

PGGM: “Robots help with our savings objectives”

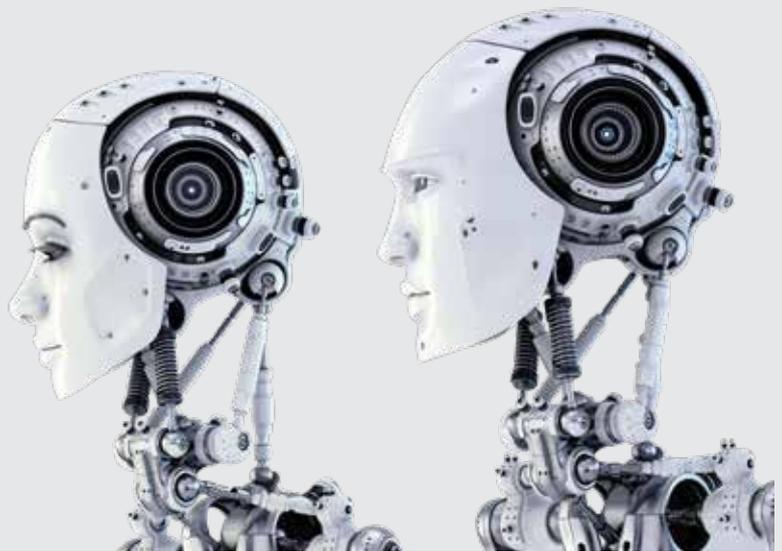
Robots can take over many standard actions at the pension fund organization PGGM. Processes become faster, the input quality improves, repetitive work reduces, and robots help to bring down the overall cost per pension participant. It’s a win-win situation.

“ We are getting more and more suggestions for robotization. This is not surprising, because all departments at PGGM Pension Management are striving to work more efficiently and at lower costs.

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Henri Martens

Team Leader at PGGM Business Analytics



PGGM is the second largest pension administration organization in the Netherlands. Approximately 1,600 employees work at the head office in Zeist to implement the pension plans of more than 4 million employees in the care and welfare sector and some other branches of industry. These are (1) pensioners who receive a pension, (2) employees who accrue pension, and (3) employees who were once in the scheme of a PGGM customer, but who now work elsewhere (so-called sleepers). PGGM takes care of the entire process of management and implementation of various industry, company, and occupational pension funds, such as pension fund Zorg en Welzijn, pension fund Architectenbureau, the branch pension fund for the Painting, Finishing, and Glazing Company, and Philips Pension Fund.

Situation

PGGM works with 1,600 employees on the pensions of more than 4 million people. “It’s about their retirement and their importance,” emphasizes Henri Martens, Team Leader at PGGM Business Analytics. “Our assignment is to ensure that this is done as well as possible and as efficiently and cheaply as possible. In other words: at the lowest possible costs per participant.” Optimizing processes is therefore the main task of PGGM Business Analytics. “We work with many dozens of data-driven processes: changes to the personal data of participants, their employers, and laws and regulations. So many standard operations. And sometimes it is difficult, for example, to quickly process new actions in our automation systems. Then a robot can be a solution. Then it goes faster, it is more pleasant for my colleagues who no longer have to do boring work, and we reduce the costs for the participant.”



Challenge

PGGM Pension Management started with its research on the feasibility of implementation of robotic process automation (RPA), in 2015. "We researched the technical possibilities with a partner and conducted two pilots at Pension Management and Asset Management. Of course, you have to begin with investigating whether existing manual processes can be incorporated into the existing automated systems. That is usually possible, but not always in the short term. For such processes, robots can be a faster and a cheaper solution. At the end of 2017, we arrived at two important conclusions: (a) yes, robots can be a fast, valuable addition to our processes; and (b) we need to build up knowledge of robotization in-house to be able to act quickly and directly."

That is why Pension Management formed a four-person robotization team in mid-2018. Henri adds, "We immediately had two issues. How do we get extra capacity to quickly meet requests for robots? And, have we efficiently organized our robotization processes in our way of working? We contacted Capgemini because of their expertise in this area."

Solution

Capgemini immediately deployed an RPA lead and a developer, who added the necessary capacity and expertise to the PGGM team. "In addition, Capgemini helped us to better describe our way of working based on their own model. This included defining the required roles and competencies in the development team and drawing up efficient coding guidelines. It is, of course, also crucial to know when and how we use robots in a process or sub-process. We have described the criteria for this RPA implementation much more accurately and clearly, with Capgemini."

Result

PGGM Pension Management has now deployed robots in around 20 processes. Henri elaborates the implementation has been applied to mainly those processes that involve repetitive actions. He says, "The robot now takes care of the repetitive actions and our colleagues can focus on more interesting work. This is going well. Our colleagues see the added value of the robot and come to us with suggestions for robotization. Not surprising, because ultimately all departments within PGGM Pension Management are looking for ways to work more efficiently and at lower costs. Every department has its 'savings objective.'"

Collaboration

Martens is positive about the collaboration with Capgemini: "We now have an approach to make quick choices and to get started. They helped us well with that by providing (a) good and pleasant collaboration and (b) coming up with creative solutions, where needed. I also see that the developers they deploy are always thorough professionals who fit in well with the team

and at PGGM in general. The combination of starting with an experienced RPA lead and deploying RPA developers for a longer period works well. This arrangement works well for us because of the access to the expertise and the extra capacity, while we share the experience with the developers. I also think that working together is beneficial for both parties."

Experiences and lessons learned

When asked about his most important experiences in robotization projects that is, implementing RPA, Martens mentions four lessons:

- If you start robotization, do it right the first time. We involved functions such as Risk, Architecture, and Audit in advance, so that all conditions were met during go-live and we could launch RPA smoothly.
- Be critical of your business case and your robot: does it really save money? Be clear about how the savings potential is realized and be transparent about it. Robotization is an investment, where you earn your returns quickly.
- Avoid being "a fool with a tool." Is a robot or RPA really the best solution or are there better technical solutions? After the initial successes, we received plenty of requests with beautiful business cases. Dare to sell "no," if robotization is not the best solution. Do not implement RPA just for the sake of RPA.
- Last but not the least: starting a robotization team with internal people—from the business—has proven to be a boon. Owing to the fact that our own people are well acquainted with the work in the business and with the colleagues who carry out the work, the communication lines are short and the barrier to visit the robotization team is low.

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