



# Advanced case management

Where customer satisfaction and  
employee empowerment come together



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## The changing face of case management

Think of the term case management—what does it mean to you, and how effectively is it applied in your organization?

Your definition of the term will vary by your industry and functional area. Case management could mean customer dispute resolution, crisis or incident management, claims analysis and processing, contract negotiations and administration, social and educational work, fraud investigations and audits, criminal background checks, patient or customer onboarding, loan origination and review and more.

Regardless of industry and terminology, your organization's ability to address case workloads translates to its bottom line. Case management affects business outcomes, operational cost-efficiency and exposure to risk. It impacts customer satisfaction and recommendations. It influences employee morale and turnover and how effectively you address fraud and compliance. Ultimately, it bears on overall performance and profitability.

### Case management pain points

- Overburdened knowledge workers
- Unintegrated management applications
- Increasing cost sensitivity
- Inability to track/audit unplanned actions
- Rising customer expectations
- Lack of collaboration and reusability

### Knowledge workers do more with less

We have more skilled workers who must accomplish a greater variety of tasks with fewer resources	61%
As our workforce has shrunk, the amount of information handled by a single worker has increased	48%
Our jobs are less structured, more ad hoc and more exception- and event-based	32%
Instead of an assembly line approach, more of our staff handles a case from start to finish	28%
Our decision-making ability is hampered by information overload and poor insight into work processes	26%

*Source:* A study conducted by Forrester Consulting on behalf of IBM, August 2010.

Several factors are reshaping how organizations treat case management:

#### Making effective decisions is increasingly complex

Case workloads originate and are handled through more channels and applications than ever—email, online forms, phone calls, in-person meetings, instant messaging, documentation and snail mail, even social media. Spanning multiple departments, the complexity and volume of information required and generated is at a record high and growing.

#### Customer/stakeholder expectations are rising

Organizations are challenged to meet expectations of customers and other stakeholders for quality service, rapid issue resolution and seamless onboarding. Delays and inconsistencies can hurt loyalty, revenue and brand image, and generate unflattering social media reviews.

#### Regulations are changing rapidly

In such industries as healthcare, banking, insurance and others, organizations are confronted by a need to adapt casework to changing regulations and maintain case content into perpetuity to satisfy domestic and international legal and compliance requirements and make disparate information available on demand.

#### Knowledge worker roles are shifting

While automation has reduced routine tasks, workforce reductions have left knowledge workers to increasingly focus on ad hoc exception—and event-based cases that require greater flexibility, ad hoc decision-making and end-to-end management. A Forrester Research survey of 155 case management personnel in the US, Europe and Asia found that 61 percent deal with a greater variety of tasks with fewer resources.

## Knowledge worker frustration undermines quality

A glut of disparate technology and information bedevils case management. A typical knowledge worker may need to log in to three or more enterprise applications to piece together information related to a case. These workers may have separate lists of contacts and resources locked on their desktops. Tedious data entry, phone calls and information hunting consumes valuable time.

The result? Poor outcomes. Critical information may be overlooked. The risk of error and delay rises, and outcomes and quality metrics suffer. The absence of a well-defined workflow introduces confusion over decision-making responsibility. Such frustrating environments contribute to high and costly staff turnover, aggravating the problem. What's worse, critical outcomes, be they business-oriented or related to human affairs (such as adopting a child or handling a weather incident), can be impacted negatively.

These challenges are heightened by the need to coordinate cases across multiple departments, ranked by respondents to Forrester's survey as the number 1 case management challenge (followed by difficulties integrating disparate information). A lack of collaboration and ready access to information leaves knowledge workers frustrated, undermining the essential human element upon which quality outcomes depend.

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*“Cross-department activity—or lack thereof—often creates bottlenecks and information blackouts and necessitates non-value-added activity such as data entry and searches for information due to incompatible systems.”*

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— Forrester Research



## Managing service, incidents and investigative cases

Case management is nothing new. Since the days of paper and phone processes, organizations have strived to deliver quality service and resolve issues swiftly. Forrester's study found that 79 percent of organizations have some form of tools and processes to handle case workloads; just 19 percent had limited or no process maturity.

What is new is that more organizations recognize the need to adapt to the profound changes affecting the discipline. As Gartner put it: "Case management, a largely unstructured process style, is not well understood, yet is of growing interest to business process improvement practitioners in a range of industries."

According to Forrester Research, case management breaks down into three major categories: service requests, incident management, and investigative work. Each of these categories has mandates for cost control, risk mitigation and stakeholder satisfaction.

