CASE STUDY BRIEFING

Inc. 5000 BPO Increases Profitability & Reduces Data Entry Costs by 90%

SITUATION

As an established Business Process Outsourcer (BPO) founded over forty years ago, this Inc. 5000 company has widely expanded its service offerings, staff and facilities. Today, it is one of America's fastest growing privately held companies. Record successes in offering competitive medical claims, medical bills and accounts payable processing made it necessary for the BPO to examine its high manual data entry costs and revisit the effectiveness of its existing document capture platform.

TASK

Due to rapid growth, the company experienced significant data entry costs and the existing document processing platform lacked the necessary capabilities to handle the new variety, complexity and volume of documents.

The company could not process faxed documents, for example, due to image quality complexities that included different resolutions, sizes and the interference of form structure and actual data elements. Some forms also had handwritten information, which had to be handled differently. In addition, accuracy was an ongoing challenge that further increased costs for verification.

In order to avoid passing costs on to its customers, the BPO needed to find a technology capable of reducing costs while simultaneously adapting easily to new customer projects and document types. To do this, the BPO chose Parascript as its partner, participating in the Parascript Accelerator Program.

APPROACH

Parascript reviewed the BPO's document samples, recognition and data entry results, as well as data entry and accuracy requirements.

The BPO then invited Parascript onsite to better understand document preparation and data entry workflows. Parascript completed these activities at no cost to the BPO. In collaboration with the BPO, Parascript created a cost model with recommended areas of cost reduction.
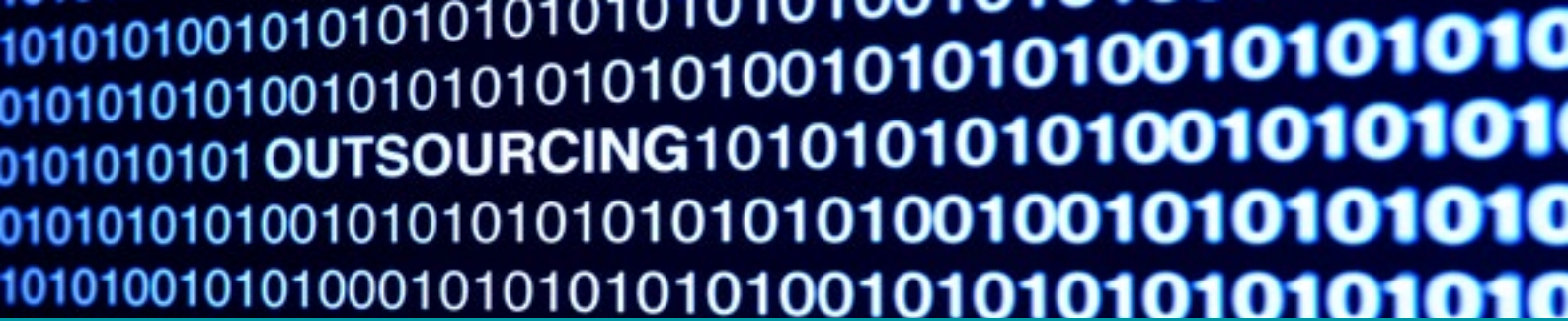
IMPLEMENTATION

Parascript identified unique technologies to solve specific problems. To handle problems with faxed images, the new solution automatically detected resolution and rescaled the images. Image distortion that stretched or compressed parts of a page was also corrected.

For dealing with issues involving form structure interference, it deployed field-level template removal, which effectively brought black-and-white images to the same level of quality as those with drop-out ink. Data extraction and workflow rules tuned at the field level to achieve 98.5% and greater for straight-through data were also developed. Field-level tuning not only guaranteed data accuracy, but also enabled removing any need to validate most of the data going through the system.

Parascript then delivered the software for the BPO to verify using the same samples and BPO truth data. Based upon mutual verification, together Parascript and the client implemented a comprehensive cost reduction plan. The company leveraged Parascript-identified technologies to handle high volume, variable document types with accurate results and low error rates.

RESULTS

Parascript reduced labor costs by 50 percent initially and ultimately by 90 percent. The BPO significantly improved the profitability of its projects and passed some of these savings on to the customer to ensure customer satisfaction.

HOW ITS DONE: IN-DEPTH

Parascript Accelerator Program for BPOs

WHY PARASCRIPT

Parascript specializes in helping organizations significantly reduce costs through a combination of automation of data entry-intensive processes. Using proprietary recognition software and a proven consultative approach, Parascript identifies the baseline performance and concrete, actionable areas for performance improvement.

Parascript has in-depth experience working with the largest government and private companies, and has a proven track record of delivering dramatic cost reductions. Parascript applies its proven processes and technology to the BPO's document processing business.

At no cost, Parascript analyzes its partner's current data entry process and delivers customized, ready-to-deploy software that results in immediate and significant cost savings.

CONSULTING ENGAGEMENT

The Accelerator Program delivers significant cost savings almost immediately.

Parascript works collaboratively with its partner to analyze the document process and examine the data. In broad strokes, here are the program phases:

1. Onsite discovery
2. Baseline performance analysis
3. Cost reduction opportunity identification
4. Business accelerator analysis report delivery
5. Comprehensive in-person briefing of the results

BPO INVESTMENT

Our approach allows for minimal investment on the part of the BPO in order to estimate cost savings. Most of the work is done by Parascript staff on behalf of the BPO. The total time required for onsite discovery is typically two to three days.

DELIVERABLES

The Accelerator Program has five phases. In Phase 1, **Onsite Discovery**, Parascript with assistance of the BPO gathers existing implementation data including current systems, processes, workflows and integrations required to process and extract data from the scoped document types. The discovery process includes: (a) *interviews* with key staff involved with processing document data; (b) *analysis* of primary and supporting documents and required data; and (c) *integration requirements analysis*.

In Phase 2, **Baseline Performance Analysis**, Parascript performs detailed analysis of samples and data gathered from the discovery. It then develops the discovery findings and proof-of-concept.

In Phases 3-5, **Opportunity Identification, Business Accelerator Analysis,** and the **Debriefing**, Parascript takes the onsite data with the sample analysis to develop the discovery findings along with a proof-of-concept.

BPO-Parascript Partnership: Onsite Discovery, Baseline Performance Analysis, Opportunity Identification, Business Accelerator Analysis Results, Debriefing on Business Accelerator Analysis Results

RESULTS

Through Parascript's experience driving successful technology solutions and data extraction expertise, Parascript identifies the greatest cost savings, operational efficiencies and best options for the most effective implementation.