



## Abstract:

To deal with hardening market conditions, one of the world's largest and most established insurance firms sought to set a new agenda for their Operations division in order to differentiate what is generally regarded as a commoditised product. The objective was to exploit the distributed strengths of their global network and raise capability in their weaker locations. iProCon HCM consultants helped the organisation to identify the areas of focus to shape a Target Operating Model (TOM) that would enable them to drive ahead of the competition in terms of both efficiency and customer experience. We also worked with them to design and mobilise the change programme to deliver the TOM.

## The Challenge:

One of the world's largest and most established insurance companies had grown to a considerable size through acquisition and organic growth in both international and emerging markets. The customer experience and operational capabilities were wildly inconsistent across the 30-plus markets the organisation was located in across the globe.

The organisation embarked on a new strategy to differentiate itself (*in an industry that is often regarded as being the producer of a commoditised product*) through the creation of an excellent, non-disruptive customer experience.

As such the challenge was to set an "agenda for change" to ensure consistent levels of operational capability existed within all locations, delivering a customer experience that differentiated the product beyond a simple price comparison. The underlying objectives were to exploit untapped synergies and economies-of-scale, protect and grow established areas of excellence, and raise the capabilities of the weaker locations.

The challenge was exacerbated by the fact that the organisation did not have a track record for implementing global change programmes and the business units were characterised by their preference to operate in a federal manner. This was also compounded by a culture of distrust for centrally run initiatives.

## Our Approach:

In order to ensure we arrived at a comprehensive answer that was also achievable in light of the underlying federal structure of the organisation, we implemented four-step approach:

1. Capability Review, Findings & Solution Definition
2. Stakeholder Buy-in & Communications
3. Mobilisation for Change
4. Implement for Excellence

The capability review involved our consultants visiting more than 20 countries (some BU visits were replaced with visits to regional hubs) during a 15-week time frame.

The visits allowed us to identify both areas of excellence and weakness across all aspects of the local operations. The output was a series of recommendations that combined to shape the Target Operating Model, which once implemented would deliver defined levels of operational excellence in a consistent manner.

With the high level solutions identified, the next stage was to define the full extent of what "good" looked like for the organisation. By using a capability-based model we were able to articulate what poor to excellent looked like for an organisation in respect of strategy, processes, roles, systems & tools, and metrics. This was crucial in delivering success for the programme as it: -

- Provided a **common language** and **barometer** from which current performance could be measured and articulated across geographic business units.
- Provided **shared / common goals** that were **tangible** to all aspect of the business. The organisation was sure that transformation efforts were seeking the same target irrespective of location / market.
- Easily identified strong and weak capabilities across the organisation – resulting in identification of quick wins and **centres of excellence** from which to learn or absorb processing capability to **drive economies of scale**.
- Allowed regional business managers to have a **high degree of ownership** for the progress their region made against the agreed plan.

## The Solution:

The end result of our engagement was the global buy-in and mobilisation of a three-year global change programme to deliver excellence in aspects of people, information, operations and value (consistent business architectures). The uniformed approach, coupled with the common global framework has eradicated the syndrome of reinventing the wheel in multiple locations to tackle the same problem, whilst also gaining a high degree of commitment from regional managers to the change programme.

iProCon HCM were retained to assist in the delivery of the programme, which has helped to deliver significant efficiency savings, market-leading products and improved system delivery processes in all regions.