TRANSFORMATION ACROSS THE INSURANCE LIFECYCLE FOR BETTER SERVICE AND REDUCED COST
The Challenge: Confronting Digital Change

Having set the bar for customer service excellence in the past, one of the world’s largest publicly traded P&C insurance firms began feeling competitive heat. Digital-savvy competitors were beginning to catch up. Fast. Customers were demanding a richer, user-centric experience. Bottlenecks in the firm’s delivery system were generating unnecessary rework. Turn-around times (TAT) were lagging. And, support staff were repeatedly plagued by missing information, delays across internal silos and outdated processes requiring human intervention at multiple touchpoints.

As operating margins and profitability shrunk, the firm hired EXL to assist. Starting in 2016, the two firms engaged in a three-year collaborative journey to transform the insurer’s UK operations for digital business.

Context: A Three-Year Journey

Given rapid advancements in technology, a decline in investment income and interest rates, fluctuating currency conversion rates and increasing demand by customers for better service through digital channels, our client was prepared to meet the digital era head on. By enabling an agile, intelligent operation, they believed it would be possible to reduce operating costs, improve revenue growth and profits, and deliver a superior customer experience akin to the latest competitors in their sector.

Their goal was to transform the entire insurance value chain by implementing state-of-the-art robotics process automation (RPA) solutions, operational process analytics models and deft procedural changes to drive results across three annual intervals, from 2016 through 2018. Key opportunities to address would include underwriting assistance, renewals and new business, credit management and finance and accounting (F&A), and first-notice-of-loss (FNOL) claims handling. The journey began with a design-thinking exercise involving client and EXL teams to assess business and process bottlenecks. Based on the discovery, a step-by-step roadmap to completion was prioritized for action.

Orchestration: Focused Collaboration Around Best Practices

EXL conducted client workshops across the processes it would manage to identify major pain points in the system. The team identified two critical middle- and back-office initiatives to jump-start the transformation: 1) automated straight-through processing and 2) predictive analytics to prevent revenue leakage. An offshore delivery team, supported by Lean Six Sigma experts, embedded analytics resources and lead technology professionals collaborated in response.
Leveraging our extensive operating experience in multiple geographies, EXL’s transformation team prescribed best practices to the insurance value chain and key strategic imperatives. A cross-functional effort ensued, producing plans and deliverables for the following:

- **Joint Governance Model**: Comprising transactional reviews (daily), performance reviews (weekly/monthly) and strategic reviews (quarterly) to harden work relations, improve performance and foster mutual ownership of business outcomes.

- **Contextual Training**: Providing project managers and teams with expert coaching and support.

- **Quality Beyond Transaction Monitoring**: Integrating quality control and customer experience monitoring to ensure that the work was done right the first time, while generating actionable customer insights to drive efficiency and enhance customer satisfaction.

**Outcomes: Service, Efficiency & Profitability Improved**

By building digital capabilities around best practices and a sound, partner ecosystem, the client was able to achieve its digital transformation goals in the projected timeframe. The resulting infrastructure deepened their ability to innovate and set in place the core ingredients for ongoing business improvement. Significant outcomes included:

- **Streamlined New Business and Policy Renewal**: A BOT to create, check and manage policy bookings and policy authorizations, and created a POC for underwriter risk evaluation.

- **Improved Cash Allocation**: A standardized, unstructured intake document using a BOT template which automatically fetches data from the system dump.

- **Tighter Credit Control**: Reduced the average time to resolution (TTR) of inadmissible premiums using various analytical models.

- **End-to-End FNOL Claims**: Descriptive analytics to track the end-to-end FNOL lifecycle.

More specifically, the effort yielded the following results across the annual thresholds:

**2016 BENEFITS REALIZED**
- 30% reduction in query
- 5% gain in efficiency

**2017 BENEFITS REALIZED**
- 70% gain in efficiency through BOT
- 50% reduction in TAT
- 30% reduction in queries
- 25% reduction in cycle time

**2018 BENEFITS REALIZED**
- 50% gain in efficiency through BOT
- 60% reduction in TAT
- 50% reduction in cycle time
- 15% reduction in debt

“EXL helped us rapidly transform our complete insurance value chain, restoring our profitability and establishing us a formidable digital-era competitor through a customer experience model that is second-to-none.”

– Project Lead, Major Global P&C Insurance Firm
SOLUTION SUMMARY

Client Challenge
- Create a state-of-the-art customer experience engine to compete in the digital-era.
- Debottleneck the middle and back offices to streamline processing throughput.
- Increase margins and profitability and improve service collaboration.

Context
- Transform the entire insurance value chain around RPA, analytics and process reinvention.
- Improve underwriting assistance, renewals and new business, credit management and F&A, and FNOL claims handling.
- Complete the task over a three-year period.

Orchestration
- Collaborated with the client to institute straight-through processing and predictive analytics.
- Applied insurance industry practices across the value chain and within specific strategic imperatives.
- Delivered a joint governance model, contextual training and quality-beyond-transaction monitoring.

Outcomes
- Delivered a superior customer service experience.
- Enhance operational efficiency.
- Improved growth and profitability.

To find out more about how EXL uses Digital Intelligence to help companies transform, visit this link.

EXL (NASDAQ: EXLS) is a leading operations management and analytics company that designs and enables agile, customer-centric operating models to help clients improve their revenue growth and profitability. Our delivery model provides market-leading business outcomes using EXL’s proprietary Business EXLerator Framework®, cutting-edge analytics, digital transformation and domain expertise. At EXL, we look deeper to help companies improve global operations, enhance data-driven insights, increase customer satisfaction, and manage risk and compliance. EXL serves the insurance, healthcare, banking and financial services, utilities, travel, transportation and logistics industries. Headquartered in New York, New York, EXL has more than 27,000 professionals in locations throughout the United States, Europe, Asia (primarily India and Philippines), South America, Australia and South Africa.

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