

Perception BI Delivers Vital Management Information



"Perception BI provided us with a fully functioning KPI dashboard in just 4 weeks. From there, we were able to take the critical decisions necessary to manage our business, especially vital in the current financial climate."

UK Director of Operations

Company Background

Our client is one of the UK's largest General Insurers, providing Buildings & Contents and Accident, Sickness & Unemployment insurances, via an extended network of over 500 independent brokers, as well as direct to the general public.

The company, whose parent company is based in the United States, has been rapidly expanding in the UK, offering low premiums and extending excellent terms to brokers.

In part, this has driven the need for better control over the management of data and information within the business.

Need: Management Information portal, sharing Information with Brokers and Managers, to ensure proper control and management of New Business, Renewals and Revenue Assurance

With over 23,000 live policies, only 16% of which are written directly, there was a huge reliance on internal systems to manage administration of **new policies**, **renewals** and **revenue assurance**.

New Policies

New policies are delivered through a large network of over 500 independent insurance brokers, each of whom receives a commission, usually a percentage of the annual premium.

A key broker raised the need for accurate and timely reporting, in addition to simple commission statements. This was vital, especially for larger brokers, who rely on the information for Financial Services Authority reporting and feedback.

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or visit www.perceptionbi.co.uk

Quick Facts

Industry:

Financial Services; General Insurance Brokerage

Needs:

To roll out a key Management Information portal to Brokers and Managers, providing control and management of New Business, Renewals and Revenue Assurance.

Solution:

KPI Dashboard and Reporting Tool, connecting to multiple systems, including a Data Warehouse

Key Benefits:

- A fully operational KPI Dashboard, not available prior to the PBI solution
- Improved monitoring and control of New Business and Renewals
- Timely and accurate reporting to Brokers
- Revenue Assurance monitoring
- Improved Broker Management

Renewals

When a policy expires, the customer will usually have been contacted several months in advance and given the option of renewal. When a customer has renewed their policy, the original introducing broker is paid a further commission.

Whilst the overall number of policies was increasing, there was no quick way to see how many policies had renewed.

Revenue Assurance

When a policy is purchased, there is an option to pay monthly or annually. Monthly payments are collected by Direct Debit. 70% of policies are paid for monthly. Direct Debit reconciliations are carried out manually.

When a policy is cancelled, Direct Debit payments are usually stopped within 1 month. 8% of policies are cancelled before the end of their term.

For revenue assurance, it was vital that commissions to brokers were only paid when the premiums had been received, and that payments were stopped in the event that a policy was cancelled.

Broker Management

Each broker is registered to introduce business, and is allocated an Account Manager. This manager is a dedicated point of contact, ensuring that the broker has all the support and information they require about the products and services on offer as well as any new, current or old policies. Much of this is done using simple spreadsheets.

Part of the role of the Account Manager is to ensure that they maintain a positive and active relationship with the brokers.

UK Senior Accounts Manager said "With over 500 registered brokers, it was vital that we understood which brokers were most active. That way we could focus attention in the right place. We were surprised to find that we couldn't accurately name our top 5 producing brokers."

Year	Quarter	Month	Worth	Cancelled	Renewed
2010	Q1	Jan	81	88	2
2010	Q2	Feb	217	194	13
2010	Q3	Mar	132	170	11
2010	Q4	Apr	50	53	4
2010	Q1	May	95	77	6
2010	Q2	Jun	89	74	2
2010	Q3	Jul	92	79	9
2010	Q4	Aug	38	58	2
2010	Q1	Sep	125	99	15
2010	Q2	Oct	87	100	13
2010	Q3	Nov	79	88	7
2010	Q4	Dec	32	47	9
2010	Q1	Jan	157	186	5
2010	Q2	Feb	196	184	41
2010	Q3	Mar	9	7	1
2010	Q4	Apr	78	80	21
2010	Q1	May	396	434	59
2010	Q2	Jun	514	580	140
2010	Q3	Jul	95	85	4

Total Policies: 30937
Total Canceled: 6776
Total Renewed: 11892

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Solution: A Perception BI Project

Our client spent many months investigating options to deliver their required Management Information. In the meantime, they developed a Data Warehouse to support the project.

