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SUMMIT 2013

Apr 30 - May 1, 2013 | Mandarin Oriental, Las Vegas, NV



WELCOME



MetricStream GRC Summit 2013: Case Study

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Streamlining Case and Issue Management

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Agenda



- Organization Overview: Vision and Key Facts
- Organizational Structure: Lines of Business and Key Stakeholders
- Complaint Management
- Member Relations CoE Mission
- High Level Process Flow
- “Before” Process
- Original Systems Architecture
- Business Need
- Business Challenges Faces
- Business Considerations
- Program Objectives and Strategies
- Strategy for Success
- “After” Process
- Technology as an Enabler
- Technical Architecture
- Successes and Benefits
- Key Learnings and Best Practices
- The Road Ahead
- Audience Questions and Discussion

Organization Overview



The United Services Automobile Association (USAA) is a Fortune 500 Texas-based diversified financial services group of companies offering a comprehensive range of banking, investing, insurance, and advice to people and families that serve, or served in the United States military.

USAA's Mission:

The mission of the association is to facilitate the financial security of its members, associates, and their families through provision of a full range of highly competitive financial products and services; in so doing, USAA seeks to be the provider of choice for the military community.

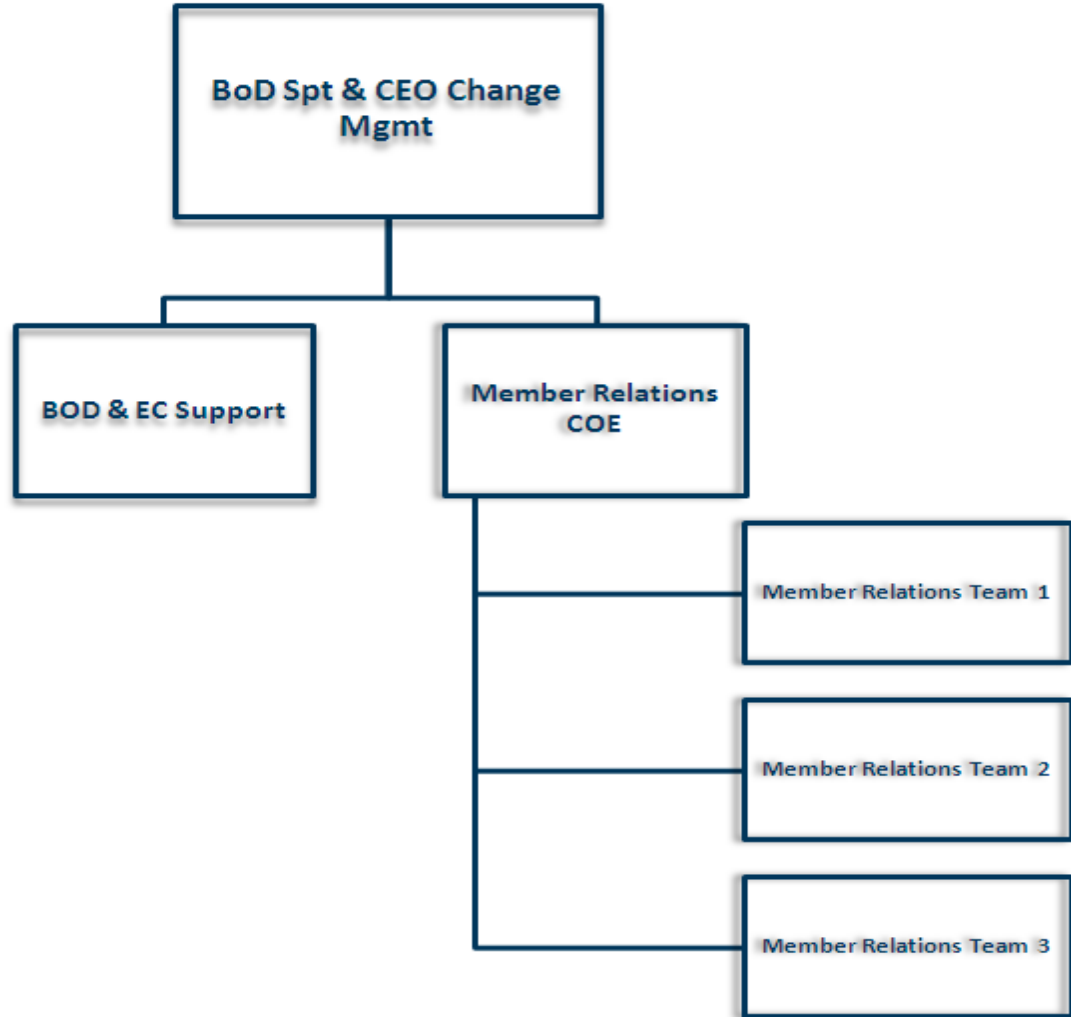
2012 Key Facts about USAA:

- 9.4 million members
- 24K+ employees
- \$183.05 billion total assets owned and/or managed
- \$21.1 billion net worth
- 98% member retention
- Operations:
 - 4 US Campuses and 2 International offices (London & Frankfurt)
 - 13 Financial Centers
 - 20 Wealth Management Offices
- Numerous industry awards and accolades

GRC Organizational Structure

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Complaint Management

International, federal, state, and local entities mandate the consumer complaint handling process, providing scrutiny to how complaints are recorded, researched, resolved, and reported for all lines of business.

Review or examination internally, as well as by external regulators, occurs on an ongoing basis to ensure all entities remain in compliance; observations or violations can result in additional, targeted examination and/or assessment of fines.

Legal, Compliance, and Member Relations teams continually coordinate with regard to the following complaint reporting and analysis activities:

- Issue Logging and Resolution
- Market Conduct Examinations
- Data Calls / Reconciliation Exercises
- Audits
- Self-Assessments

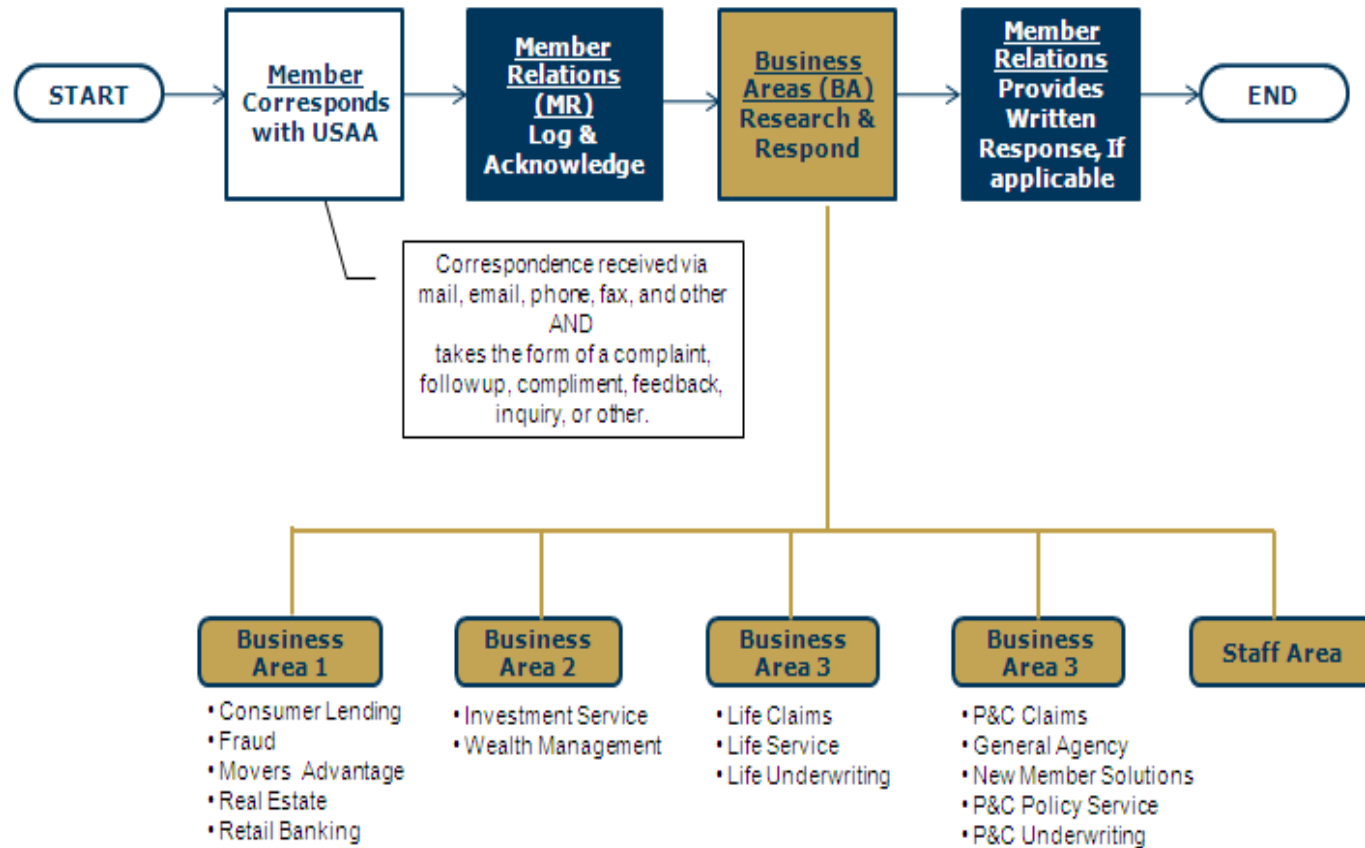
Member Relations COE Mission

To serve as USAA's member advocate by facilitating the resolution of issues through collaboration with business partners; in so doing, USAA seeks to improve the member experience while satisfying all related legal and regulatory requirements.