### Service requests

Onboarding, loan origination, inquiries, permitting, disability claims, patient care, healthcare payer management

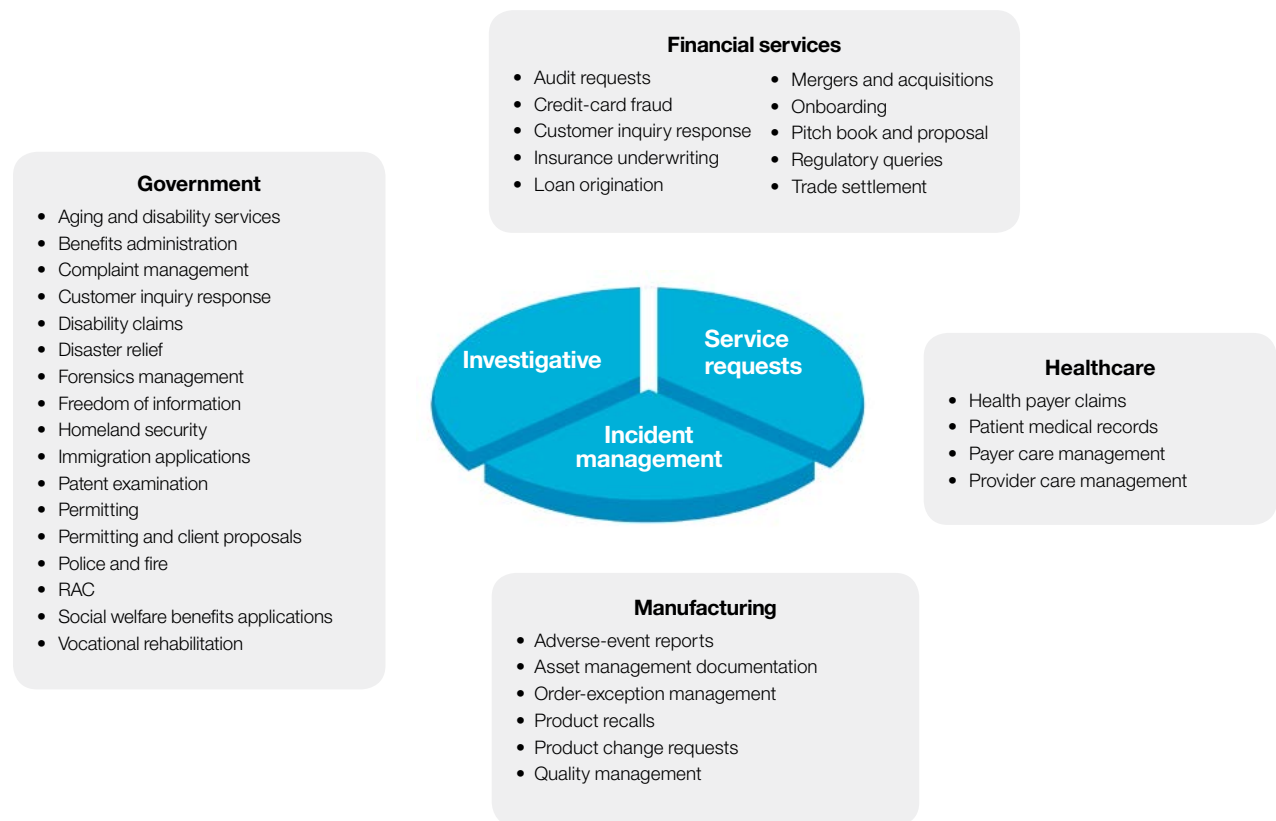
### Incident management

Complaints, product recalls, dispute resolution, police and fire, social and educational work, disaster and security

### Investigative work

Fraud investigations, underwriting, mergers and acquisitions, background checks, audits, permitting, government freedom of information requests

### A cross-industry challenge



*A complex case landscape. Case management spans major categories of service requests, incident management, and investigative work, and organizations typically address multiple types.*

Source: Forrester Research.

## The need for a more dynamic and sophisticated approach

To date, most organizations have focused on automating case processes in a mass-production or assembly-line manner. Often based upon workflow software, this approach is not well suited for the unpredictable or unplanned twists and turns that a case workload can take. As a shrinking pool of knowledge workers takes on more responsibility for hands-on, autonomous management of exception- and event-based cases, a more dynamic and sophisticated approach is needed.

