



Beyond the Handshake: Five Ways to Prepare for Insurance Industry Transformation

By Andy Cowdrill, Ciber Insurance Industry Strategist

The insurance sector is built on relationships: the face-to-face meetings, the in-person, highly personalised assistance, and—above all—the handshake. So why, one may wonder, would leading insurance organisations be investing in relationship management solutions?

As an IT consulting company, we've seen first-hand the various reasons organisations pursue technology solutions. Our conversations with clients and prospects and dealings with requests for proposals and statements of work have given us considerable insight into the trends driving technology use. While serving our clients, we have observed the following five Insurance industry best practices for organisations who are preparing for business transformation. .

1 Compete in a soft market

Every client we meet with talks of the market being soft and how they are looking for new ways to compete and grow their market share. Many are turning to technology as a way of getting ahead of their competition and to provide their employees with anytime/anywhere access to information.

For a sector that was founded through face-to-face meetings in a coffee shop, this represents a substantial shift in working. How then can organisations provide highly personalised service through a very impersonal medium? And how can they serve up a range of relevant data that may be contained in any number of back-end solutions at the click of a mouse? The answer for many of our insurance clients, once again, is relationship management solutions leveraging integration to the back office.

Today's relationship management solutions don't just consolidate information; they also provide the customer-facing tools that let organisations extend access to personalised information and relevant solutions to customers and brokers, who can then use their phones or computers to easily request quotes, file claims, check claim status, review policies, chat with customer

service agents and otherwise conduct business with the organisation on their own terms.

2 Provide real-time access to essential information

As they strive to increase gross written premiums (GWP), many of our clients are focusing on eliminating those hurdles standing in their way. One of these is inefficient back-end processes.

Imagine an underwriter getting ready for a meeting with a client. He or she needs to gather a lot of information: details about policies, complaints and claims; on-going conversations captured in emails and notes; and research on the customer's business and needs. It takes time to gather that information—and by the time the meeting is underway, the information is often out-of-date.

However, by providing anywhere/anytime access to a CRM solution, leading insurance organisations are giving their underwriters and business development executives immediate access to the real-time information they need, no matter where they may be located—even when they're in the middle of a meeting with a client or broker. Because they spend less time gathering information, they can spend more time using that information to drive new business.

3 Increase profitability

Booking more business is a critical goal for all insurance organisations, but not all business is created equal. This raises an important question: How can one tell which business is worth chasing and which isn't?

Many of today's successful insurance organisations are answering this question by using relationship management tools to tier their customers and brokers. By relying on analytics, they can look beyond the overall sales figures to see the factors that signal profitability and sales efficiency, such as the number of claims filed against a policy or the ratio of quotes to signed policies. This level of granularity lets insurers move beyond gut feelings to hard numbers to determine which customers and brokers to target and which ones may not be worth their time.

4 Take the first step to transform the business

The world is changing and businesses need to change with it. For some insurance organisations, the first step to enabling the type of transformation they need to succeed in today's marketplace involves implementing extensive relationship management capabilities.

While a powerful CRM solution is clearly meant to help organisations build and maintain stronger relationships with their customers, it can do much more. It can tie into the company's complaints management solution, giving employees access to key metrics to ensure that complaints are researched and effectively dealt with in a timely manner so that they can avoid fines levied by regulatory bodies. It can also be used for compliance management to help organisations ensure they are complying with the numerous regulations governing their business. And because this information—complaints, compliance and more—is linked to customer and broker records, it gives insurance organisations even greater insight into their customers and brokers, helping them better serve those critical groups.

5 Leverage mergers and acquisitions to integrate business

Over the last few years, market consolidation has become a big story for insurance organisations. Driven in part by dropping premiums and pension reforms, insurance organisations have turned to mergers and acquisitions as a way to bolster profits and increase their customer base.

Yet whilst stories of success following mergers and acquisitions have emerged, they skim over the very real pain these consolidated organisations face when merging two very dissimilar organisations, especially when it comes to consolidating back-end solutions.

These consolidated organisations are finding that one way to link together disparate solutions and databases is by adding a layer of relationship management tools, such as a robust cloud-based customer relationship management (CRM) solution. With this approach, organisations can connect siloed information to a

front-end solution that creates a cohesive view into the merged organisation's customer base. Details about quotes, policies, claims and other interactions are linked to individual customer and broker records, regardless of which organisation originated the business. We've seen this tactic work equally well with organisations with dispersed operating groups that wish to get a more complete view of their customers' and brokers' relationships with the organisation as a whole.

From our perspective helping some of the largest insurance organisations in the United Kingdom implement CRM solutions, it's clear that the focus on relationship management is a trend whose time has come. To learn more about how relationship management can help your organisation, please contact us.

"Insurers need to see exactly what products and services have been sold. But more importantly, for future growth, they need to have a vision for future opportunities and allow business development managers and underwriters to focus more effectively on those opportunities to maximise their valuable time."

Marc Jones,
Ciber Insurance Industry Delivery Leader

About Ciber

Ciber is a global IT consulting company with about 6,500 consultants in North America, Europe and Asia/Pacific, and is approaching \$1 billion in annual business. Ciber partners with organisations to develop technology strategies and solutions that deliver tangible business value. Founded in 1974, the company trades on the New York Stock Exchange (NYSE: CBR). For more information, visit www.Ciber.com.

CASE IN POINT

Follow a proven path

Insurance organisations investing in their relationship management capabilities are following the path established by other industries that in recent years have looked to technology as a way to transform their businesses. A prime example of this is the banking sector, where, in the wake of increasing competition and stiffer regulations, many banks leveraged IT to improve the customer experience and streamline processes.

Take the case of a global financial institution we helped not too long ago. We worked with this organisation to design and implement a single CRM platform that would deliver common customer management, sales and lending processes and help enable the transformation of the business from 32 distinct country-based groups into a single global operation. As a result of the initiative, the company now has a single repository for all client information to support their global relationship management and sales processes and has the tools in place to ensure compliance with multiple regulatory bodies. We now see many of our insurance clients following a similar path.

About the author



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With over ten years of Microsoft solution sector experience, Andy Cowdrill heads up the Ciber team focused on the insurance and banking industries. In his role, Andy manages Ciber's relationship with our key insurance and banking clients and with Microsoft. Andy and his team approach each client engagement in a consultative manner to understand the pain that our clients wish to resolve by leveraging Microsoft technology. He also works with the Ciber portfolio team to regularly update the Ciber solution roadmap for the insurance and banking sectors.

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