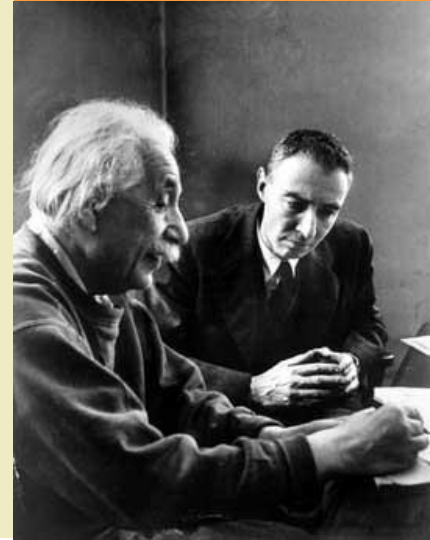


Reduction in cycle time for acceptance of collaterals

Light House Case study



Industry Type >>>

Stock Exchange - Clearing

The Client >>>

C_SE_NS

Improvement Tool >>>

Lean Six Sigma



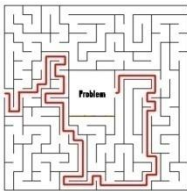
Scenario >>>

Any trading member of the Exchange is required to deposit security (collaterals) in the form of Bank Guarantee (BG) and FDR's towards additional capital. This process involves entering the Exchange premises with the collateral instruments in physical form and submitting the collaterals. Any delay in verification of the document by the department results delay in providing the benefits to the member. Consequently this results into reduction in volumes of trade for the Member and the Exchange as well as deny the organization of the competitive edge.

Business Challenge >>>

Initial data analysis shows that on an average the time taken from the entry of member's representative in the exchange premises till benefit was provided is 2:15 hrs. The steps involved in this process were time consuming and delay the time at which the benefit for the instrument was provided to the member. The target was to reduce the time to 1 hr for providing benefit for collaterals received in physical form from the current average of 2:15 hrs.





The Solution >>>

The completeness of the document from the customer was inadequate and resulted in rejection of the BG/FDR which has been eliminated by clearly providing a checklist at the website. Delay due to people dependencies and redundant check has been eliminated by modification of the process. Electronic acceptance of application has been and establishing service standards are the process improvements implemented. People dependencies have been removed creating a checklist for Officials.

Benefits >>>

The turnaround time for acceptance of collaterals received in physical form has been reduced to 1 hr. Reduction in TAT has contributed in providing more business opportunities for trading members and exchange. Introduction of checklist has ensured completion of application from customer and has eliminated many non-value added activities.

The intangible benefits include customer satisfaction and a robust process

For further information, please contact >>>

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