GRC High Level Process Flow

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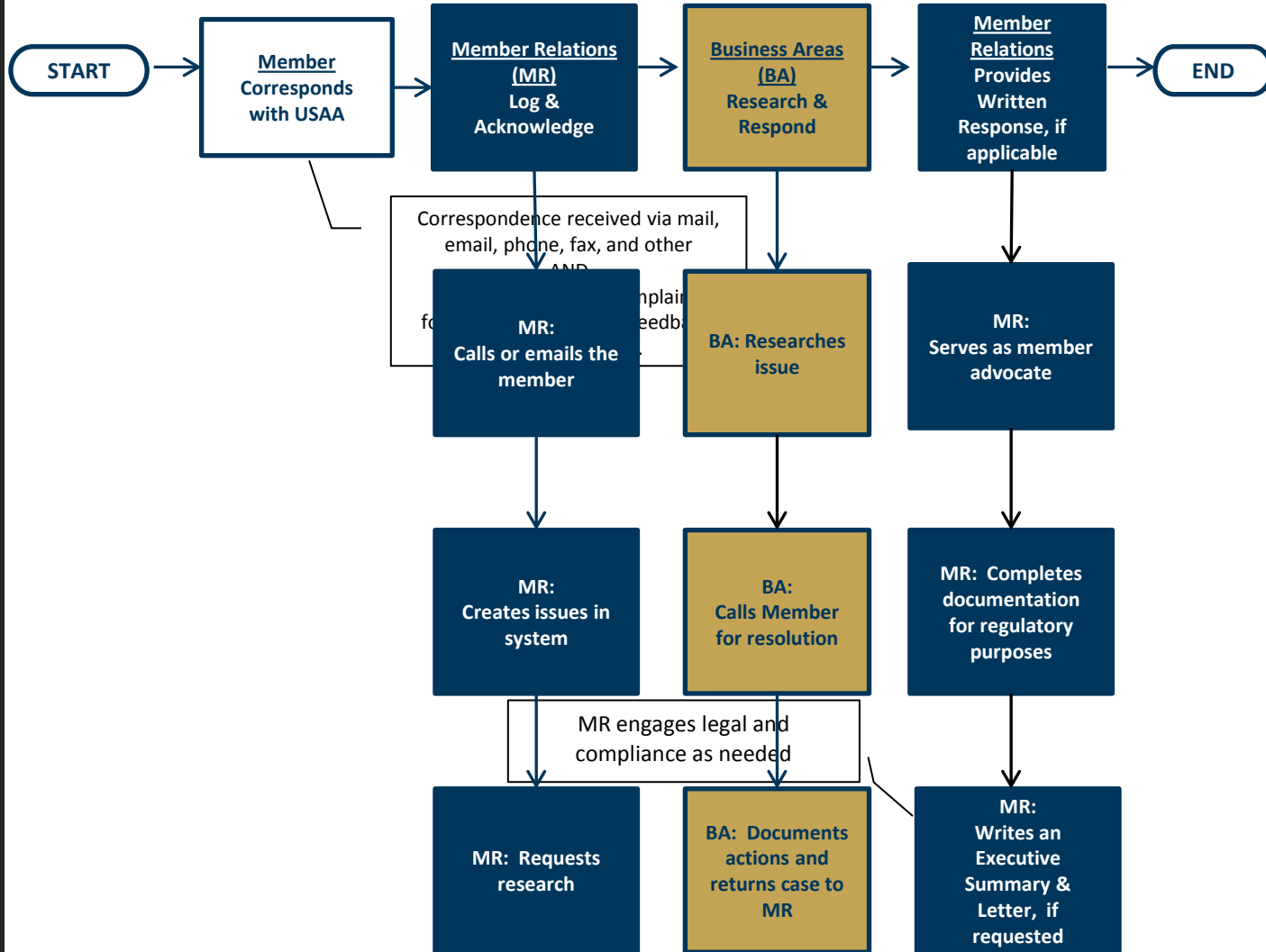
