

Leading A Warranty Transformation Project

Lessons Learned

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1. The set-up

WHAT IS WARRANTY?

“Warranty covers any repair needed to correct defects in material or workmanship of all parts and components of **each new vehicle.**”

Warranty Policy
and
Administration

Warranty
Systems and
Analytics

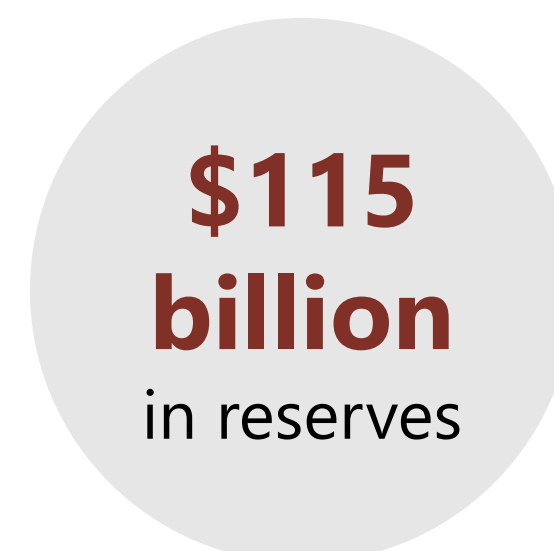
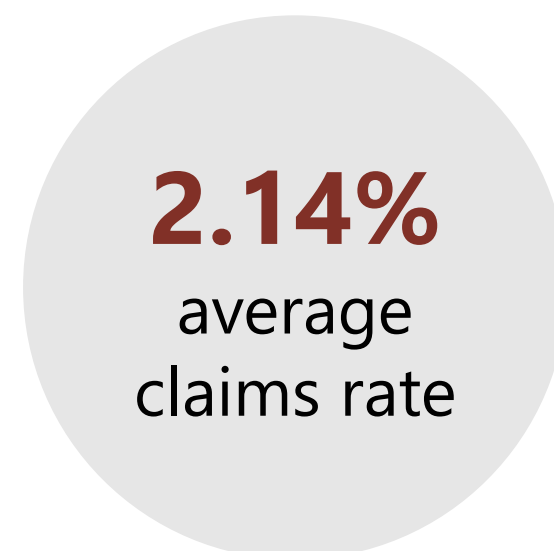
Pre-
Authorization
and Claim Call
Centers

WHY IS WARRANTY KEY FOR BUSINESS?

WARRANTY DATA

Helps continuously improve products and supplier management

WARRANTY ACTIVITIES FIGURES



*Source: Warranty Week – August 2019. Representing 24 of the world's largest carmakers.



2. Our project

INTRODUCTION TO THE PROJECT

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> APPLID(A4R0SC0E)  USER(A7N,ANDS303)  L PENDING
> AWS(A7N.EX001)   SCRL CSR  COLS 00001 00072  A<ROS1>
> <...+...1...+...2...+...3...+...4...+...5...+...6...+...7...
===== T O P =====
000100 *****
000200 * IDENTIFICATION DIVISION *
000300 *****
000400 IDENTIFICATION DIVISION.
000500 PROGRAM-ID. EX001.
000600 AUTHOR. M-G.
000700 *****
000800 * ENVIRONMENT DIVISION *
000900 *****
001000 ENVIRONMENT DIVISION.
001100 *****
001200 * DATA DIVISION *
001300 *****
001400 DATA DIVISION.
001500 WORKING-STORAGE SECTION.
001600 77 LONG PIC 99 VALUE 18.
001700 77 LARG PIC 99 VALUE 15.
001800 77 TMP PIC 9(3) VALUE 0.
001900 77 S PIC 9(3) VALUE 0.
002000 77 S-DISP PIC ZZ9.
002100 77 P PIC 9(3) VALUE 0.
002200 77 P-DISP PIC ZZ9.
002300 *****
002400 * PROCEDURE DIVISION *
002500 *****
```

Replace old legacy system



Automate leading edge analytics



THE STANDARD PROCESS

1. Repair

2. Claim

3. Investigate/Analytics

AREAS FOR IMPROVEMENT

Everybody waits!

Incorrect repair

Over-repair

Waste, Fraud and Abuse
(WFA)

Results of
investigation/analytics not
real time



THE PARADIGM SHIFT

1. Investigate/Analytics

2. Repair

3. Claim

2 MICRO-JOURNEYS

Anomalous
Repair
Control

Fight against WFA

Fixed Right
1st time

Identify complex repairs

Automated diagnostic tree
Provide real time coaching + approvals



3. Why PEGA



AGILITY

Project schedule accelerated

No code development required



PROCESSES

Easy integration & process mashups


Capacity to support complex use cases with Case Management



PARTNER

Strong commitment from Pega teams, even during challenges



A close-up, slightly blurred photograph of a car's instrument cluster. The central focus is a speedometer with a needle pointing to approximately 100. The speedometer has two scales: an inner scale for kilometers per hour (0-160) and an outer scale for miles per hour (0-140). The odometer reading '89240' is visible above the needle. Below the needle, it says 'ONE' and 'LEAD/D FUEL ONLY'. To the left is a tachometer with a needle pointing to approximately 7. The background is dark and out of focus, showing parts of the steering wheel and other gauges.

4. Business Results + Benefits



Waste, Fraud and Abuse

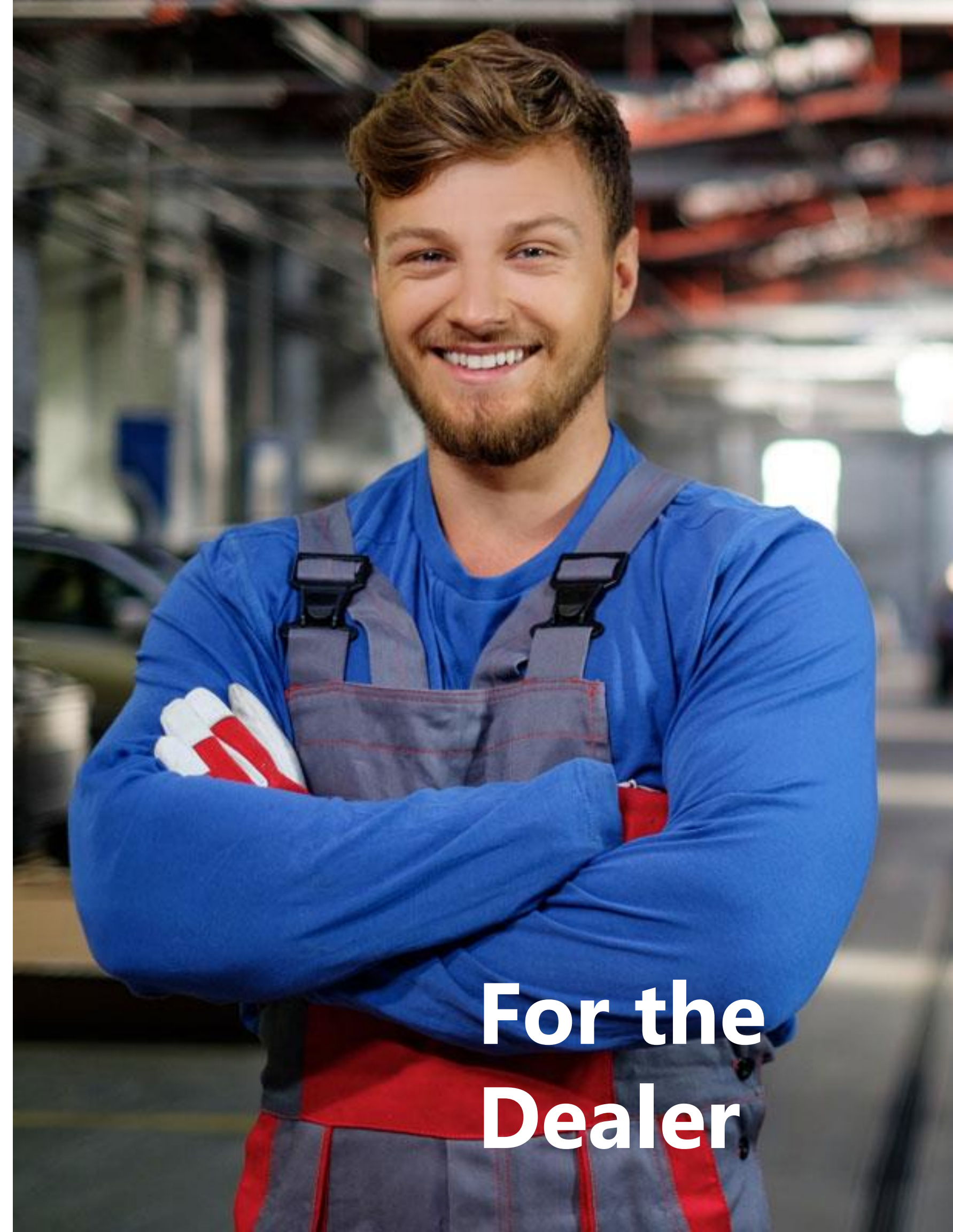
5 to 10% of
our warranty
spend

Reduced by
50%

**Saved technician and administrative
time = \$\$\$ saved**

**Improved 'fixed-right-first-time', less
waste/comebacks**

**Improved customer service
satisfaction**



**For the
Dealer**



**For
the Customer**

Less time and money spent

Building loyalty, trust and satisfaction



5. Lessons Learned

LESSON 1

**Change is hard,
Transformation
is harder**

**Map Executive Strategy initiatives to
Program Goals**

**Transformation requires a different
funding approach – identify quick ROI wins**

Avoid Shadow IT

**Don't underestimate the importance of
validation on ROI**

LESSON 2

Proactive Program Management is crucial

Define and build a cohesive, inclusive project team

Hire dedicated assets

Build Pega training time into the schedule

Align skills/experience to project needs

Governance is not a bad word – plan for change management

Address partner and team members problems quickly/directly

LESSON 3

Transformation is a journey

Understand Design Thinking

Flexibility will save your project!

**One methodology does not always
fit every project**

Hybrids are your friend

Don't automate bad processes

Think globally, act locally

LESSON 4

Transformation is a process

It's not accomplished within one project or one funding year

Avoid defining a clear end date to your transformational Pega project

Growing backlog will confirm you've chosen the right platform and tools to build with!