresses through a number of automated steps to retrieve information from the ACCMAN system. At this stage, the ACCMAN data is accessed by use of program-to-program message passing between the client PC and the proprietary Wang VS on which ACCMAN resides. Accessing the proprietary ACCMAN database as though it were an open systems client-server database is a major technical innovation in this system.

The information retrieved from ACCMAN is used to make processing decisions in the

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workflow. For instance, if bodywork damage has been reported, a further workflow is initiated to handle the aspects of booking the vehicle in for repair. At this stage, and throughout all the workflows, reference is also made to Client Profile information held on the ACCMAN database to ensure that the business process is conducted in the exact manner required by the Client (thus ensuring that VELO meet their contractual obligations in the handling of each claim).

Following the Claim through the process which books it in for a repair, the user is led through a series of steps which results in the identification of the appropriate repairer. This information is recorded in ACCMAN. Once the repairer has been contacted and has accepted the booking, a Repair Booking form is generated. A program is run which automatically retrieves a set of merge data from the ACCMAN system and then launches Microsoft's Word for Windows with a pre-defined Template document. The Template macro presents a dialog box that allows the user to input any special instructions relating to the booking and completes construction of the document by merging the data from ACCMAN and any user input into the pre-defined document structure and automatically placing into the document the signature of the user who is running the workflow.

The macro goes on to initiate the faxing of the document to the repairer via Alcom's LanFax product. Once the fax has been sent, a further step in the flow automatically creates an entry in the ACCMAN database to record the fact that this important event has happened on the Claim.

The final step in the Book Repair flow is the initiation of a flow to handle the Estimate that is expected from the Repairer in response to the repair booking.

Meanwhile, in the flow that was started to handle the new incident, the user has proceeded to steps that create a Claim Form and a Covering Letter for dispatch to the Driver. These are created in a similar manner to the Repair Booking form, under the control of Word macros (once again integrating with merge data from ACCMAN). The type of Claim Form created is automatically selected depending on the type of incident. The Covering Letter provides the user with many selections for optional paragraphs which may be included depending on the circumstances of the Claim. These documents can be printed for mailing or automatically faxed to the Driver if this is appropriate.

Having sent out a Claim Form, a workflow is automatically initiated to await the arrival of the completed form.

VELO's network of preferred repairers has equipment that allows them to capture Video still images of the damaged vehicle. These are packaged-up under the control of Data Crown's Image Assessor product together with some identifying textual information and sent via a modem to VELO. At VELO, there is a process running on a dedicated PC waiting for these Video still packages to arrive. When a file arrives, it is unpackaged and the images are converted from the proprietary format in which they are transmitted into a format suitable for storage

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in Eastman's OPEN/image product. An OPEN/image document is created, the textual information is used to locate and restart the appropriate workflow case and the document is attached to this case. This process is entirely automatic running on an unattended PC.

Repairer's estimates are typically faxed to VELO. A bespoke program has been developed which allows a user to retrieve a document from the LanFax queue (using the LanFax API's). For each document, the user need only identify the Document Type and the Claim Number. The program then stores the Fax as an OPEN/image document and uses the OPEN/workflow API's to attach the document to the relevant workflow case. This will have the effect of bringing the case out of its "suspended" state, placing it in a user's Electronic In-Basket to be worked on.

When a user chooses to work on an Estimate case, the Estimate document is automatically displayed and the user can display the color Video stills of the damage to assess whether the estimate is appropriate for the damage which they can see. Processing of the Estimate then continues using facilities similar to those already described.

When the system waits for an incoming document, it does so with a specified time limit pertinent to the document type. If a time limit is exceeded, the workflow case will automatically come off suspense and into a user's In Basket. The activities required to chase-up a missing document are further automated steps in the flow typically resulting in the automated creation of a letter (as previously described).

Claim Forms are typically received by mail. All relevant mail documents are batched according to document type. These are scanned using the OPEN/image Batch Scan facilities. Indexing is driven by the OPEN/image Batch Indexing facility with a bespoke external routine. As each document is stored on the OPEN/image server, the user is presented with a dialog box on which they input the Claim Number. The OPEN/workflow API's are used to locate the appropriate workflow case and attach the document to that case (typically bringing it out of suspense). Processing of that flow can then continue in the normal way.