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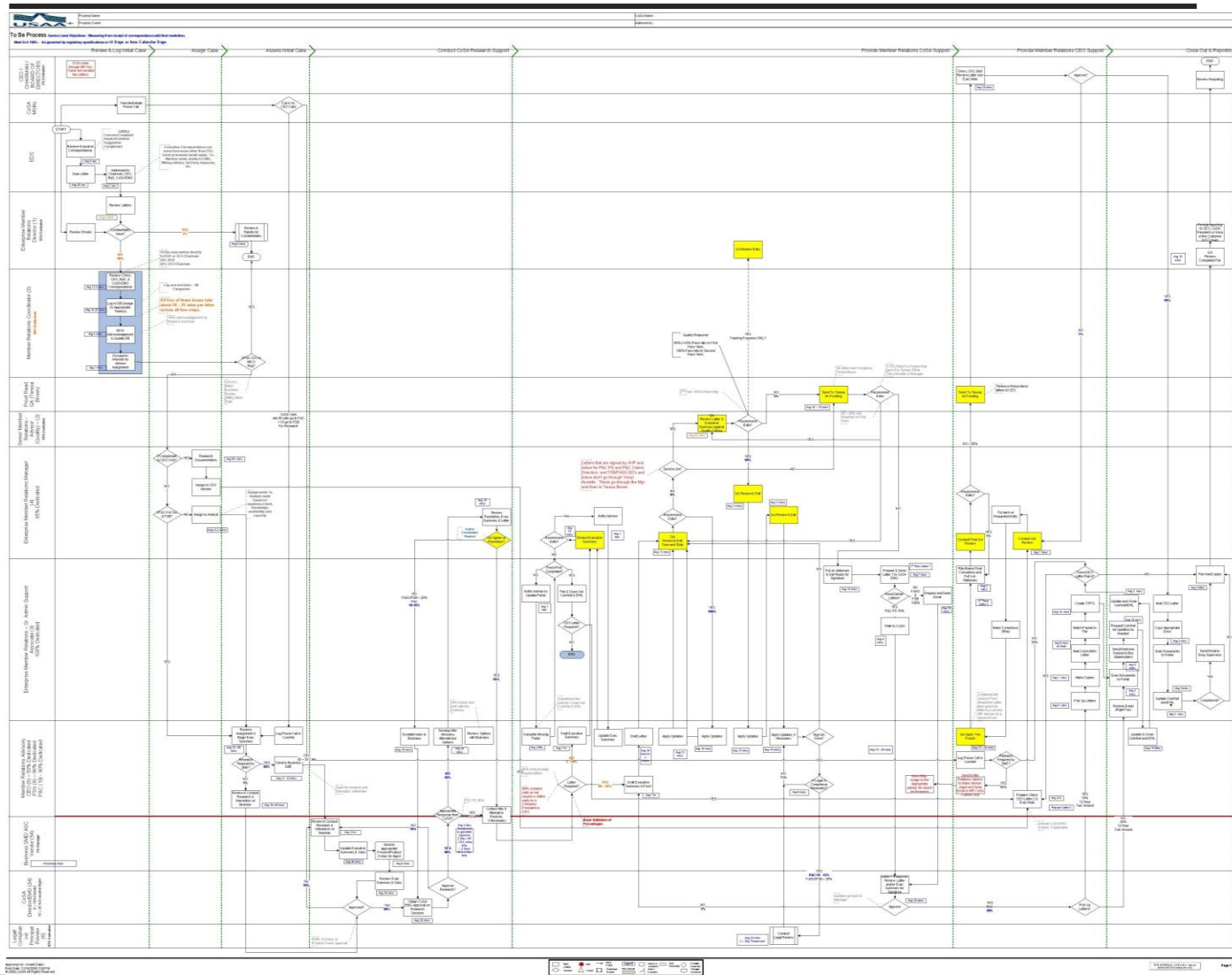
GRC High Level Process Flow

