CASE STUDY

Data-Driven Decisions: Streamlined Valuation Process Delivers Transparency and Precision Insights

CLIENT

A leading global reinsurance company asked MBE to review their actuarial operations. We began by examining how they were performing across the six enablers we measure within our Actuarial Performance Management (APM) Framework.

The results showed that the client was underperforming across two APM enablers: Processes and People. The two major issues identified through the Assessment showed that; processes were not properly documented and operational (individual and team) performance was not actively monitored.

CHALLENGE

The actuarial team faced significant challenges with process consistency and efficiency negatively impacting both the quality and timeliness of their deliverables. The management team shared their vision and their three main objectives with us:

- improve accuracy of numbers to reduce rework;
- reduce process lead time; and
- implement process resilience

APPROACH

As part of the long-term plan to transform their processes the client asked us to run a pilot of our recommendations and improvements for their quarterly statutory valuation process. We conducted workshops with the valuation team to better understand the process from their viewpoint, including how it was being executed, the system and tools used, current workarounds and challenges.

Stage One - Current State Workshops

The purpose of these workshops was to gain a full understanding of the current process being used by the team. This open-style forum allowed us to identify where and why the reworks were happening during the process, where hand-offs were taking place, and which process steps led to bottlenecks.

Stage Two - Future State Workshops

We reiterated the three key management objectives. This established a positive and engaged approach with the team. As a result we identified 26 improvement opportunities.

AT A GLANCE

Challenges

- Process consistency and efficiency negatively impacting quality and timeliness
- Need to meet three clear management objectives

Benefits

- Workshops clearly identified issues and plan of action
- Both management and team engaged and united
- Future plan set out

NEXT STEPS

Since this pilot the client has asked us to apply the same approach across all of their processes. To achieve their ultimate goal of an automated future state, we recommended an evolutionary phased approach to iteratively shift team capacity, from running the process to improvement activities gradually increasing the time available for actuarial analysis.

> *Working with MBE Consulting has been an eye-opening experience. The workshops definitely facilitated valuable discussions on our current processes. This exercise has helped us identify and prioritise areas of inefficiences. We are looking forward to working with MBE to embed how we operate in the future.*
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> **Head of Actuarial**
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