

Improving insurance renewals process

Background

A specialist insurer with over 100 years' experience underwriting personal and business risks. With over 3,400 staff across 14 countries and 35 offices, we worked with the UK operation when they approached Bourton Group looking for support with their existing business portfolio. They had a significant backlog of renewals and requests for policy changes which had begun to impact both their customer service measures in comparison to competitors along with their ability to retain business.

Our Approach

Our initial approach was to document the processes, to gain an understanding of the flow of work within the organisation and to give chance to identify exactly where issues were.

Root cause analysis workshops with key employees helped establish why issues had occurred.

Internal and external surveys were also conducted to obtain a Voice of; the Business; the Brokers and the Customers - helping to understand the impact on them and what they believed were the causes.

The next phase involved extensive data collection and analysis to verify information gained through DILO (Day in the Life of) studies, process mapping, root cause analysis workshops and solution development events.

Use of advanced Lean Sigma data analysis techniques enabled us to highlight the need to focus on specific regions, internal teams and brokers to resolve the issues, that could then be extrapolated across to the organisation as a whole. It also demonstrated that much of the perceived work volume was actually rework and Failure Demand.

We identified that the practice of treating each incoming contact as a new piece of work meant the backlog was self perpetuating, so there was no reliable, true measure of how much work there really was.

Looking at the issue in this way enabled the team to develop a series of improvements separated into two categories:

- Containment, to immediately prevent the backlogs from getting worse; and
- Long Term actions to reduce the backlogs and to improve Customer experience and retention.

Results

- A *16% reduction* in headcount required to meet (increasing) demand, allowing staff to be deployed to other critical operational processes
- *Increased capacity* to cross sell, which was theoretically part of the Underwriter's role but had not been happening due to work volume
- *Less stressful* work environment and improved employee engagement
- *Improved clarity of performance* by Broker / Customer
- Established *Appropriate process metrics* to help monitor and drive performance
- Ability to *capacity plan*
- Ability to *visualise workloads*
- Teams able to *resolve their own problems and continuously improve processes*