Advanced case management software integrates workflow and enterprise content management (ECM) functionality. This seamless integration of content, workflow, and task management enables complicated actions to take place automatically through configuration, not coding.

Featuring collaboration and analytics, advanced case management unites information, people and processes around a 360-degree view of case information and enables users to optimize outcomes. This smarter approach allows greater insight, responsiveness and flexibility through four key capabilities:

### **Business-user solution design**

Business users can design actions and structures without IT involvement, introducing essential business context and gaining hands-on flexibility.

### **Action content**

Active content is a term used to denote a unique relationship that exists between processes, tasks and content. It means essentially that actions can be configured—not coded—to happen automatically based on events related to content, providing significant ROI for solution design and delivery.

### **Dynamic tasking**

Knowledge workers can easily create dynamic tasks and build business rules to support required, optional or ad hoc tasks and adapt to unpredictability in case progression in a collaborative environment.

### **Analytics**

Reporting and analysis on both unstructured content and relational data gives users insights on how to optimize outcomes, detect trends related to case operations and risk, and measure performance.

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### **Key capabilities of advanced case management:**

- Content management
  - Workflow automation
  - Dynamic tasking
  - Collaboration
  - Analytics
  - Archiving and governance
  - User customizability
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## Use case: Handling a customer complaint with advanced case management

Let's consider an industry-generic use case of a customer complaint arriving via email, online form, phone, snail mail or fax. Our hypothetical organization has advanced case management processes and technology to both address the case and glean insights to improve case handling and product and service quality.

When the complaint arrives, the customer is matched to a CRM database with relevant information added to a newly created case folder. A complaint from a high-value customer might be marked for immediate contact by an account manager to inform the customer that his or her complaint is receiving attention. Aided by business rules, a front-line support center reviewer categorizes the complaint by type, such as product, service, billing, safety or other for routing to appropriate departments for review.

Because business users designed the solution, the case unfolds in a business context through well-understood mechanisms. Stakeholders across departments have a collaborative, role-authorized platform to incorporate the complaint (even a phone recording), customer history and value rating, internal reports, correspondence or such documentation as receipts or invoices, and social media content from Twitter, Facebook or product review web pages into a case folder. Knowledge workers can apply analytics to determine, for instance, whether other customers have had similar complaints.

### Three keys to advanced case management



*Advanced case management unifies information, people and processes.*

If a customer submits an unexpected follow-up in the days after the original complaint, reviewers have the flexibility to adapt on the fly with dynamic, ad hoc tasks. Depending on the case, a specialist might request additional information from the customer or procure content from other departments. Once documentation has been assembled and reviewed, a final determination is made by an individual or team and communicated to the customer.

Once a case is closed, its content remains active and accessible through the case management platform to role-authorized personnel or other applications, such as CRM. The case folder can also be shared with a quality review board for macro analysis to identify systematic issues and improvement opportunities.

Conspicuously absent in our example are the weaknesses of first-generation case management: siloed information, delays and miscommunication, cumbersome email exchanges, and frustration among knowledge workers and the customer.

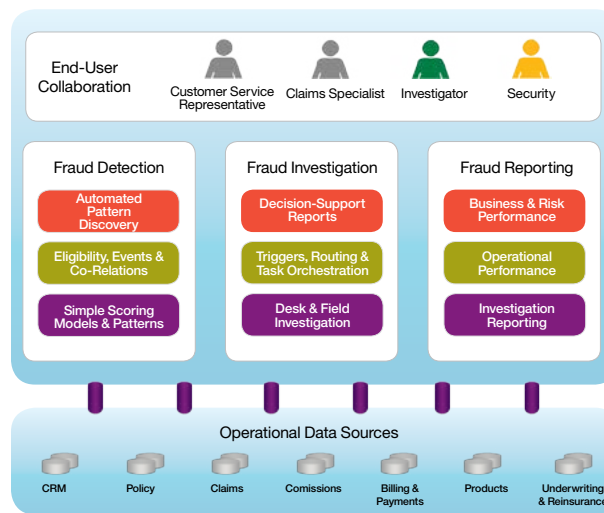


## Strengthening fraud detection and investigation

As fraudsters grow more cunning and prevalent, government agencies, insurers, banks and other organizations struggle to coordinate effective anti-fraud programs. Silos of fast-moving transactional and unstructured data make it difficult to discern anomalies. Disparate stakeholders lack the process collaboration framework needed to proactively combat fraud, leaving organizations in reactive mode.

