

## Working with distributors across the region to standardise and automate

# Robert Epner

\* Regional COO \* ING Insurance Asia/Pacific

**W**hereas most chief operating officers at financial houses in Asia tend to focus on one business line, Robert Epner of ING Insurance Asia/Pacific is one of only a handful of professionals involved with both insurance and asset management arms within a financial services firm. Epner has full operational responsibility for the insurance business and supports the deployment of Six Sigma for asset management.

"This region is a massive growth area for ING, and given that we believe that operations enable growth, our work is far from done," he says.

Epner has been based in ING's Hong Kong offices for five years. Before joining the firm, he also ran operations in the New York headquarters at MetLife and has served as in strategic marketing at General Electric. He says the ING role is the biggest he's tackled.

He leads 12 business units' operations in 10 countries, accounting for over 3,000 people who process 1.5 million insurance policies and 3 million claims annually. On top of this are the 4.4 inbound calls the team handles each year.

Insurance is a growth business throughout Asia, given its low penetration levels and the increasing wealth of the population, particularly the growing middle class. This means, however, greater



demands for sorting out applications, handling redemptions and other payment actions, and processing investment decisions. It also makes the back office an important differentiator.

Despite the demands these jobs have on his time, Epner faces strict budgets and deadlines – typical for an operations manager.

"Our insurance business is still very decentralized and from a regional operations perspective, we are constantly challenging ourselves to implement change faster," says Epner. "Our competitors are doing the same things and constantly becoming more automated, and although we're making a lot of progress, we cannot be complacent."

For example, Epner says ING's straight-through processing (STP) rate for its insurance is a good case in point. Enabling STP in such a

huge, complex business requires time and focus. ING's insurance business is becoming more diverse. The firm's systems enable it to automate processing of vanilla policies and applications. But Epner plans to extend this capability to more esoteric areas.

"Eight of the 12 business units are now fully automated and the next stage is having this processing system handle a wider variety of products," he says. "I think we have a smart approach to STP usage, but we are prioritizing what needs to be automated and working forward from there."

A current focus for Epner's team is ING's regional bancassurance businesses. "This channel has become a huge growth area for ING across the region and has required a lot of work from our end," he says. "We've had to integrate the front end of our systems and work very closely with the distributor banks, which is hard

on a country-by-country basis."

The goal is to work with many banks across markets to standardize ING's processing platform, to allow the firm to establish common processing modules and procedures.

"This is not an easy function, especially when you're looking for commonalities in many markets and with many distributors," says Epner. "There are a lot of processing variations in the region and although our systems and the bancassurance clients' systems speak the same language, the differences are difficult to iron out."

One of the possible solutions to centralizing ING's regional processing capabilities with distributors has been to standardize using a 'Six Sigma' approach, which is best defined as a disciplined, data-driven approach and methodology for eliminating defects in any process. This has proved to be both a hit at the company and at the distribution level and will be completely rolled out by 2008.

"By instigating a six-sigma improvement approach we'll be able to reduce turnaround time, reduce variations and improve customer service for both our insurance and asset management businesses regional," says Epner. "Regionally, Six Sigma will help us all work together on the same process platform. It has been so successful in this region that we'll be doing the same process improvements in Europe." ■