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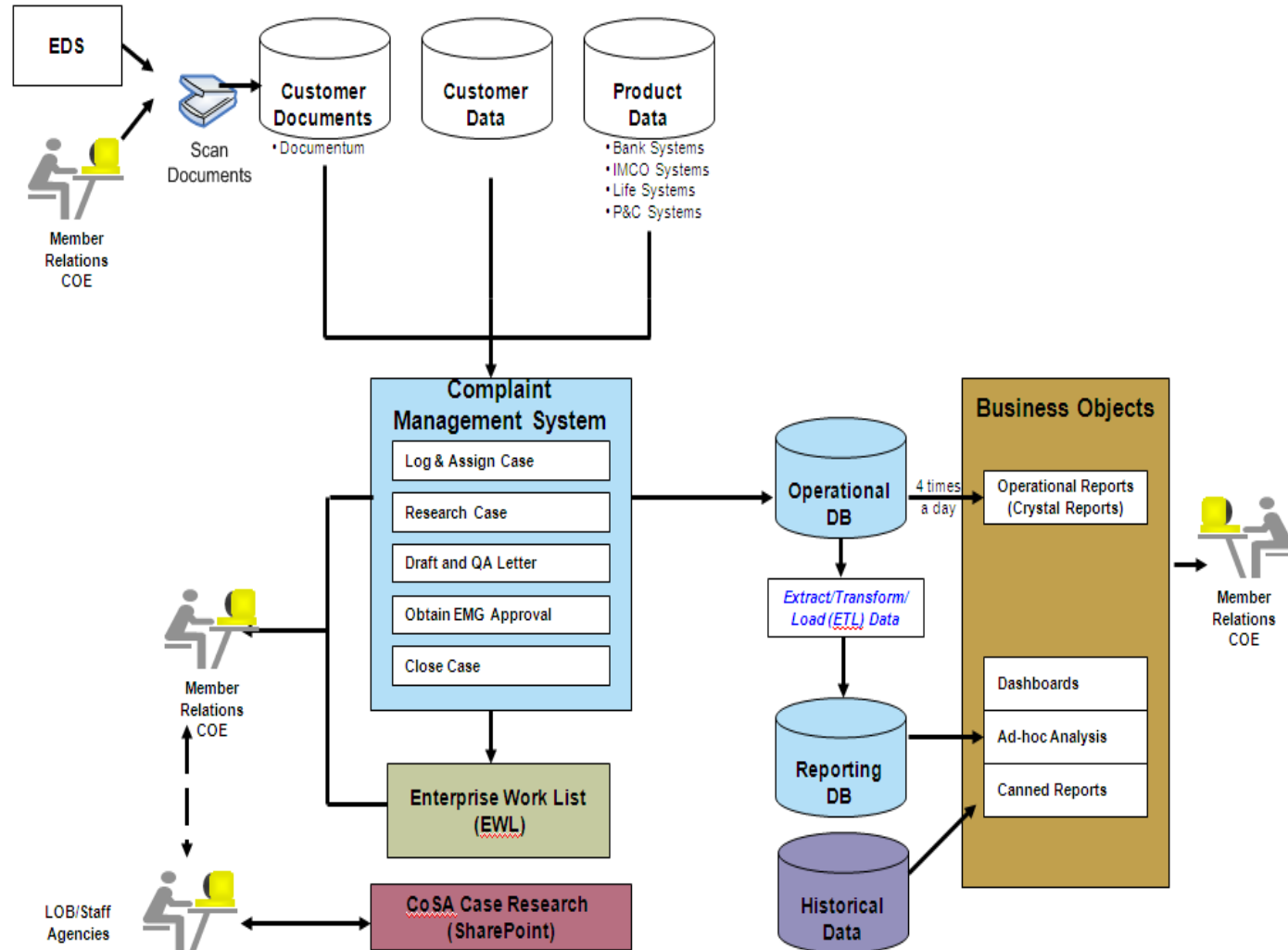
“Before” Process



