Reinventing the Insurance Business - From the Ground Up

PROBLEM

A leading insurance company wanted to increase efficiency and its level of customer service

SOLUTION

Redesign how the company conducts its business, leveraging advanced technologies and emphasizing personalized services

RESULTS

Created self-service options, boosted regulatory compliance by 28% and reduced lead time by 50%

OVERVIEW

Usually, the insurance industry is very slow to adapt to a changing business environment. So when Alacer was contacted to help one of the nation's leading insurance companies reinvent the way it conducts its business, the project presented an exciting and difficult challenge. How could Alacer not only define how the organization conducted its business today, but help it establish growth plans for tomorrow? The answer was to begin with a comprehensive assessment of all business units, and then narrow the team's focus to improve efficiency and customer service within the claims department.

CHALLENGES

Together with local subject matter experts, the Alacer team moved quickly to assess the current environment, analyzing over 170 business processes. The analysis uncovered previously hidden (and costly) rework issues, system limitations and revenue leakage. Additionally, detailed VA/NVA (value added/non-value added) analysis was performed to further identify areas of waste. With this information, company executives were able to determine that, by initially focusing improvements within the claims area, it could boost customer service and better leverage advanced technologies for efficiencies...positively affecting the company's bottom line. With the decision made, Alacer went back to work, this time focusing on designing the future. Leveraging Lean Principles for Design, a series of workshops were held to re-engineer the end-to-end claims process.

RESULTS

The insurance company changed its business focus by concentrating on the customer experience. For the first time, it offered self-service options - increasing customer satisfaction and reducing overhead. 100% of rework was eliminated within the claims department, significantly reducing operating expenses. Regulatory compliance improved by 28%, and lead time was reduced by 50%. For this client, all business expectations were not only met, they were exceeded.

Historical client engagement. Results reflect the original case study; outcomes vary.