

Distinct^o

Is your business running efficiently & effectively?

CASE EXAMPLE

Distinct^o intelligent business

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IMPROVED OPERATIONAL EFFICIENCY WITHIN MULTINATIONAL INSURANCE GROUP RESULTS IN €15M REVENUE INCREASE

Client overview

This project involved a strategic partnership between the client and an intermediated organisation to leverage the benefits of each others core competencies in underwriting, policy administration and distribution respectively;

Client

Our first client is one of the world's leading multinational quoted insurance groups, with the capacity to write business in over 130 countries and with major operations in the UK, Scandinavia, Canada, Ireland, the Middle East and Latin America. Focusing on general insurance, it has approximately 22,000 employees and, in 2007, its net written premiums were €5.8bn. With an almost 300 year heritage it is the oldest insurance company in the world still trading under its original name.

Intermediary

Our second client is a diversified Financial Services Group with market leading positions in chosen domestic markets and niche status in other selected markets. With their headquarters in Dublin, profit generation is well distributed between Republic of Ireland (59%), UK (31%) and the Rest of the World (10%). Established in 1783 they are the largest Irish bank by total assets and the highest rated, Irish listed financial institution employing approximately 16,000 employee's groupwide.

A Distinct Problem

The intermediary had a substantial Household Insurance book, which was mainly driven by mortgage sales through their branch network. Prior to this project the client had a 70% share of this book and another major Insurance organisation had the remaining 30%. As the relationship between the two clients evolved an opportunity presented itself to increase the client's share of this book to the full 100%. In addition to the Household market share transition an opportunity to formalise a contract to secure the rights to the staff motor scheme offered by the intermediary to its' employees was also agreed with the client. This scheme was underwritten by another major insurance organisation and has an annual value of approximately €2 million.

A Distinct Approach

This project involved three stages – Planning, Design & Execution.

- The first phase involved designing a detailed plan and approach based on the requirements gathered from the clients.

- The design phase implemented the plan using Lean Six Sigma. Although this was not a Six Sigma project many of its tools and techniques were incorporated during this phase i.e. logs, risk and analysis matrices, business process design and swim lane analysis etc.
- As part of execution UAT was undertaken, allowing the team to validate business readiness while also enabling gap analysis and process stress testing.
- As part of the handover process training materials i.e. procedural manuals, Q&A docs, process flows etc were deployed to the relevant teams.

This programme was divided into a number of work-streams and the specific objectives of each work-stream were as follows:

- **Contract Development** – to develop and agree the contract for the household insurance and staff motor scheme transition between the client and the intermediary.
- **Motor Business Transition** - to undertake an assessment of motor insurance requirements from the intermediary's staff and to generate a plan and approach to manage the transition of the entire staff motor scheme to the client.
- **Co-Insurance Business Agreement** – to define a plan and approach to manage the transition of the co-insured Household book to a "sole insurer" arrangement with the Client.
- **Acquisition and Retention** - to improve the level of customer understanding and insight of the intermediary's household insurance customers & to undertake a proposition gap analysis to develop a customer driven campaign design.
- **Sales & Operational Effectiveness** - to undertake a detailed assessment of the sales and operational effectiveness of the sales process around customer acquisition & retention and to develop recommendations to address key improvement opportunities.
- **Sales Training** - to assess current sales skills & capability training requirements and to develop training materials & plan for roll-out.
- **Management of Servicing** - to generate a set of recommendations to further leverage each clients core capabilities around the future servicing of the household book

Distinct Results

Annual revenue increase for our client amounted to €15 million;

- **Annual HH revenue increase, circa €13 million.**
- **Annual Motor revenue increase, circa €2 million.**

Voice of the customer analysis and customer profiling delivered.

Quick-win campaigns designed and rolled out successfully.

Customer experience scorecard generated and communicated to business.

Training pack and support deployment.