Original Systems Architecture

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GRC Business Need

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USAA was seeking solutions to streamline and standardize enterprise complaint management throughout the organization.

- Member and non-member grievances were being collected and analyzed in various individual lines of business using different business rules, processes and complaint definitions.
- Collection and tracking was inconsistent, fragmented, and occurred independently.
- It was becoming more difficult to provide a true enterprise representation of grievance in order to satisfy legal/compliance and internal management reporting requirements.
- All participants in the process were suffering the effects of redundancy, rework, and delayed resolution.

Business Challenges Faced

Challenges related to People:

- Change
- Coordination/Collaboration
- Up-skilling

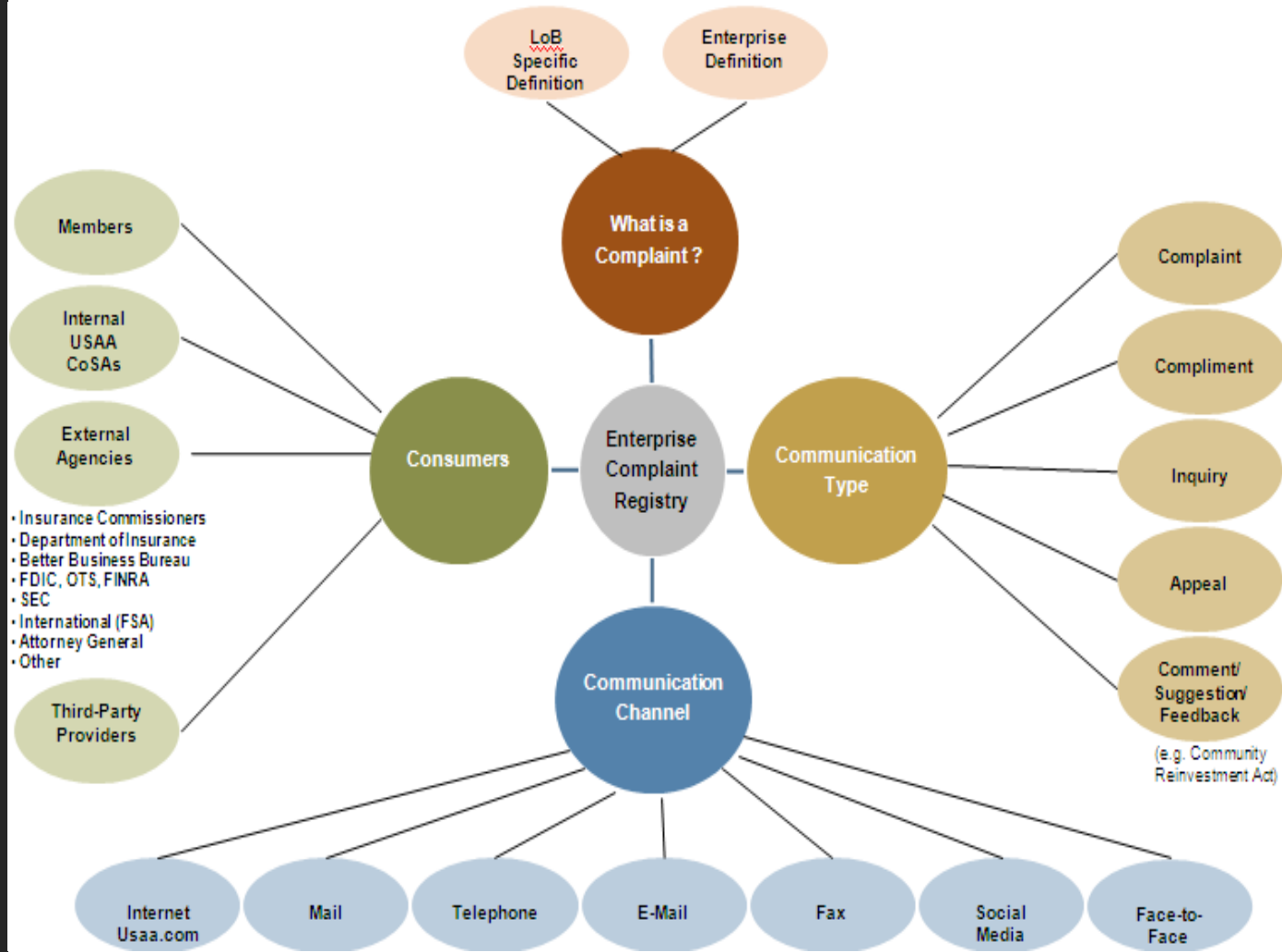
Challenges related to Process:

- Legal/Regulatory/Compliance
- Automation
- Definition
- Inconsistency
- Processing time vs. internal SLOs
- Volume
- Quality
- Regulatory scrutiny

Challenges related to Technology:

- Inconsistent, inefficient, and disparate capture systems
- Scalability/Flexibility
- Quality/Standardization
- Reporting
- Historical data integration

Business Considerations



Program Objectives and Strategies

Program Objectives:

- Establish an Enterprise Complaint Management Process
- Develop an Enterprise Complaint Definition
- Integrate line of business-initiated member complaints with complaints currently being handled by the Member Relations COE to establish a single, integrated Enterprise Complaint Registry that supports the capture, resolution, and reporting of all USAA complaints
- Migrate legacy data; retire legacy systems

Program Strategies:

- Engage process engineering to study and revise the complaint management process
- Involve legal and compliance partners across all lines of business to develop an Enterprise Complaint Definition, with business variation as needed, as well as training materials
- Assign IT Architecture to research best-of-breed complaint management workflow solutions and select appropriate technology.