It is important to note that throughout the automated processes, OPEN/workflow keeps track of all the work. It automatically measures the amount of time taken at each stage in the process and this can be reported on for management and process improvement purposes. Various management facilities also exist to provide department supervisors with the tools that they need to effectively manage their staff and the workload which they are processing.

The bespoke Document Index facility also fulfils an important role in the process. It provides the mechanism by which the users can access all the information related to a particular Claim (which can be a mixture of images—mail, fax or video—word processing documents and text notes created during the process). It is used in two ways. Firstly, when a task is presented to a user, they can access the Claim information to assist in making manual decisions needed for the process to continue. Secondly, the Document Index forms the heart of the inquiry facilities that can be used to handle ad-hoc queries from customers.

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THE OVERALL BUSINESS INNOVATION

The project has been such a central part of VELO's overall business strategy for Accident Management that it is difficult to separate those changes which have occurred as a direct result of the system from those which could otherwise have been supported.

At the macro level, the biggest change in VELO in recent years has been the launch of a joint venture operation together with AON Risk Services, forming the largest accident management operation in Europe. Whilst it could not be claimed that this only happened because of the system, there is little doubt that VELO's leading-edge system placed them in a unique category within their market sector.

VELO have been highly proactive in featuring the system in their public relations activities. This has led to the publication of articles in the technology supplements of many national newspapers, raising VELO's general profile in the business marketplace.

The fact that VELO are now able to provide such a high level of service based on the automated facilities of the system has "raised the stakes" for other companies who want to operate in the same market area.

At a more immediate level, the working practices in the departments that the system supports are unrecognizable when compared to the way in which business was conducted prior to the introduction of the system. The main visible difference is the vast reduction in the amount of paper handling which is needed to successfully conclude a Claim. This includes the elimination of photocopying and manual faxing with consequent environmental benefits. However, there are also many qualitative differences that would not be so immediately apparent:

- Each process is carried out in accordance with established best practice
- No manual effort is required to ensure each process is carried out in the correct manner for the relevant client
- Productivity has increased. Whilst this is still being measured, an improvement of around 25 percent is anticipated
- Training overhead for staff has been reduced. Once they are familiar with the mechanics of the workflow system, they can participate in a variety of business processes.
- Processing time limits are automatically enforced. Supervisors and managers are notified of any work breaching these limits.
- Difficult cases can be referred to a Supervisor for specialist help or re-allocation to more experienced staff through in-built system facilities.
- All outgoing correspondence and forms are high quality, personalized, laser-printed originals (which contrasts with the previous approach which relied in many cases on hand-written tick box letters) giving a highly professional appearance.

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- The integration of video imaging has reduced the need for on-site inspection of damaged vehicles leading to a cost saving which is passed directly on to VELO's customers.
- The provision of on-line instructions for each manual task has removed the need for a separate procedures manual and ensures that helpful information can be retrieved directly by the users at each step in each process.
- Users never need to worry about what to do next with a particular business case. The system takes care of this automatically.

In summary, the ClaimFlow system has met its primary business objective of providing the users with a tool set which enables them to deliver excellent customer service by taking advantage of all the benefits which technology can deliver in streamlining administrative processes.

INNOVATION

Degree of Complexity in the underlying business process and IT architecture

The ClaimFlow system has brought together a number of diverse technologies (including proprietary databases, modern client-server tools, desktop applications, incoming and outgoing fax, etc.) presenting them as a single coherent business system which exactly meets the users' processing requirements.

ClaimFlow fully automates 29 distinct business processes. This includes some highly complex processes involving hundreds of separate tasks (and multiple job roles) which are coordinated and carried out in the most efficient manner possible.

The system is flexible, allowing each case to be processed according to the standards established for the client being dealt with.

