



Case Study: Nissan Motor Acceptance Corporation



Customer Overview:

Nissan Motor Acceptance Corporation (NMAC), including its Infiniti Financial Services (IFS) division, is the automotive financial services arm of Nissan North America. Established in 1982, NMAC's primary emphasis is to purchase from its Nissan and Infiniti dealers retail and lease contracts for their customers. NMAC also provides wholesale inventory and capital and mortgage loan financing to Nissan and Infiniti dealers. The company offers financing for the complete line of Nissan and Infiniti vehicles sold in the United States.

Streamlined Business Process Management Books Deals, Funds Dealers Faster

Bringing order to a complex system of business processes for loan and lease approval was a big challenge for the Nissan Motor Acceptance Corporation (NMAC). Their system needed to be quick and painless for the customer. And once the financing was complete, the dealers needed to receive payments quickly.

To streamline these important processes, NMAC turned to the Global 360 BPM Suite solution for innovative, flexible technology that ensures increased process efficiencies resulting in improved customer service, enhanced staff effectiveness and reduced operational costs.

"Prior to installing the Global 360 system, we had piles of contracts everywhere," recalls Joe Bielinski, Corporate Manager of Contract Processing at NMAC. At the time, NMAC was organized into 10 units serving different regions of the country. Within each unit, people were trained to handle only the tax questions and other state-specific issues for their regions. As a consequence, one unit could be flooded with contracts and another unit slow.

"Controlling the volume and balancing the workload was a big issue," continues Bielinski. "Our old way of doing things was inflexible and it was very difficult to keep track of where a contract was at any point in the process. Plus, it was easy for contracts to get misfiled, routed to the wrong unit, stuck in a drawer, or misplaced."

Selling vehicles in the United States since 1958, Nissan has a long history of quality and innovation. NMAC is no less apart of that tradition, being one of the first organizations in the industry to employ a BPM system to handle front-end processing.

From its Customer Center in Dallas, Texas, NMAC serves 1,250 Nissan and Infiniti retailers across the United States. Today, the center is a highly efficient and flexible consolidated unit, able to handle huge volumes of contracts with a lean staff. That was not always the case.

"If a dealer called and we needed to find a particular contract, it would be very time consuming to locate that contract," adds Maria Rios, Credit Analyst. "In addition, Nissan requires us to keep track of our volume, so at certain times throughout the day, we had to manually count the number of contracts on everybody's desks. That also took a lot of time."

Global 360 Transforms the Organization with Control over Critical Processes

Global 360 has transformed NMAC into a tight, highly efficient organization. "Global 360 was the solution to the problems we faced with our old manual process, enabling us to improve productivity and customer service dramatically," states Bielinski.

Now, as contracts come into the mailroom, they are barcoded, scanned and indexed. The contracts are then immediately routed into queues for processing.

Challenges

Receiving up to 50,000 time-sensitive auto-financing contract packages monthly, NMAC was severely challenged by inefficiencies in their manual processes, and an inability to manage workloads across their geographically dispersed department while ensuring compliance with various state regulatory mandates.

Solution

Global 360 automated NMAC's loan processing system, enabling them to gain centralized control over all documents, provide real-time visibility and analytics into their loan application business, adhere to regulatory mandates, and increase the learning curve and productivity of all new hires.

Results

The Global 360 solution supports NMAC's efforts to provide excellent customer service via faster response to service issues, provides centralized control over all documents, enables real-time visibility and analytics into the business, and ensures they are in compliance with regulatory mandates.



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Moreover, instead of dividing the work among 10 units based on state or region, NMAC has what Bielinski refers to as “universal agents;” that is, all agents are universally available to handle contracts for any state.

That’s because the Global 360 system provides NMAC with insight into these critical processes by defining key questions and action items tied to each process. For example, a contract from a dealer in Oklahoma will prompt the agent with tax and other questions pertinent to that state. The agent is then able to review the contract for compliance and move it through the rest of the process more efficiently. Global 360 is integrated with NMAC’s credit system to facilitate a seamless process of obtaining credit approval, reviewing contracts, creating receivables, and triggering electronic funds transfer to pay dealers.

Tracking and locating contracts is now much easier, thanks to Global 360.

“We can easily locate a contract, determine the date and time we received it, review it’s history, and see where it stands in the process,” reports Kim McMillon- Williams, Senior Processor. “Before Global 360, if a dealer called from New Jersey, we’d go over to the unit handling New Jersey to find the contract, but there might be five agents in that unit, so it was difficult to determine who had the contract. Now, we simply enter the customer’s Social Security number or account number and the contract comes up right away on-screen.”

The need to manually count contracts to determine volume has also been eliminated. “We now get counts at any point throughout the day and they’re accurate within 15 minutes of real time,” points out Bielinski. “So even with contracts coming in constantly, we’re able to know exactly what we have in the process queues.”

Process Improvements Dramatically Raise Productivity and Cut Costs

One of the most dramatic results of implementing Global 360 has been the increase in productivity, best illustrated by comparing two very high-volume periods: one before and one after Global 360. In the first instance, NMAC received approximately 40,000 contracts in a single month. To handle the load, a staff of 125, along with additional temporary helpers, worked six days a week, 10 hours per day throughout the month processing contracts. More recently, when a similar volume of contracts came in, the same work was performed by just 102 people working normal business hours. There was even time enough to still enjoy a one-day holiday that month.

“Global 360 really made a big difference in our productivity,” affirms Bielinski. “Plus, it enables us to work smarter. For example, it used to take us a long time to respond to dealership questions — we typically took a message and called them back when we had an answer. Now, we can

answer questions right on the phone because the contract information is right there on the screen.”

Process Control Puts the Work Where the People Are

Global 360 also affords NMAC greater control and accountability for the work being done. The volume of contracts is more easily balanced among the agents, keeping the flow of work and processes steady. Without the need to interrupt processes to manually count contracts, agents are able to stay focused on the task at hand. And real-time feedback to management provides important insight into individual productivity to identify issues and prevent process bottlenecks.

“We have individual productivity reports that show us how much work each agent is processing in a day and how much time is spent on each contract,” explains Amie Crews, Supervisor. “If someone is getting backed up, we can reallocate contracts in that queue to someone else. We can also check on the quality of each agent to make sure that all the proper checks are being made and that appropriate state regulations are being followed.”

Bielinski’s group continues to work closely with its internal IS department to refine the business process for ongoing improvements. They are also looking into further streamlining the process by introducing forms recognition on the front end to eliminate barcoding. Because Global 360 integrates easily with existing - and new - technology, Bielinski expects to see a quick return on investment.

“By eliminating barcoding, we’ll be able to process a greater volume of contracts, so we can turn around contracts and fund dealers even faster,” Bielinski anticipates.

“In addition, we’ll be able to reallocate people from doing prep work to doing more productive jobs, again increasing our efficiency and turn-around time. I would estimate we’ll be able to process an additional 8,000 to 9,000 contracts with the same staff. That’s our objective, to continually improve processes so we can book more financing deals faster and at less cost. Global 360 is really helping to make that possible.”

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*Joe Bielinski
Corporate Manager of
Contract Processing
NMAC*

