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A NEW DAWN OF PENSION DIGITIZATION FOR TKP PENSIOEN

Client Case



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Major pensions administrator now live with 400,000 accounts on the Ohpen Platform and plans to significantly increase this in the future.

Regulation changes are a source of evolution and challenges for all organisations. The financial services industry is no exception, with one constant element remaining vital to complying successfully to new regulatory demands: digitisation.

With pension reform set to come into force in the Netherlands by 1 January 2023 – followed by a transition period from 2023-2027 – market-leading Dutch pensions administration firm, TKP Pensioen (TKP), needed the ideal tech partner to help it get futureproofed.

The impact of the new regulations will be significant. Rather than managing large portfolios consisting of thousands of participants, Dutch pension providers will instead manage thousands, if not millions, of individual investment accounts. This is due to the current Defined Benefit (DB) model being replaced by two alternative Defined Contribution (DC) models: the solidarity contract and the flexible contract. It will ultimately provide end consumers with more control of and insights to their own pensions.

This automatically poses a significant challenge for pension administrators like TKP. Their clients – the pension providers – must choose one of the two contract models. With many still undecided, administrators including TKP must manage risk and provide the infrastructure for all options, to deadline.

For both provider and administrator, existing manual processes will no longer suffice. A machine-to-machine set-up will be the only way to adequately run processes daily and – eventually – in real-time.

With glowing feedback from parent organisation Aegon Nederland, TKP knew that Ohpen was the only one suited for the job. Its financial technology platform included investments and had the technical power to enable the TKP team to smoothly bolster its customer-first strategy.

Retiring old tech

As Ohpen's first pensions client, TKP is a leading firm in the Dutch pensions market and the first to move its entire flexible contract-investment infrastructure across to the Cloud. As such, this move is setting an important precedent for the wider industry.

A staggering 3.7 million Dutch people and 22 pension providers rely on TKP's services. These providers include industry and company pension funds, premium pension institutions and a general pension fund. From horticulturists and security guards to drivers and ICT specialists, major pensions player TKP therefore works indirectly on behalf of a wide range of Dutch consumers every day.

Due to this complex B2B2C model (from pension administrator to pension provider, to participant), TKP needed a best-in-market Cloud solution to focus specifically on investment administration for pensions. This had to be in compliance with the upcoming regulatory changes but, importantly, had to integrate seamlessly into TKP's existing IT landscape with an unparalleled scalability and performance.



TKP has a largely self-built system which previously lacked an automated connection with the asset managers working for their clients. The system's various components ranged from employer and participant administration (CRM) and a payments module, to portals for employers and participants.

Ohpen provided an intricate and updated unit administration including a fully automated order system with the relevant asset managers.

TKP was also looking to free up its employees from cumbersome manual input that was needed at the time for its self-built internal processes. The company has always taken a customer-first approach, yet managing these manual processes had been expensive and slow. Any rare, small error meant that TKP shouldered the responsibility, costs and time to ensure 100% customer satisfaction. It was high time to give its experts the opportunity to do more of what they did best.

The end result would facilitate more face-to-face time and liaison between TKP experts and clients, with Ohpen's platform helping provide end-consumers with greater control and transparency of their pension in response to the new regulation.

"We wanted to provide our customers with more flexibility and a faster time to market for new investment propositions. This aim, coupled with the incoming change in Dutch pensions law, meant we had to act fast. We needed a partner to manage our investments processes, enabling our employees to focus on helping pension funds and institutions. After all, our staff are not manual process managers – they are highly-educated pensions administration experts." – Paul Everloo, CEO, TKP

By investing more in its tech and software, TKP could paradoxically add a stronger human touch to its client offering.

Partnering for the future

Ohpen's deep understanding of TKP's business meant it knew exactly where the missing gaps and challenges remained within TKP's IT procedures, developing tailored means of solving them. Ohpen demonstrated its commitment to the partnership by strategically investing in its solution to bridge TKP's process requirements.

The project involved processing and upgrading complex internal workflows, enabling TKP's investments processes to be fully managed by the Ohpen Cloud-based platform. These procedures lay across CRM (including opening and closing accounts, changing a participant's risk profile etc) and core activities (such as ledgers and financial administration).

One key challenge faced by TKP – reflecting the wider industry – involves dealing with bulk volumes of transfers. Yet the tight working partnership between Ohpen and TKP enabled a productive process to flourish, moving the transfers smoothly from a monthly to a daily system.

In fact, while TKP and Ohpen's successful business relationship goes back to preliminary talks in 2018, the project itself was implemented smoothly and rapidly from official kick-off to final migration. Design and development took little over a year, with the first migration of TKP's clients taking only three months.



“We really teamed up to make this transformation possible. It often called for honest conversations and some occasionally tough negotiations – but Ohpen were always ready to ensure results that suited our aims, which had our customers at their crux. By utilising Ohpen’s software for our processes and integrating it with our wider IT landscape, we could remain confident that our investment procedures would be regulation-compliant too.” – Paul Everloo, CEO, TKP

Reaping the benefits of the investment

While executives at TKP were already sure of Ohpen’s ability to deliver due to the bespoke nature of their partnership, the success of the past five months since the implementation speaks for itself.

TKP now uses Ohpen’s tech on a daily basis, with processes ticking over faster, smoother and without any incidents. The rapid shift from a monthly cycle to a daily investment process has created flexibility, less peak usage during a few days at the start of the month, plus more use of spare capacity of systems and employees during the rest of the month. This has enabled staff to dedicate more of their focus to supporting and advising their customers.

TKP will be able to run existing portfolios as a closed book, along with Dutch flexible pension contracts, all from the Ohpen platform, ushering in better cost and data efficiencies all round. And as to the issue of bulk transfer volume – Ohpen’s solution for TKP migrated 1.6M transactions in 90 minutes with no back-office support required. Today the partnership continues with over 37M+ transactions processed on Ohpen’s platform for TKP.

“We knew beforehand that the project would be a success – and the hard work put into it on both sides makes us proud. Yet the end result so far has been better than expected. From one day to the next, we feel much more in control of our processes, knowing that there is no difference between our administration procedures and that of the investment partners our customers choose. We look forward to continue migrating more of our clients onto the Ohpen platform.” – Paul Everloo, CEO, TKP