The "Total Loss" flow deals with both stolen and written off vehicles and contains five different routes, the choice of which depends largely on the type of insurance cover. The final build contains 1,770 workflow steps of which 650 are launches of bespoke code (for legacy system integration, letter production, or automated workflow functions like suspending the flow awaiting a document). There are 220 message steps to advise the user of a manual action to be taken, 62 questions where two different outcomes are allowed and 53 selections where multiple branches are permitted. This leaves nearly 1,000 other tasks that cope with error handling and other system related functions.

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Creative and successful deployment of advanced workflow and imaging concepts

Wherever possible, technology has been used to automate activities. The users are left to deal with only those activities that require human judgement. Those activities that do not add value to the service being delivered to the customers have been eliminated.

Whenever a user is asked to undertake a task, all the information that they need to complete the activity is available to them on-screen.

The workflow definitions include parallel processing of threads through a business process, automated suspend whilst awaiting an external action (with automated deadlines and chase-up activities) and co-ordination of activities across multiple business processes.

The system allows flexible allocation of work. It allows a user to refer complex cases to a supervisor who can advise and then return the case to the originator, thus providing opportunities for more experienced staff to share their knowledge and experience with those less experienced.

Achievement of Business Process Reengineering and/or continuous improvement

All the processes implemented via workflow are radically improved from the preceding manual processes. Although BPR was not an explicit objective at the start of the project, an amount of reengineering has inevitably occurred as the project looked to take advantage what technology could offer at each stage of each process.

The metrics which are being automatically captured in respect of the business being conducted through the system will be used to identify areas where the processes can be improved to provide further productivity and service gains.

IMPLEMENTATION

Successful Implementation Approach

The project approach has featured high levels of user involvement from the start. Key business users with specialist knowledge of the business processes were involved in documenting the existing processes, revising the processes to take advantage of technology features, reviewing the initial workflow representations of each process and the user acceptance testing of each process. This led to the design of solutions that accurately met the business need and to a high level of user buy-in to the success of the overall project.

The staging of the approach (detailed in an earlier section) allowed decisions to be taken on the basis of cost effectiveness in respect of the technology brought to bear on the business problem.

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The users introduced the technology in a phased manner thereby minimizing the degree of “techno-shock” experienced.

Extent of the Change Management process

VELO’s in-house training staff was also involved from an early stage in the project, participating in the review of early deliverables and the user acceptance testing. VELO’s training manager came from a background in the business and was therefore able to contribute to the design processes as well as assess the system from a training point of view.

Sufficient time was included in the project schedules for the development of high quality training courses and the accompanying materials. Great care was taken to ensure that each user received sufficient training for their needs. This varied according to job role and level of experience.

One feature of the OPEN/workflow system is that it allows for instructions to be associated with each task in a workflow. These instructions allow a user to obtain information on how a particular task should be conducted. They are particularly relevant to those tasks that occur rarely or to the less experienced users. By attaching this information to each task, the need for an overall procedures manual has been eliminated. This ensures that the supporting information is always relevant to the job being conducted and there is no manual that can get out of date. The detailed instructions have been developed by VELO’s training staff and are therefore written in the business language that the users are familiar with. The instructions can be updated as and when required without the involvement of system development staff.

The commitment of VELO’s senior management to the success of the project was vital in securing the time of staff from all parts of the organization to participate in the project.

Level of Overall System Complexity

The system provides facilities to 70 users. Of these, 50 are involved in the automated business processes. The other 20 have access to information gathered by the workflow system to support inquiries and other related activities.

The system makes use of a single high-speed Bell and Howell scanner (capturing up to 84 pages per minute) and a single Wang-badged Juke Box (capacity approximately 47Gb).

The main workflow and imaging services run on a single Hewlett-Packard 9000 model K210 server. There are additional servers and dedicated PCs providing Fax, Video still integration, host system integration services and print services.

Approximately 500,000 image pages are captured per year.

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The system runs at a single site that is VELO's headquarters office located in Marlow, Buckinghamshire. The network of approved vehicle repairers send in packages of Video still images by means of dial-up links.

