

Solving Big Bell Insurance Company's Performance Issues Using Human Performance

Technology

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Case Description

Big Bell Insurance Company is a nationwide insurance provider that has recently undergone a significant growth period. Their growth over the past five years has been accompanied by the unwelcome development of a 30% rate of incorrectly processed claims. In addition, these claims are being processed after the government-mandated 30-day period. Big Bell is seeing a decrease in customer satisfaction and the possibility of fines from governmental agencies due to tardiness in completing the processing.

These poor results are underscored by requirements that claims processors must understand the constantly changing world of hundreds of insurance regulations, of which 10% change on a weekly basis. This timeline is further set by a monthly quota requirement for all processors; many of these quotas are not being met, leading to punishments from supervisors. There is no formal quality improvement program in place for processors who are making mistakes.

There is a training program in place for onboarding, where the new processors will be expected to show they understand all 250 of the current rules available at that time. This is taught using a binder, which is then used to retain the information for future revisions that is provided via email or printed memo. There is a task force dedicated to trying to solve this problem; the task force believes that adding additional weeks of training to the onboarding calendar should solve these problems. The task force also believes that all employees are intrinsically motivated to work for the best insurance company, but also that they are motivated to be successful by knowing that failure will likely lead to job loss.

Problem Statements

The primary problems that are currently facing Big Bell are listed below:

- **Claims processors not accurately processing claims.** Claims processors are currently processing claims at a 70% success rate. Without intervention, this will continue, leading to fines from government agencies and, eventually, for customer dissatisfaction to rise enough for customers to leave Big Bell for one of their competitors. There is no data that exists as to what the individual problems are, nor how often they occur, nor are Big Bell able to identify historically which employees have the most failures.
- **Claims processors not meeting monthly quotas.** If the claim processors are able to meet their quotas, there will be cases that are not met, leading to fines and dissatisfaction. Failure to meet quota requires individual supervisors to enact punishments or growth programs, but these are not followed up on.
- **Claims information is difficult to locate and interpret.** Claims processors have no unified system for locating the changes to the regulations, and are forced to organize using a binder or self-organized email system.
- **No set knowledge growth or consequences for claims processors.** Beyond their multi-week onboarding, there are no ongoing performance management programs. Employees are unable to determine whether they are doing well, both from supervisory and individual contributor capacities. Only failures are highlighted to individual processors. There are no incentives in place for success; only a major negative incentive in place for failure.

Recommended Interventions

The interventions here are modeled using Stolovitch and Keeps' (2004) models of learning and non-learning performance interventions. One of each type of intervention is recommended to create a wholesale change within Big Bell's claims processors skillsets and culture.

Learning Interventions

Structured-on-the-job training

One positive part of Big Bell's culture is their onboarding program. Big Bell currently has a multi-week onboarding process where new claims processors are taught all of the regulations, and are then examined as to how much of this they retained at the end of the training. Although there is room for growth in how this material is presented, there are no issues with the existence of this training. Big Bell should continue to evolve the curriculum and update formats where appropriate, but should also be commended for valuing a learning culture for new hires.

While the onboarding program is an excellent method for providing information, there is no reinforcement of skills or knowledge-based training after onboarding. Depending on employees to only learn new regulations themselves, without support from learning professionals, has not led to positive results thus far. By providing measurable, structured-on-the-job training, Big Bell will be able to see where the knowledge gaps are for which employees, and can use this information to improve employee performance where needed. This will integrate with the non-learning aids as part of making more information available to processors at more relevant times than simply at the outset of their employment and through passive receipt

of critical updates. A description of a sample module is provided in Appendix A; this will be elaborated upon when the environmental intervention is discussed later.

Non-Learning Interventions

Performance aid intervention: Performance support system

There is no single source of truth for individual regulations as they change. How employees choose to store the information on updated regulations is an individual choice that should be taken away. Depending on employees to go through their existing materials and determine what must be archived, what version is the correct version of the regulation, and consistently update their tasks while attempting to meet quota is not working. By using an Enterprise Insurance Compliance Management Platform such as RegEd's Comply On Demand Enterprise, Big Bell will be able to standardize and fully digitize the process of storing all relevant documentation and regulatory changes. Fully accessible information will free up the use of email for intended purposes, such as communicating the specifics of a difficult case that require escalation to a higher-level claims processor. Additional information about this is provided in Appendix B.

Environmental intervention: Provision of information

Through the use of an Enterprise Insurance Compliance Management Platform, information will become more readily available to claims processors. When combined with ongoing training, the claims processors will be empowered to make decisions knowing they have the best possible information. They will no longer have access to out of date content, since that will be updated by whomever is responsible for maintaining the Platform's database. The training module discussed in Appendix A goes through the types of content that will be used to communicate and expose the information in the Platform.

Emotional intervention: Enhancement of motivation

Claims processors are being hired to support rapid growth; without full details of the exact number of new hires, it is safe to assume that there are a large number of them. With corporate growth comes the opportunity for personal growth. As the only way by which any processor is currently being rated is on whether or not they will keep their job and make their quota, there is no way for them to know how they are doing and what their individual growth path will look like with Big Bell. By implementing ongoing check-ins with their supervisor, data will determine how well the employees are meeting their quotas over the course of a predetermined period of time. Managers can use these syncs to discuss opportunities for processors to grow their skills, whether directly related to claims or to other soft skills, and inform processors on a regular schedule if their performance is subpar. Employees can use these sessions to determine what their trajectory is and find out ways they can improve their performance. Automating this form through a digital notebook such as Microsoft OneNote will make it easier to track this content over time. An example of a chart such as this is available in Appendix C.