Role of Technology in Program:

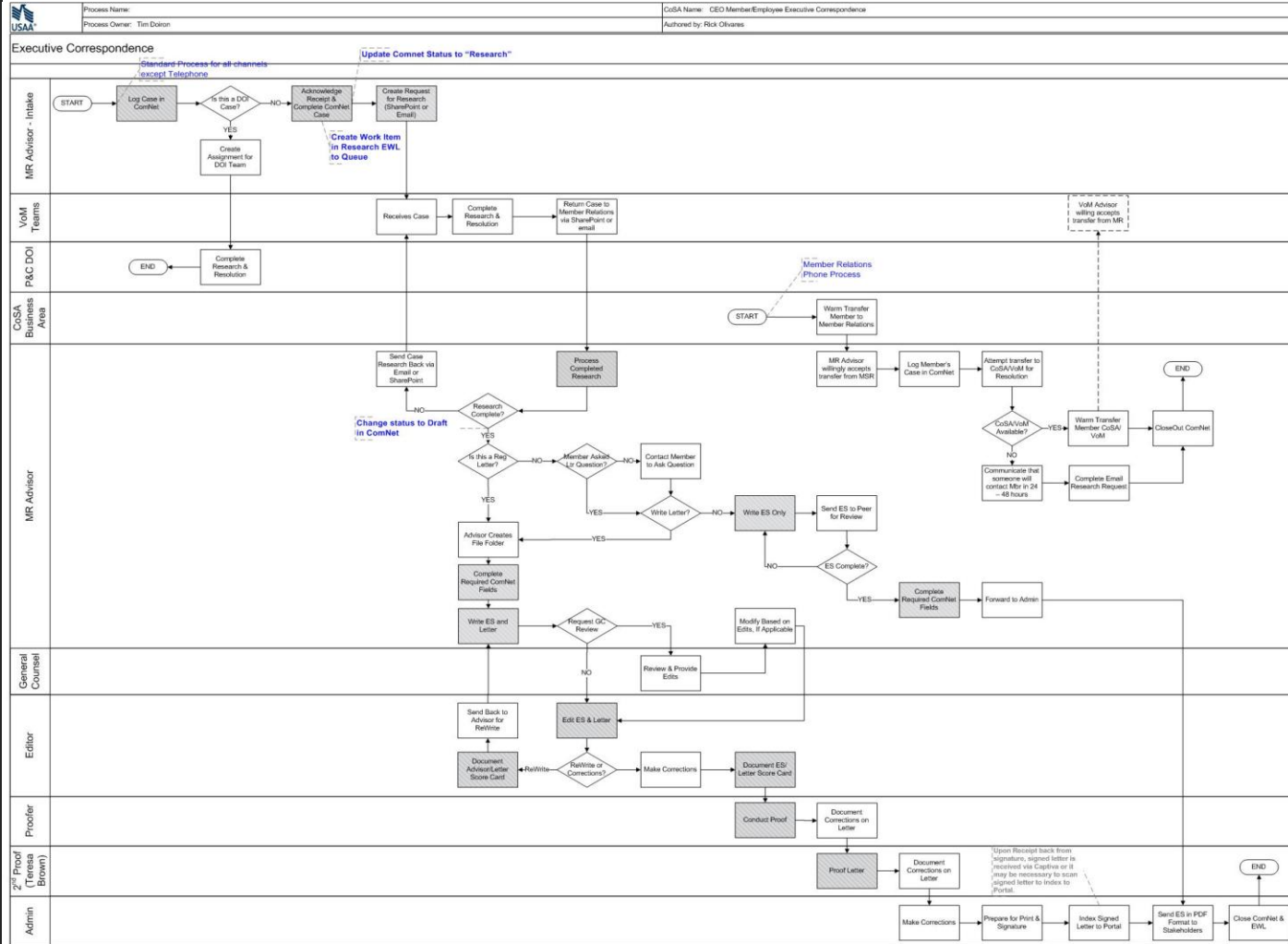
- Implement a complaint management workflow solution to automate and standardize the Enterprise Complaint Management Process
- Establish a reporting environment

Strategy for Success



Approach/Mitigation:

- Design with “best practice” in mind
- Engage legal, compliance and SME stakeholders from all line of business in all aspects of the effort
- Develop a communication plan to ensure all parties were apprised of progress and key decisions
- Complete process engineering work in advance of technology decision
- Work alongside the MetricStream resources; promote onsite design and development involving USAA resources so requirements are well understood and transition to maintenance is eased
- Increase adoption rate by:
 - Involve user base in requirements gathering
 - Engaging in user-acceptance testing; incorporate feedback into the design where possible
 - Creating custom training sessions by line of business and role; deliver or one-on-one training as needed; offer different training methods (classroom, training environment, FAQ)



Technology as an Enabler



USAA selected MetricStream as the technology solution for its Enterprise Complaint Registry.

