

## Case Study



### Pega Smart Dispute™ Implementation helps Credit Card Major Achieve Compliance

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#### Business Context

The client is a global securities, investment banking and retail banking firm. Its service offices, spread across multiple geographies, serve one of the largest customer bases in the world.

Faced with changing regulatory requirements, the client needed to make its card services division US Regulation Z-compliant. In addition, the existing Pega-based Dispute Management System needed to integrate with multiple legacy applications even as the existing manual batch processing needed change to enable faster, real-time processing.

Using a consulting-led approach, Infosys helped improve the dispute management process with minimal business disruption and enhanced the existing IT landscape to be Service-oriented Architecture (SOA) compliant. It ensured seamless integration with existing applications to create highly automated workflows that helped enhance efficiency and productivity.

## Business Challenges

Given the challenging time constraints to meet US regulatory compliance requirements, the client was under pressure to enhance its dispute management process across all its service locations within the stipulated period.

To make its card services division US Regulation Z-compliant, several business units had to be aligned within the timeline to enhance their legacy applications to a shared services model providing greater interoperability and flexibility.

The client's credit card processes were labor-intensive and expensive, and prone to errors and time lags. The banking major required a powerful credit card dispute resolution framework that automated resolution of disputes with minimal intervention through rules-based processes. Moreover, since the existing credit card operations were sub-optimal and manual, they needed to be streamlined to ensure real-time batch processing.

## Solution Overview

Infosys successfully implemented a solution based on Pegasystems' SmartBPM® suite-powered Smart Dispute™ framework within the constrained timeline. The solution reduces unneeded write-offs, automates and streamlines manual card dispute operations and provides full compliance with US Regulation Z standards.

The solution leverages the Smart Dispute™ framework to streamline the following business process workflows:

- Rebill
- Operational Processing Loss
- Second Chargeback
- Merchant Credit
- Small Balance Write-off
- Straight-through Processing (STP)
- Arbitration/Pre-Arbitration

The solution integrated with the shared services layer to provide a faster and fault-tolerant interface to legacy systems storing master customer data, helping enhance consistency and efficiency.

## Key Solution Highlights

- Efficient Business Operations
  - Automated reconciliation for representment batch failures
  - Removed manual intervention for system failures by auto-retry mechanism
- Regulatory Compliance
  - Compliance with US Regulation Z standards
- Workflow Automation
  - Automated processing for Disputes (Representment/Merchant Disputes) Management
- IT transformation
  - Migration to a well-defined SOA
  - Integration across disparate legacy applications

## Infosys Approach

Infosys leveraged its Global Delivery Model to drive the entire end-to-end requirement gathering process and business analysis with the business teams spread across various locations.

Over a period of ten months, Infosys enhanced the existing application landscape and deployed the Pega framework with around 15% customisations and fresh code to meet the client's needs, to deliver well within the stipulated timelines. Infosys used an iterative approach to mitigate risks and organized the project into four focused phases – Inception, Elaboration, Construction and Transition.

During various phases of the project, Infosys faced several technical and operational challenges. The migration process to convert the existing case into new workflow needed lot of careful planning and engineering migration activities. Further , the time saving auto-retry logic needed business approval for each activity step slowing the iterative development. Lastly, the need to convert the documents into multiple formats such as PDF and images in real time proved demanding.

## Business Benefits

The solution has helped the client's dispute management process to become US Regulation Z-compliant. With the Smart Dispute™ framework, any future regulatory changes can be easily incorporated while maintaining compliance.

The solution provides better scalability and business agility. The transformation toward SOA has helped the client improve business operations and reduce operational overheads.

Among the benefits accruing to the client include:

### *Increased Productivity*

- Workflow automation has increased productivity by reducing manual task intervention
- Automated reconciliation has increased business operations efficiency
- Reducing the data retrieval time from legacy systems by more than 50% has increased overall performance

### *Business Agility*

- Agile BPM platform with Pega systems Smart Dispute™ framework helps to successfully keep pace with the changing business rules and regulatory environment
- Highly scalable solution helps manage increasing volumes
- Real-time visibility into key processes

### *Higher ROI*

- The SOA platform delivered loosely coupled applications leading to higher reusability and flexibility
- Consistent process execution across business units or geographies, thereby reducing costly errors

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Reputation Institute's Global Reputation Pulse 2009 ranked Infosys among the world's top 50 most respected companies.



### About Infosys

Many of the world's most successful organizations rely on Infosys to deliver measurable business value. Infosys provides business consulting, technology, engineering and outsourcing services to help clients in over 30 countries build tomorrow's enterprise.

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