

EBOOK

Digital Transformation in Insurance: 4 Tips for Streamlining Delegate Management



Introduction

A delegated authority relationship is formed when an insurer permits another party to act on their behalf, either in an underwriting or claims handling capacity. As a result, the outsourcing of these insurance activities via a network of delegates dramatically increases the volume of exchanges with the risk bearer.

EU insurance regulation directive has increased the requirements on insurers who must ensure compliance with their obligations when they outsource insurance duties or activities.

As a result, exchange and reporting processes between the insurer and the delegates must not only be structured, they must also be formalized and precisely managed to deliver the necessary reporting. For example, providing a reliable audit trail for controllers and the regulator.

With the digitalization of processes and exchanges, insurers are confronted with an additional layer of complexity: how to optimally organize exchanges in order to streamline the management process and increase the firm's performance.

Four Tips for Streamlining Delegate Management

#1 – Be prepared to adapt to individual exchange formats

Imposing exchange structures is not always straightforward considering that delegates, especially within small structures, may use specific exchange media and formats. In addition, each contract type is often associated with a given exchange flow – health care, retirement, providence, where each has its own format.

Consequently, the number of delegates and flows can rapidly increase from several hundred to several thousand.

The temptation to standardize in order to simplify these exchanges is strong.

However, excessive rigidity in the transmission of flows will directly impact the commercial relationship; there is a risk that doors will subsequently close, especially for small and intermediate structures.

Hence the importance of being able to accommodate varying exchange formats. This means being capable of processing both structured and unstructured documents without incurring the need for a complex and costly architecture.

This requires an agile solution for integrating large volumes of structured and unstructured data, so that contracts can be managed in a streamlined manner.

#2 – Restore agility to delegates' data

Faced with the reality of exchanges that involve multiple data formats and flows, most insurers currently find themselves in the difficult position of having to manage all their delegates somewhat chaotically. This means manually processing individual contracts.

For an insurance company, with up to a hundred delegates, this represents a huge workload. Monitoring each delegate and producing a monthly summary of their activity is a complex operation.

By integrating all contracts in a single repository, i.e. a “single source of truth” from which the necessary reports can be produced, both for internal control systems and for the regulator, the necessary level of data agility can be achieved.



#3 – Ensure data security and governance

Keeping track of contract movements can be challenging especially in the event of an audit: not only ensuring that the process has followed regulatory guidelines, but also producing a reliable audit trail.

To meet the regulator's increasing demands, all delegate data must be managed and governed securely.

Global contract management, whereby all movements are recorded in the same management system, is compulsory in order to meet regulators' requirements.

Insurance organizations must be able to:

- Retrieve historical data when requested
- Understand the organizational context at a specific date, for example knowing which agent was in charge of which contract or customer
- Provide regular reports at the regulator's request
- Grant the regulator access to data

All the while, maintaining the up most data security and governance.

#4 – Provide a 360° view of the end customer

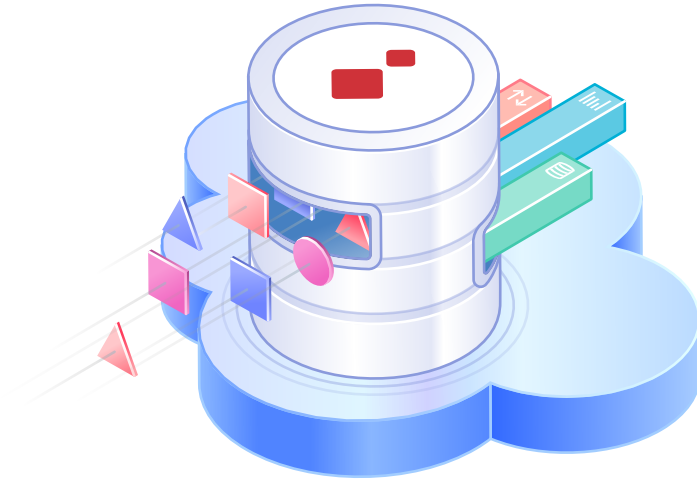
In order to better serve customers and optimally calculate risk, it is important to have a complete view of the customer.

Using manual reconciliation, it is particularly difficult to provide a coherent view of a customer's contracts when the same customer has been issued contracts from a number of different delegates. Since customer identifiers often vary an issue arises in reconciling those identities to provide a 360° customer view.

Using a cloud data hub to create a “single source of the truth” all departments are able to leverage data to gain maximum value and an in-depth understanding of their delegates' end customers.

It also provides a means of leveraging the maximum amount of value from your customer data. The processing of your data using intelligent systems serves to build predictive models needed to effectively anticipate.





Conclusion

In an increasingly complex marketplace, MarkLogic gives insurance organizations the ability to streamline operations and improve customer experiences and loyalty.

As the world's best data platform for integrating data from silos, MarkLogic is trusted by leading organizations to deliver faster value from their insurance data. With the simplicity of one fully integrated platform built for multi-cloud environments, data can be loaded as-is, enriched, and harmonized faster and more cost-effectively than traditional methods.

About MarkLogic

By simplifying data integration, MarkLogic helps organizations gain agility, lower IT costs, and safely share their data. Headquartered in Silicon Valley, MarkLogic has offices throughout the U.S., Europe, Asia, and Australia.

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