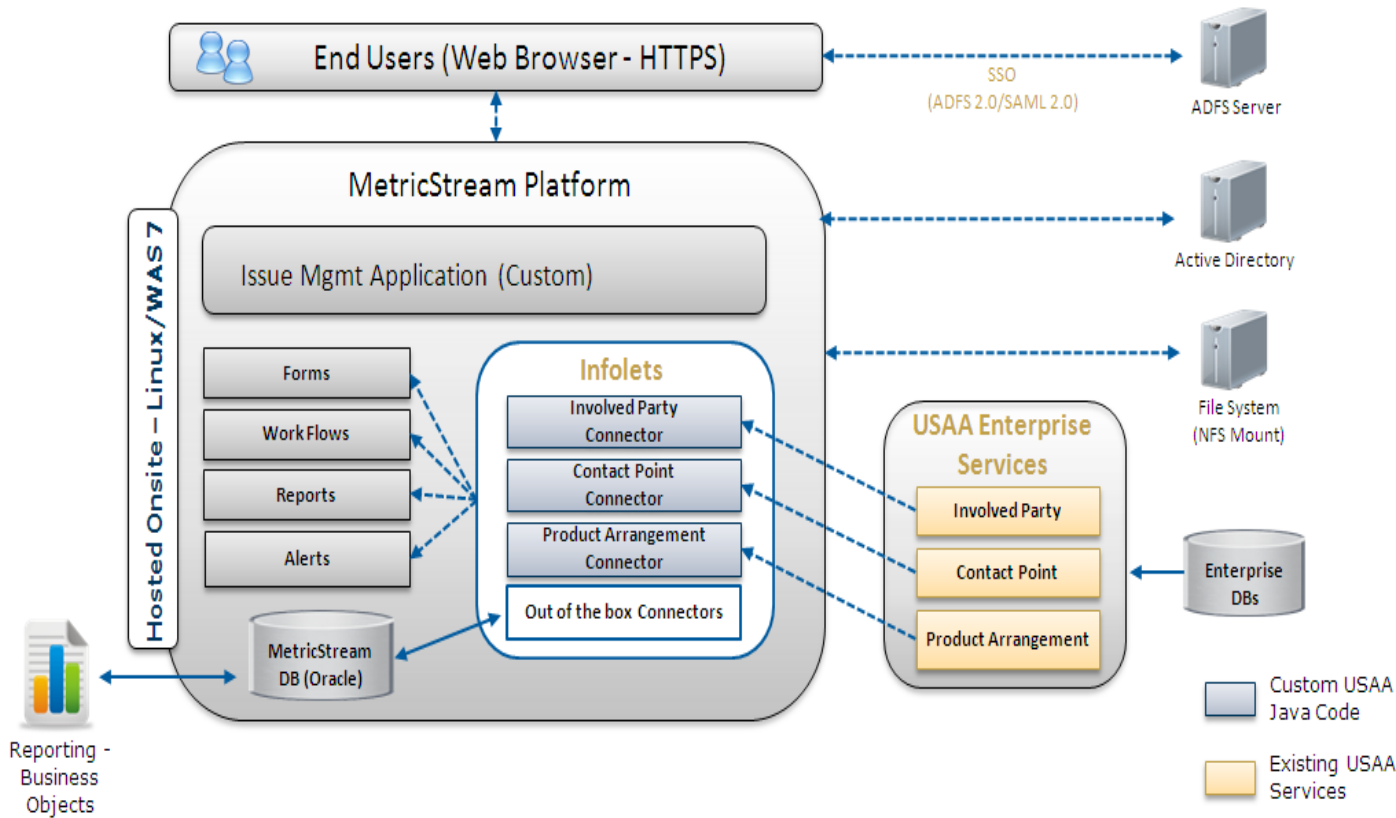
MetricStream Solution Areas:

- Issue Management Application

Key Solution Functionality:

- Hosting options
- Role-based security; integration with AD
- Workflow and collaboration
- Extensible platform
- Ability to customize
- Integration with existing systems
- Information capture
- Real-time analytics

Technical Architecture (4/2013)



Successes and Benefits

Key Process Improvements and Efficiencies Gained:

- Created a single integrated and standardized source for complaint management at USAA
- Improved data quality
- Enhanced reporting capability
- Implemented 5/1/2012 without any critical or high defects
- Initially trained 300 users; currently support ~523 users
- Realized a 25% gain productivity
- Reduced overtime
- Provided ability to meet internal SLOs and ability to absorb surge
- Retired three legacy applications (~55K savings)

GRC Key Learnings and Best Practices

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Lessons Learned:

- Onsite consulting and development model
- Transition

Best Practices:

- Utilize dedicated business and technical resources
- Employ strict project management/planning
- Engage in advance process engineering and post-implementation measurement
- Limit customization
- Phase implementation
- Test
- Collaborate
- Document
- Communicate
- Standardize
- Provide governance

The Road Ahead



- **Enterprise Complaint Registry:**
 - Issue Management Enhancements

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Questions and Discussion

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GRC NOTES

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<http://home.usaa.com/sites/connect/aboutusaa/Pages/default.aspx>