The system integrates the following technology components:

- Eastman Software's OPEN/workflow for UNIX
 - Eastman Software's OPEN/image for UNIX
 - Eastman Software's OPEN/image Batch Scan utility
 - Eastman Software's OPEN/image Batch Indexing utility
 - MacSoft's Lightspeed for integration of a database running on a proprietary Wang VS minicomputer
 - Alcom's LanFax for integration with incoming and outgoing fax
 - Microsoft's Word for Windows for automated document production
 - Data Crown's Image Assessor for delivery of Video stills from preferred repairers
 - Eastman Software's Report Builder for generating reports on workflow metrics
 - Eastman Software's Query Builder for ad-hoc queries on workflow metrics
- The system runs on Client PCs under Microsoft's Windows 3.11 operating system. The system is fully upgradeable in terms of the various hardware components on which it resides. Advantage has been taken of this to increase the capacity of the main UNIX server in response to the increased business volumes arising from the merging of operations with AON Risk Services. An exercise is currently underway to study the effect of replacing the existing 16-bit Client PC operating system with Microsoft's 32-bit Windows NT Workstation operating system.

IMPACT

Extent and impact of demonstrated productivity improvements

One major impact of the system has been that it has removed constraints that were threatening the company's ability to maintain its high levels of growth. However, it is difficult to enumerate this effect since there is no accurate model of how the company could have managed its current client base (if at all) without the benefits that the system has brought.

It is certainly clear that without the productivity gains which the system has brought, the company would by now have outgrown its physical office space and would have to have incurred the costs of a major relocation exercise.

There are further savings which can be attributed to the reduction in staff recruitment

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costs brought about by higher productivity and improved staff retention as a result of providing an improved working environment through the medium of the ClaimFlow system.

Level of increased revenues, product enhancements, customer service or quality improvements

VELO's considers this to be their competitive advantage as they have changed the landscape of their marketplace throughout Europe to their benefit. There is however an estimated 25 percent gain in productivity.

The ClaimFlow system was awarded the 1997 prize for "Best New Service" by the influential Fleet News magazine in the UK. This demonstrates the extent to which the service that the system enables has been successfully promoted as a product offering by VELO.

No hard measures of customer service exist. However, whereas previously the ability to respond to a customer inquiry was dependent on access to a paper file (which could have been in any number of physical locations in the process), VELO are now in a situation where any customer query can be answered by any member of staff on the basis of the information which the system holds and manages. This includes concurrent access to the same "claim file" in multiple parts of the organization that was previously impossible. Similarly, the image of the company has been improved by the production of all outgoing correspondence in personalized, high-quality, laser-printed format.

Quality has been improved by ensuring that each process is carried out in accordance with the best practice standards embodied in the automated workflows. Error rates have been reduced to a level that is practically negligible as the system leads the users step-by-step through each task necessary to process a case successfully. The system has also automated the mechanism by which cases are handled in a different fashion according to each client's preferences. Since this is now automated, there is no possibility of a case being handled in the wrong way for a particular client.

Proven strategic importance to the organization's mission

VELO aims to be the market leader in each of their chosen areas of operation, measured in terms of quality and difference, rather than market share. The company will develop long term and mutually profitable client partnerships by providing high quality, value for money fleet services. VELO will continue to invest in new systems as well as training and development for all staff.

Degree to which the system enabled a cultural change within the organization

There is greater staff mobility between tasks due to electronic office, audit trails etc. Less monotony and administration for staff, therefore greater job satisfaction and staff retention.

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Impact of the system on competitive positioning in the marketplace

VELO have a very active Public Relations operation that has achieved coverage of the system in the technology supplements of several national newspapers. This has brought a positive image of VELO to the attention of the business community at large that can only be of benefit in the long run.

Within their own industry, VELO are an acknowledged market leader. This position was enhanced by the Fleet News magazine 1997 award for Best New Product to the ClaimFlow system.

