



Sample Case Studies

Business Re-Engineering: Rate and Risk Review

Background

The Personal Insurance division of a countrywide Property and Casualty Insurer wanted to make improvements in how the Company managed and implemented rate and non-rate changes including systems implications. A cross-functional team was assembled to complete analysis of the processes and recommend opportunities to enhance the Company's competitive position. The mid-level management team represented both the business and information technology, but lacked organizational and administrative strength.

Engagement

CastleBay was retained to:

- ✓ Organize interviews of over 25 business and technical individuals and diagram business workflow.
- ✓ Facilitate synthesis of information gathered.
- ✓ Complete documentation of results and recommendations.
- ✓ Prepare and deliver presentation to senior management.

Results

Client management was presented with written and oral reports that detailed the following key issues:

- ✓ The rate change business process was well defined and structured.
- ✓ All other rate/risk related changes occurred ad hoc with no one held accountable.
- ✓ Delays in system programming changes caused costly delays with missed windows of rate increase opportunities due to:
 - ◆ A high frequency of changes per state.
 - ◆ Shifting programming priorities by the business with system re-work and re-starts.

Recommendations for streamlining the change process, organizational changes, and technology enhancements were accepted by Senior Management.

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