

PGGM SAVES TIME WITH PROCESS MINING

PGGM, one of the largest pension providers in the Netherlands, wants to make her processes more efficient and reduce the costs of the accountant. To do this, the company has researched the added value of process mining. And with success: the organization expects time savings of 66% for the first, second and third line checks of the processes which were studied in the experiment.

Process mining is a new method for process improvement. All related actions and turnaround times of a process are mapped out based on data. Time to ask Henri Martens, Manager Shared Service Center Extra Services at PGGM, a couple of questions.



Image: Henri Martens (PGGM) at Finext Round Table event

1. Why did you start with process mining?

From the discussions with our accountant KPMG, process mining was suggested as a possibility to reduce the costs of the complex accountability processes and, therefore, also the costs of the accountant.

With this savings potential in mind, I started the experiment.

- **Process Mining application in insurance industry**
- **66% Time savings through improved efficiency in audit process**
- **Key success factor was multi-disciplinary team with the right combination of skills**

I am always open for innovative techniques and have been motivated by the experiences of KPMG. A lot of time is spent at PGGM on accountability reports to show our clients that we are managing our processes accurately. Afterwards, it then takes the accountant substantial time to assess the files (and their creation).

2. Which value does process mining provide PGGM?

Process mining provides insight into the process. It shows all actions (recorded in the systems) and their underlying relationships. For example, with process mining we show that all sent letters

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have been checked. Furthermore, we also show that a second employee has performed this check. The audit, which is part of the accountability reports, can be carried out faster with process mining and is more complete than a random check.

However, we did not only stay with one application, but we have also used the power of process mining at other departments and processes of PGGM. It soon became clear that the use of process mining offers more than just becoming more efficient in executing audits, but that it also provides valuable opportunities to identify improvements in all processes.

3. What was the most important success factor of the experiment?

The most important success factor was to put together a multidisciplinary team with the right combination of expertise. It is important to have the right competencies in-house when you use process mining. It's a combination of data mining and process analysis.

Within the team we have several experienced colleagues who are proficient in knowing the process execution, but less colleagues with data affinity. I went searching for someone with data affinity who could work full time on process mining and ended up at Finext.

The team was then complete for us to start experimenting with the tooling of process mining. Furthermore, I have given the team the time and freedom necessary to develop the experiment themselves and show that process mining has added value for PGGM.

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4. What benefits did applying process mining bring you?

We expect at least 66% time savings for the first, second and third line checks of the relevant processes. With the use of process mining we have established that essential processes are carried out in the same way for several clients. This evidence insures that less accountability documentation is needed.

In addition, the analyses have led to more insight in the actual execution of our processes. We have then also been able to implement various process improvements. For example, we were able to apply Robotic Process Automation (RPA) on one of our analyzed processes, whereas this was not considered useful before.

We have now completed the analyses of several processes at different departments. These analyses have been the starting point of process improvements due to the additional insight based on facts from the systems. After an improvement has been implemented, a second check is made to show the finally realized improvement potential.

5. How will you use process mining in the future?

We will use process mining in the future to continuously implement improvements in many more processes. We are now seeking collaboration with the robotization and data science disciplines. This joint group outlines the frameworks for the future use of process mining throughout all of PGGM.

During the experiment, process mining was applied in different ways, both for ad-hoc analyses as well as for long-term solutions. In the near future, it is especially important to continue using process mining in the organization. On the one hand for monitoring the processes for continuous improvements, and on the other hand for implementing standard audit reports.

Author

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Interviewee

Henri Martens, Manager Shared Service Center Extra Services at PGGM