Through implementation of this system, VELO have quite intentionally "raised the stakes" in the UK accident management market place. Any company which now wants to compete with VELO on quality of service will have to make a large investment in technology as VELO have. This has set the mark at a level that will discourage many other organizations from attempting to compete in VELO's prime market area. Further technical innovations, now in the planning stage, will continue to move the threshold to higher levels, keeping VELO in the position of being the premier operation in their market sector.

SUMMARY CHART

Velo Motor Accident Management Ltd., Marlow, England	<ul style="list-style-type: none"> • Largest fleet management company in Europe • Subsidiary of Kleinwort Benson Ltd. • Owned jointly with AON Risk Services Ltd. • Managing 110,000 fleet vehicles for 350 top UK companies • 120 employees • Processing 3,000 new claims per month • Capturing 300,000 image pages per year • VPI O's working practices adopted by the new enlarged operation
Technology	<ul style="list-style-type: none"> • Eastman Software OPEN/workflow • Eastman Software OPEN/image • Non-image documents maintained on Novell file server • Integrated to the existing ACCMAN (Wang VS) system • Microsoft Word & Macros for signature attachment and integration to ACCMAN • Alcom FaxFax • DataCrown's Image Assessor for VELO's existing VideoLink video imaging system
Technological Innovations	<ul style="list-style-type: none"> • Automated over 29 distinct business processes

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	<p>Workflow ensures the ongoing process analysis and "on-the-fly" improvement</p> <ul style="list-style-type: none"> ▪ Automated all "non-value" paper handling throughout organization ▪ Mitigated investments in existing loss-of-customer ACCUMAN system, 90mg VLS based ▪ Integrated ACCUMAN with the Clamnetion workflow and imaging application ▪ Integrated "Visual Desk" front-represents with system ▪ Automated letter generation with customer for signature, integrated with ACCUMAN ▪ "Client profile" maintained on ACCUMAN and fed to workflow and letter generation as needed ▪ "Intelligent" Client Forms automatically produced by system and pre-filled to greatest extent possible ▪ ACCUMAN "Progress Sheet" automatically updated by workflow for access by front-repdesk and out-going users ▪ Specified time limits on all processes pertinent to character type
Approach	<ul style="list-style-type: none"> ▪ Four phase implementation: ▪ Stage 1-Dissemination of existing processes ▪ Stage 2-Assessment of process to be workflowed ▪ Stage 3-Selection of technology and prioritization ▪ Stage 4-Implementation of solution
Education	<ul style="list-style-type: none"> ▪ Sufficient time for educational development, prior to build into schedule ▪ Tailored training courses were developed by VLD's in-house training staff ▪ Change in work practices rolled out in phases to allow time for training to staff ▪ At each stage careful attention was paid to users' training requirements and buy-in ▪ OPEN/Workflow feature allows for instructions to be associated with each task as a workflow ▪ Branching the information as such task VLD's has eliminated the hard copy need of providing manuals and update.
Impact	<ul style="list-style-type: none"> ▪ Transformed the competitive marketplace ▪ Automated all "non-value" paper handling throughout organization ▪ Consistently personalized customer service

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	<ul style="list-style-type: none"> • Operational savings considered competitive advantage and will not disclose • 25 percent gain in productivity • Eliminated potential for redundant payments through ImageLink capture of all damages • Higher job satisfaction through multiple job roles benefits staff retention • Training overhead for staff reduced • Video imaging has reduced need for on-site inspection of vehicles • Users always aware of "what to do next" • Savings passed onto customers • Phased implementation eliminated "techno-shock" among staff • Environmentally friendly with reduction of paper use and on-site vehicle inspections
<p>"Total Loss" Workflow Results Example</p>	<ul style="list-style-type: none"> • "Total Loss" is 1 of 28 processes that are fully automated • Business users and educational staff involved in design of workflow • Allows 5 different routes dependent on type of insurance coverage • Manages 1,770 workflow steps of which 680 are launches to bespoke code (legacy system integration, letter production, flow suspension while awaiting a document, etc.) • Includes 220 message steps • With 60 questions where two different outcomes are allowed • Permits 53 selections with multiple branches • Over 1,000 other tasks related to error handling and exception processing.