After meeting with Perception BI they agreed to undertake a short pilot, after which the decision to deliver a full Perception BI project took just 2 weeks.

A key reason for choosing Perception BI was the speed of delivery and excellent reception of the very successful pilot application by the business and key brokers.

Our Senior Business Analyst helped to develop a KPI dashboard, which monitors, in real-time, the number of new policies, the source of the business and the amount of premiums.

In addition, we have added a distinction between *new, renewed, cancelled* and *expired* policies, by applying simple rules to the existing data. We have developed a number of KPIs to target the number of new and renewed policies.

We have also produced top 10 broker information, as well as forecasting of business based on historical trends.

For revenue assurance, commission statements and Direct Debit reconciliations are now carried out as part of the same reporting pack, which means that there is a consistent reconciliation process before any payments are made to brokers.

Key Benefits: Cost Efficiency, Improved Control and Consistent Management Information

Perception BI has delivered massive *savings in cost and time*, reducing the number of manual tasks involved in monthly reporting, from Direct Debit reconciliation to production of commission statements.

Perception BI has also delivered *improved control* over the information been delivered within the business. Centrally produced commission statements and detailed policy expiry and renewal information allows for more productive communication between brokers and Account Managers.

Importantly, the information being shared is now *fully consistent* – no matter who is looking at it. This solution provides context and supporting data for any answer. Now any Account Manager can handle a simple request such as a policy query, providing far greater service to the broker.

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The Complete Picture: Training and Development

As part of the overall project, Perception BI trained two key resources to develop and maintain the reporting models.

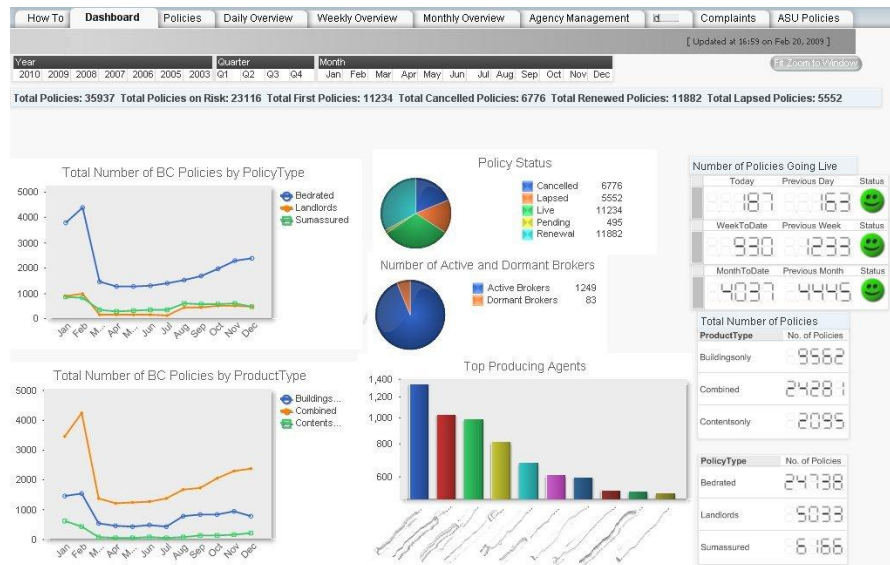
In addition, we developed a custom training programme, taking less than half a day to complete, for any new Account Managers or key Brokers, who will have access to reporting.

One of our senior Consultants now spends two days per month on-site with the business to continue to support and develop the applications, handling new data sources, reviewing KPIs and answering ad-hoc queries from the business.

"This solution has revolutionised our business. We finally have real-time access to information, in a format which is both intuitive and accessible. Perception BI's team has delivered a full reporting solution in just 8 weeks, with which we are able to deliver a better service to our broker network as well as provide focus and performance management to our Account Managers."

UK Managing Director

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