By removing the barriers between information and fraud investigators and supplying analytics, advanced case management helps organizations strengthen anti-fraud practices while supporting deterrence, prosecution and recovery of money owed. It supports the three principal types of fraud case management—detection, investigation and reporting—with a role-authorized platform for collaboration among investigators, claims specialists, customer service representatives and security personnel.

### A smarter approach to combating fraud



*Advanced case management unifies information, people and processes in fraud detection and investigation.*

Let's look at the implications of advanced case management in financial services, government, healthcare, insurance, energy and utilities, and consumer packaged goods. Though these industries are leading case management practitioners, similar examples apply to manufacturing, high technology, telecommunications and others.





## Financial services

More so than some other industries, profitability at banking and other financial services institutions depends heavily on effective case management. The practice is essential in building customer trust and revenue through quality service, seamless onboarding, and satisfactory issue resolution across many dozens of case types. The practice is also a critical element of an effective fraud detection and investigation program.

While financial institutions have tools and processes in place for case management, first-generation solutions leave them to struggle with data silos and manual work that can hurt service quality and obscure visibility. Many lack the integrated analytics needed to build and assess individual cases and accurately measure overall performance. A fragmented infrastructure makes it more difficult to ensure legal and regulatory compliance, and escalates costs to adequately staff both knowledge worker and IT functions.

Cases driven by process exceptions—including customer issues, disputes, complex credit granting, special pricing requests, fee amnesty, fraudulent transactions and identity theft—require collection and management of all documents, data, content, collaborations, policies, rules, analytics and other information related to the case throughout its life cycle. Advanced case management supports such areas as:

### Lending performance

Lenders can automate the loan-processing stream and give sales teams a single, holistic view of loan status and exception reporting, enhancing communications across branches and other customer touch points to get the right loans approved swiftly.

### Service improvement

Retail banks can improve one-call resolution service-level agreements (SLAs) and mitigate risk with a cross-departmental platform spanning the back office, call centers and branches with life cycle case management and real-time analytics.

### Cross-sell revenue generation

Institutions can increase revenue per customer by boosting cross-departmental cross-sell and upsell based on a 360-degree customer view readily accessible to authorized individuals in various business units while improving customer service.

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### Success snapshot: Loan and lease origination

Leveraging IBM software to integrate business processes, electronic forms, and systems, an automobile financing company automated its loan and lease origination process to manage information and customer requests arriving from multiple sources, including phone, fax, mail and email. Using process metrics, the system creates daily reports on customer associate activity and overall process performance to quickly identify areas for improvement.

To support auditing and compliance, the system automatically records the status of key processes as well as the participants involved in reviews and approvals. The organization improved process efficiency and accuracy, saving approximately USD202,000 annually. Via automated declaration of documents, the IBM solution helps demonstrate compliance with corporate records policy.

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## Government agencies

Government agencies at the international, national, state and local levels handle billions of cases a year initiated by citizens, businesses, nonprofit groups and other agencies. In our digitally connected, on-demand world, constituents increasingly expect that agencies will deliver the same high service levels as many commercial businesses.

It's a complex task. Often contending with funding limitations, agencies can seldom afford a wholesale rip-and-replace of technology infrastructure. Instead, smart agencies look to non-invasive advanced case management to better manage citizen complaints, unemployment and benefit claims, social services proceedings, fraud investigations, public safety, disaster relief and more. Advanced case management is used in such functions as:

### **Crime prevention and disaster relief**

Public safety agencies can leverage intelligence and analytics to pinpoint probable crime areas, enable proactive intervention and optimal allocation of personnel, vehicles and other resources, or reduce recidivism among parolees by consolidating content and building parole management workflows. Disaster relief agencies can improve preparation and responsiveness.

### **Tax and finance**

With governments facing budget shortfalls, pressure is mounting to ensure proper tax collection and minimize fraud. Taxation agencies can automate routine casework, apply analytics to differentiate between fraud and unintentional errors, manage complex investigations across agencies and realize a 360-degree view of structured and unstructured case information.

### **Benefits and social services**

From unemployment to housing assistance, food stamps to worker's compensation, agencies can capture critical documents and information and collaboratively share case files and content to speed processing and detect anomalies that may signal abuse of the system. Archived content can remain accessible for years, while macro-level analytics can identify patterns for adjustment at a policy or legislative level.