Evaluation Plan

Each intervention will be evaluated according to Kirkpatrick's four levels of evaluation (Kirkpatrick & Kirkpatrick, 2006).

Level 1: Reaction

Performance support system	Provision of information	Enhancement of motivation
Processors will be asked about their current experience managing regulatory information via survey. Within survey, demo video of using potential Platform will be included. Survey data will be collected and analyzed to determine whether employees are receptive to Platform rollout.	Questions referenced in performance support system.	Processors and managers will be sent two separate surveys. Employees will be asked what their motivations are within the context of their current employment, while managers will be asked questions about how they are able to keep their employees motivated. Responses will be aggregated and analyzed to determine what is currently working and not working within Big Bell.

Level 2: Learning

Performance support system	Provision of information	Enhancement of motivation
Processors will be surveyed after implementation of performance support system to determine if they are able to understand ways to locate information.	Questions referenced in performance support system.	N/A

Level 3: Behavior

Performance support system	Provision of information	Enhancement of motivation
Data will be captured of performance to see if failure rate drops.	Processors will be surveyed to ask how this experience rates against previous information management experience, with goal of seeing progressive improvement in score.	Processors and managers will receive separate surveys to determine how well they believe they are motivating their employees. Employee motivation index should rise, which should result in better culture within Big Bell and pride; managers should be able to verify this trend.

Level 4: Results

Performance support system	Provision of information	Enhancement of motivation
Employees are successfully using Platform to complete claim processing. Incorrectly processed claims drop, while quotas are consistently met.	Questions referenced in performance support system.	Employees will see continued growth and opportunities within Big Bell. More internal promotions and leadership, with better communication with managers. Poor performers are coached to success or managed out as appropriate based on data.

References

Kirkpatrick, D. L., & Kirkpatrick, J. D. (2006). *Evaluation Training Programs* (3rd ed.). San Francisco: Berrett-Kohler Publishers.

Stolovitch, H. D., & Keeps, E. J. (2004). *Training Ain't Performance*. Alexandria: ASTD Press.

Appendix A: Description of Learning Intervention for Structured-on-the-Job Training**Weekly Training: Training Course on New Regulations**

Objective: Trainer will discuss new regulations as updated by end of previous week.

Method: PowerPoint presentation

Template: Template should include slides addressing:

- Current version of regulation vs. new version of regulation
- Example of previous resolution vs. updated resolution
- Role play or demonstration of phone call resolving the issue
- Where to locate this information in the Platform

Assessment: Assessment via short, required exams with multiple choice questions that contrast the correct answer before the resolution was updated vs. after; for incorrect answers, links to documentation to discover correct answers.

Verification: In next week's training, highlight at least one case that was resolved by a successful employee who took the training. Have this employee speak briefly about how they resolved the issue and/or simply provide accolades in the form of upgraded parking space for the next week, low-value gift card for coffee, company merchandise, or similar.

Appendix B: Additional Exploration into RegEd Compliance On Demand Enterprise

Creating a proprietary, in-house system will create expense and overhead that is not necessary for Big Bell at this time. Due to its status as an industry leader in the field of digital insurance regulatory compliance software, we have included information from <http://www.reged.com/solutions/complianceandriskmanagement/codeinsurancecomplianceplatformoverview> below; however, the choice of what specific product to use will be up to Big Bell.

RegEd Solution

Comply On Demand Enterprise (CODE[®]), RegEd's Enterprise Insurance Compliance Management Platform, enables insurers and other financial services firms to effectively and efficiently meet compliance obligations and proactively manage their compliance program, dramatically reducing the risk of non-compliance and related consequences.

The CODE Platform and its suite of integrated, for-purpose applications deliver extraordinary efficiency and oversight and enable firms to establish consistent, repeatable compliance processes and ensure closed-loop compliance.

CODE is fully configurable, scalable and extendable, enabling companies to cost-effectively build on the initial investment as their needs expand and evolve.

CODE Platform Capabilities

CODE's rich task management capabilities provide visibility into the fulfillment status of compliance obligations to ensure that gaps are closed across the compliance lifecycle. Platform capabilities also include robust workflow management, automatic notifications and exception management, compliance surveys and attestation management. As an option, CODE can be configured with RegEd's Complex Hierarchy Management.

Applications present in a common interface, optimizing usability across the application suite. Compliance data is reused across multiple solutions and presented in consolidated dashboards that enable efficient execution of work processes and management by exception. Built-in audit trails, robust reporting and risk profiling drive ready preparedness for regulatory exams and positions firm to better withstand the scrutiny of regulators.

Integrated Application Suite	Regulatory Change Management		Policies and Procedures Management		Consumer Complaint Management
	Market Conduct Exam Management			Incident Management	
Enterprise Tools	Compliance Surveys	Meta-Tagging	Automated Notifications	Task Management	Configurable Dashboards
	Calendar	Predefined & Ad hoc reports	Compliance Portal	Audit Trails	Attestation Management
Platform Capabilities	Workflow Management	Document Management	Regulatory Intelligence	Complex Hierarchy Management	Enterprise Reporting

Appendix C: Sample Employee Growth Meeting Form for Managers

Monthly Sync Form

Use this form to discuss growth plans with your employee. If you need assistance, please reach out to your HR representative for further instructions.

Date:

Employee Name:

Manager Name:

This Month

Biggest Victories for Month:

Biggest Areas of Improvement for Month:

Specific Feedback from Other Employees:

Specific Feedback from Manager:

Next Month

Things Employee Should Continue Doing:

Things Employee Should Look to Improve Upon:

Six Months from Now

What are the Manager's Goals for the Employee?

What are the Employee's Goals?

Any Other Feedback/Items to Investigate in Future: