



GRM's Smart Portal Solution Provides Contract Management and Uncovers Fraudulent Activity for a National Wireless Telephone Company Equating to a 5.6 Million Dollar per Year Savings

The Challenge

National Wireless, a nationwide wireless provider, outfitted with VR stores, independent resellers and mall kiosks numbering in the thousands, faced an information management problem due to its rapid growth explosion. The cell phone business model relies on thousands of signed contracts, each representing commission to the associated salesperson. National Wireless wanted a contract management solution to organize both customer contracts and associated commissions. Yet as GRM would quickly uncover, after supplying the immediate solution, a more complex problem existed – one that included compliance issues and salesperson fraud.

GRM's initial solution provided management of the signed paper contracts written throughout the south east region of the United States. These contracts were filled out by individual sales representatives at each location. The paper contracts included a signature and description of the purchased service plan, along with contact information, credit card numbers and the cell phone's serial number. At the end of each week, every National Wireless location would send a large envelope of signed contracts to GRM. GRM's task was to manage each envelope according to sales location and date received, as well as being able to reliably return any envelope requested to a customer without difficulty.

However, customers would frequently receive envelopes with missing or incorrect contracts contained within. This inefficient process led to a plethora of back and forth calls to individual National Wireless Sales Locations asking employees to hunt for the contract in question. When that failed, the customer would retrieve envelope after envelope from GRM in hopes of locating the missing contract. This resulted in a great deal of wasted time and increased retrieval costs, without solving the problem.

GRM created an improved information management solution based upon this poor business procedure. The solution focused on the source of the problem by selecting a group of sales locations with largest amount of missing contracts. GRM, as opposed to National Wireless, opened every envelope received from these particular locations and began indexing and tracking each service agreement. GRM then compared the inventory of service contracts received against National Wireless' inventory of service contracts sold. The discrepancies were immediately noticeable and numerous. GRM had uncovered a much larger problem than missing contracts. GRM discovered incorrect credit card numbers, invalid telephone serial numbers and unsigned contracts. GRM also



noticed the same telephone serial numbers used repeatedly to sign fake contracts with certain salespersons' friends and relatives. National Wireless, after reviewing the many discrepancies, recognized that the problem was not simply misplaced contracts, but an issue related to its process, compliance and fraud. Independent resellers received a bonus on each contract sold, and some unscrupulous salespeople exploited the lax auditing process to write up incomplete, inaccurate and downright fraudulent deals.

The Solution

Through its research of National Wireless's Business Processes, GRM realized the solution required a two-fold approach; assisting with the contract mismanagement problem as well as being able to put an end to the fraudulent contracts.

After some software design, refinement and final approval by National Wireless, GRM implemented a radically improved management system, GRM suggested a complete web-hosted Smart Portal that integrated document imaging, indexing and comparison of customer supplied sales data with the actual data collected from the service agreements. The Smart Web Portal was able to provide critical information to each stake holder at every point in the process. This allowed GRM to not only solve information management problems but to prevent them from occurring.

The first point of information entry is at each individual store location. As each salesperson writes a contract, they enter the customer's information into the GRM Smart Web Portal. At the end of the week, a barcoded packing slip is printed that lists all written contracts. The store manager then checks each contract against the packing slip to ensure that all documents are enclosed. Then as GRM receives the package, the barcode from the packing slip is read and linked to the Smart Web Portal, which ultimately enables each store to pull down the contract information.

Following that, GRM scans and captures the information from the contract and verifies each item against the information from the packing slip, as well as confirming the signature to ensure it is a valid contract. Any discrepancies are identified and rectified. The resulting data and images are uploaded to the Smart Portal for viewing.

Finally, National Wireless' customers' internal data is uploaded to the GRM Smart Portal and all data is compared, resulting in an online audit and exception reports highlighting every problem contract tied to images of the actual contract. With the GRM solution, the problem contracts could be quickly identified and viewed via the web; genuine mistakes were quickly rectified and fraudulent activities were halted. Salespeople quickly learned that if they wrote a bad contract, it would immediately be flagged by system checks: the GRM solution alone became an immediate deterrent.



The Result

GRM's approach to a complete business process solution solved problems National Wireless did not even know existed. The customer went from paying for simple document storage and retrieval services to saving huge sums by correcting problem contracts and completely avoiding fraudulent contracts. As an incentive, the company paid its sales force \$100 per signed customer agreement. They were writing approximately 50,000 contracts a month, with about 10% incomplete, or 5,000 problem contracts per month. At \$100 per contract, this equated to \$500,000 per month paid for incomplete contracts. With the GRM solution National Wireless was able to reduce the number of incomplete agreements to .5%, or 250. The results were a monthly cost savings of \$470,000, or \$5.6 million a year. It is this solutions mindset that allows GRM to consistently solve any extensive problems the customer may face rather than simply provide the service the customer requested.