

What if you could...

reduce your expense ratio by 25% and create an agile workforce in your transformation?

With Proudfoot, you can.

A trusted and established Japanese insurance and risk solutions provider, with over 100 years in the business, serving customers in more than 30 countries, was experiencing significant inefficiencies in its Singapore division. The company needed to quickly improve their operating issues so they could move on to implementing already defined the next strategic priorities and goals for three years.

Significant inefficiencies at a local level were partly attributed to the lack of integration from the historical mergers of three insurance organizations.

Key drivers such as increasing productivity, reducing operating expenses, and better customer engagement were identified as business priorities.

With a lack of manpower, time, and confidence that the incumbent team could make a rapid end-to-end transformation, the organization's CEO engaged Proudfoot to reengineer business processes and systems infrastructure, streamline operations, and significantly improve productivity.

Transformational Approach

Through an Aerial Mapping approach that involved all business functions and stakeholders, we analyzed the current state of the operations, the organizational structure and interfaces among business units.

Having a clear picture of the status of the business, our Client-Proudfoot team focused on five workstreams that would contribute the most to operational efficiency improvement and profitability:

- Underwriting and risk
- Policy acquisition and servicing
- Claims management and reservation
- Customer journey and billing
- IT

To reach better productivity, we reviewed currently reported Key Performance Indicators and established that some of the metrics being reviewed were not driving productivity forward. We designed operating dashboards that provided visibility of the operating data and newly established KPIs; thus allowing for immediate corrective action when efficiency was below expected levels.

Having established transparency of the operations, we then developed new management structures tasked with removing blocks whenever issues were flagged by the operating dashboard and team members. Leaders were then trained on active management and team behaviors and leadership skills to drive engagement from the team.

With more KPIs available and improved skills, management was better able to monitor and understand productivity in sufficient detail and real-time.

As processes were reviewed during the transformation period, one of the key findings was the oversight of claim-leakages.

These were impacting the insurer's financials. By using Proudfoot's methodology and associated systematic variance analysis, we put controls in place to stop any further erosions.

Throughout the engagement, the cycle time and customer journey were a program focus. From process automations to full customer onboarding, a more customer-centric approach was applied, resulting in significant impact on new business and renewals.

Remarkable Results

21% Personnel costs reduction through natural attrition

25% Reduction in end-to-end insurance policy issuance time

12% Increase of productivity

34% Office downsize improvement through increased labor productivity

12% Increase in Net Written Premium

Intangible results

A pro-active "can do" culture was embraced by the company. Effective management tools were rolled out to allow the individuals to be empowered in their jobs. This change was supported by the leadership of the company.