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### **Success snapshot: Child services agency**

A state agency in the US that processes social services cases related to children and family struggled with disparate systems and information while conducting criminal background checks on certain applicants. Lengthy processes and gaps in information introduced delays and the risk that a criminal incident might be overlooked.

With IBM Case Manager, the agency has gained the new ability to efficiently and securely process criminal background checks, dramatically reducing the time to decision and helping ensure quality outcomes and children's safety. The IBM solution provides a flexible platform to support future needs and potential integration with related agencies.

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## Healthcare

The healthcare industry is facing challenges that include rising costs, personnel shortages and increasing consumer demand for 24/7 access to self-service capabilities such as checking claims, reviewing medical records and paying bills. Meanwhile, healthcare reform is transforming the industry with mandates that include multiparty coordination to improve the quality of patient care and a transition to electronic medical records.

To meet these challenges, healthcare organizations — including hospitals, physicians, insurers and payers, public agencies and others—need to organize, assimilate and analyze information from diverse internal and external sources at great scale, speed and precision. Advanced case management is helping healthcare organizations transform patient, clinical and financial information into a strategic asset for better decision-making and improved patient outcomes, cost-efficiencies and competitive advantage. Some examples include:

### Patient care

Quality of care is enhanced through simplified access to disparate patient-related records, enabling a complete and real-time view of patient history and triggering prompt and accurate counseling, physician routing, drug selection, staff assignments, billing and more.

### Population analysis

Through analytics, advanced case management helps healthcare organizations — from government agencies to regional networks to pharmaceutical manufacturers—predict high-risk populations, implement wellness programs, support epidemiological research and respond swiftly to emerging threats.

### Insurers and payers

Integrated content and analytics enables payer organizations to expedite claims processing, manage exceptions, detect and reconcile fraud, effectively manage complaints, accurately reconcile billing across multiple parties and improve operational quality and efficiency.

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### Success snapshot: Evangelical Lutheran

Based in Sioux Falls, South Dakota, the Evangelical Lutheran Good Samaritan Society (ELGSS) uses IBM advanced case management to analyze data patterns to improve business processes and enhance patient care in 240 locations across 24 states. Advanced case management is core to the organization's strategy of managing large-scale increases in process complexity, data types and volumes, and fast-changing regulations.

With the IBM technology and enhanced access to critical information, ELGSS is empowering staff, from physicians to nurses to billing, to assume greater hands-on control over decision-making and process optimization. Analytics on both structured and unstructured patient data enables ELGSS to, for instance, identify changes indicating a patient is a high-risk candidate for a fall and implement appropriate intervention.

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## Insurance

Pressure on insurance profit margins continues in an economically challenging marketplace. With revenues generally flat, many insurers are focused on ways to reduce costs and improve margins. Claims are by far the largest expenditures for insurers, consuming up to 70 percent or more of revenues. At the same time, claims resolution is one of the most important customer-facing functions in insurance, with studies showing claims satisfaction to be the number 1 factor in customer willingness to remain with an insurer and recommend the company to others.

In addition, insurance companies are heightening their vigilance against fraud. With advanced case management, insurers have a proven way to marshal and manage the far-reaching information resources needed to achieve strategic business objectives in such areas as:

### Claims optimization

Insurers can automate routine work and empower knowledge workers with hands-on management of exceptions to speed claims processing, reduce costs and improve customer satisfaction.

### Fraud and compliance

Advanced case management supplies analytics on structured and unstructured content to detect anomalies that can signal fraud and generate an auditable information archive for both internal and external compliance.

### Underwriting

Advanced case management can help diminish the complexity of underwriting by providing timely access to new information from applicants and rate change information from carriers, and by allowing collaboration among key stakeholders in the process.

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### Success snapshot: A large US insurer

A large US insurance company with more than 11,000 knowledge workers is targeting annual savings of USD2.6 million by replacing custom legacy frameworks and consolidating disparate systems, improving both the speed and quality of information access. Based on IBM Case Manager, the initiative is also expected to improve risk mitigation on the order of USD million a year.

The insurer took advantage of IBM Case Manager customizability to accelerate cycle times for developing and modifying applications through a development environment that required only 20 percent customization to meet the company's needs.

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## Energy and utilities

To satisfy market demands, energy and utility companies need a better way to manage tools and business processes, as well the documents, drawings, emails and other content on which their businesses depend. However, utilities rely on multiple isolated processes and systems in such areas as asset and contract management, transmittal management, engineering, customer service, maintenance, materials management, permit applications and regulations and auditing.

