



# MANAGING TRANSFORMATION AND CHANGE MANAGEMENT IN BROKERS AND AGENCIES





We continue to see larger P&C Brokers traditionally grow the business inorganically. This approach, while offering the benefit of faster growth, creates an organization with dissimilar practices and processes across acquired businesses and business units. Such organizations periodically pause to make investments to harmonize and more importantly, extract benefits of scale through strategic measures.

Exdion details key measures to holistically manage change in business units.

Structured change management can guide preparation, equip and support individuals to successfully adopt change in order to drive organizational success and outcomes.

Following measures could be considered to bring in cultural change:



- A clear direction from the corporate leadership on objectives of the transformation initiative, including need for parity with larger players and being future ready
- Message to cover the need to transform current Broking business into a Sales Organisation. Services though critical could be managed with well thought out diverse strategies
- Strengthening Customer Focus would assist growth objectives
- Business team members need to necessarily focus on high value customers to retain and grow business while adopting a new but effective strategy to manage customers with smaller income contribution through a combination of technology and outsourcing practices
- Create a core team by drawing capable, change friendly team members from key business units to drive corporate objectives such as Standardization of service delivery
- Identify in each branch, change friendly team members to be volunteers to transform the branch
- Incentivise the team members where needed, to support the initiative
- Create a formal training program for business units
- Identify skill enhancement programs to encourage Account Handlers/Client Managers to become more customer focused and support business growth
- Given the variations across business units-assign due merit to the business while implementing Standardization, to get a better buy in
- Structured change management can guide preparation, equip and support individuals to successfully adopt change in order to drive organizational success and outcomes



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## INSTITUTIONALISE METRICS & MEASUREMENTS



Transformation initiatives are good opportunities to identify metrics, institutionalize measurements and standardize targets as well as performance across business units. “AS IS” processes could be leveraged to start with, to create baseline metrics and understand possible aberrations and deviations. These metrics could be used to measure on an ongoing basis with weekly reporting and monthly report consolidation even while waiting for the process roll out. This will also enable objective assessment of benefits post the new implementation.

Following internal (operational) and external metrics could be considered

### INTERNAL

- Productivity
- Quality
- Production
- Capacity Utilisation
- Turn Around Time

### CUSTOMER

- Quotations sought per policy
- Certificates against every policy
- Policy Maintenance activities
- Customer satisfaction index

### INSURER

- Policy variances & endorsements
- E&O Claims
- Turn around on policy issuance

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## ACHIEVING STANDARDISATION

Process Standardization across business units is imperative to meet the objectives of Transformation programs. Achieving standardization is also critical to create “A unique business model” and transform to a highly responsive, customer focused and metrics driven business.

Standardization would be achieved by carefully combining corporate directives with the needs of the business and customer segments handled. Certain level of customization would be essential at business units with niche / specialty business and this could be built into the overall plan. Business staff would have the flexibility to offer the customers the experience they need.





## 4 RETENTION AND STRENGTHENING OF CUSTOMER FOCUS

The Transformation initiative could also be positioned as an essential strategy to strengthen customer focus among staff in business units. The intensity and frequency of customer connect opportunities would need to be enhanced during the Transformation initiative to ensure minimum customer impact.

We could work towards customer retention by adopting few strategies such as:

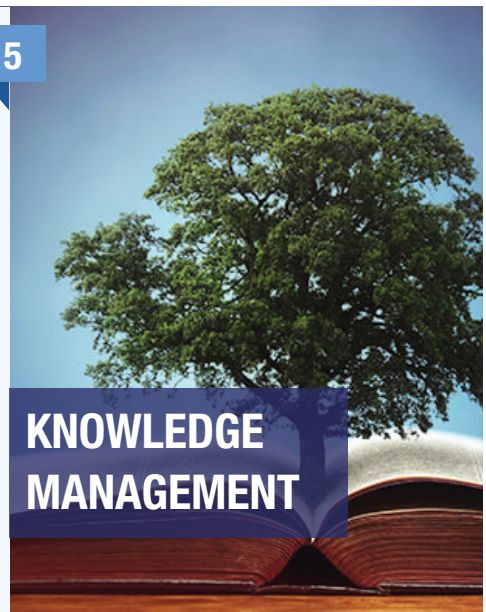
- Running change initiatives in carefully chosen pilot branches
- Developing effective messaging to customers
- Preparing business staff to manage customers during the change process with increased attention

Effective documentation of current processes is very essential for a successful transformation project. Detailed operating procedures for the processes should be built to enable process benchmarking and streamlining. Mapping these processes to align with the new implementation would become structured and enable a seamless transition.

Business units needing bespoke implementation with varying premium threshold criteria would require clear documentation to roll into the new business model.

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**KNOWLEDGE  
MANAGEMENT**



## 6 DATA MANAGEMENT

Unless addressed early on, data sanctity may not be a priority at the business units. Poor data would result in ineffective processes usage defeating much of the purpose.

Once clean data is available on the existing data warehouse, switching data into the different networks would be a manageable task and significantly ease stress during the rollout thereby ensuring minimal down time without compromising on customer focus.



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## INVESTMENT

The investment to prepare business units is an essential cost as seen by us in the past, to manage changes with minimal impact. There would be an upfront investment in each business where there would be a cost redundancy in the first 3-6 months. Organisations can effectively leverage an 'Outsourcing model' for such support and control costs to an extent of 30-35%.

## CONCLUSION

Exdion believes transformation opens up numerous opportunities to consider strategies such as business segmentation, premium driven service delivery models, automation, process refinements, outsourced shared services centre and also leverage specialist partners to support and prepare business units for change and derisk business impact. This would enable the Broking Business to respond quickly to market changes, embrace strategic initiatives, and adopt new technology with agility and minimum customer impact & attrition.

## About EXDION

Exdion comes with over 15 years of Property and Casualty Insurance expertise.

Exdion services clients ranging from Fortune 500 to small and mid market carriers and brokers. Exdion is ISO 9001 certified for Quality, ISO 27001 and HIPAA certified for Information Security.

The company thrives on Business Excellence and leverages models such as Kaizen and Six Sigma along with technology enablers, to continually enhance value to customers. Exdion lays great emphasis on Accountability, Integrity, Innovation, Transparency and most importantly Customer Focus. Exdion continually strives to deliver transformational excellence through technology-centric process optimization and continual knowledge enhancement. Exdion is also closely associated with "The Institutes" and 1 in 8 of its staff today are certified in various US and UK Insurance programs.

Exdion's solutions include Transformation Consulting, Business Process Management, Analytics and Policy Lifecycle Maturity frameworks that leverage CLOUD FIRST technologies.

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