Advanced case management helps utilities work smarter through better integration, enhanced collaboration and greater insight, which can help employees make more-informed decisions that reduce costs, minimize waste and increase efficiency and customer satisfaction. Key areas for improvement include:

### **Asset management and optimization**

Energy and utility companies can automate asset change management and new asset acquisition, and make asset data available to the right people at the right time. Analytics helps utilities manage and allocate resources, while asset documentation provides an on-demand record to minimize downtime and cost.

### **Incident response and prevention**

With information access, collaboration and workflows for response and escalation, utilities can respond more effectively to incidents such as outages, customer complaints and third-party disputes. Analytics helps providers identify root causes and prevent recurrence of problems.

### **Regulatory and risk compliance and rate case management**

Utilities can address fast-changing industry regulations and prepare for rate case depositions while mitigating risk with best-practice case management templates that connect people to compliance standards, and workflow processes to manage records and provide an audit trail.

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### **Success snapshot: Metropolitan energy producer**

An energy producer in a large US city uses IBM Case Manager for onboarding new employees and contractors to comply with North American Electric Reliability Corporation (NERC) requirements for security of the physical plant, electronic systems and intellectual property. As the foundation for an employee lifecycle management environment, the solution provides common user access and a single repository of all records, documents, tasks and decisions regarding access to assets.

With IBM Case Manager, the energy producer has dramatically reduced the effort required to accurately track employee and contractor access to its physical and electronic infrastructure, improving security, reducing risk and enabling compliance with NERC audit reporting requests.

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## Consumer packaged goods

Consumer packaged goods (CPG) companies need to make informed, data-driven decisions across a range of complex case scenarios—supplier and distributor onboarding, contract negotiations, customer service, brand management and more. Reliance on ad hoc processes and disparate data sources undermines effectiveness across the CPG value chain, imperiling profitability and brand reputation.

Leading CPG companies turn to advanced case management to supply a single repository of case-related information and a collaborative process framework to elevate visibility and speed positive outcomes. The best solutions empower knowledge workers to share information across departmental boundaries and align stakeholders around strategic goals, providing repeatable processes that can guide sound business for years to come. Use cases include:

### **Contract management**

IBM Case Manager provides a means of managing negotiations as well as exchanging and maintaining supporting information and documentation of contracts being created and executed. Paired with Emptoris, IBM provides the most complete buy- and/or sell-side contract management capability in the market.

### **Supplier and distributor onboarding**

CPG companies can create a transparent, process-driven environment to add or remove suppliers and distributors, reduce risks of adding undesirable partners, and strengthen contract negotiations based on holistic access to relevant information.

### **Brand and product management**

Advanced case management can help drive collaborative brand marketing, promotions with retailers and brand tracking across social media, while giving product development access to disparate content, including crowd-sourced social media, to create and refine goods.

### **Customer service and complaint resolution**

Companies can manage complex customer service issues such as complaints or disputes, orchestrate response and escalation, and channel analytic insights into problem areas to improve products, services and customer satisfaction.

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### **Success snapshot: CPG subsidiary**

An international subsidiary to a large US-based CPG company deployed IBM Case Manager to replace its legacy paper-based processes for managing suppliers, employees and customers, eliminating unproductive manual work, gaining visibility critical to avoiding bad decisions and strengthening compliance with internal standards.

Staffers in the subsidiary's legal department take advantage of a user-friendly interface to build business rules to automate supplier contract workflows that enable them to focus on exceptions and special requirements. Lifecycle contract management is supported by a single content repository that allows rapid information retrieval by authorized team members and automated tracking of metadata-level revisions to contracts.

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## IBM's approach to advanced case management

IBM Case Manager is an advanced case management product that unites information, people and processes to provide a 360-degree view of case information and optimize outcomes. By giving knowledge workers hands-on control over solution design, IBM Case Manager lets business users design actions without IT involvement, introducing essential business context and gaining flexibility to adapt to unpredictable case developments.

With IBM Case Manager, knowledge workers can extract critical case information through integrated business rules, collaboration and analytics. This easy access to information enhances decision-making and leads to more successful case outcomes. IBM Case Manager also helps capture industry best practices in frameworks and templates to empower business users and accelerate ROI.

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*“IBM can claim the strongest scores across the three DCM [dynamic case management] use case categories—investigative, service request and incident management—reflecting the strength and comprehensiveness of its overall portfolio, which combines BPM, ECM and analytics.”*

— Forrester Research

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Produced in the United States of America  
December 2012

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