ROBOYO NEXT LEVEL NOW

PIONEERING INNOVATION IN INSURANCE WITH INTELLIGENT AUTOMATION

DISCOVER THE CRITICAL ADVANTAGES AUTOMATION BRINGS TO THE MODERN DIGITAL TRANSFORMATION OF THE INSURANCE INDUSTRY.

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EXECUTIVE SUMMARY

## 'The industry is on the verge of a seismic, tech-driven shift.'

\- MCKINSEY & CO

The insurance industry is no stranger to evolving through technology. For years, top-tier insurers around the globe maintained their positions thanks to having some of the most technologically innovative operations in the world.

Today, many insurance organizations have fallen behind on their technology adoption rates. The growing competition from insurtech, and new customer demands is making complex, siloed, legacy infrastructure increasingly problematic.

Insurers' reliance on the systems of yesterday has had a negative impact on their customers' experience and overall operational efficiency. In order to tackle these pain points, insurance companies must adopt an "automation first" mindset.

Insurance companies that invest in scaling RPA and intelligent automation across their enterprise will capture key long-term competitive growth and innovation benefits as they grow their initial automations into end-to-end enterprise hyperautomation.
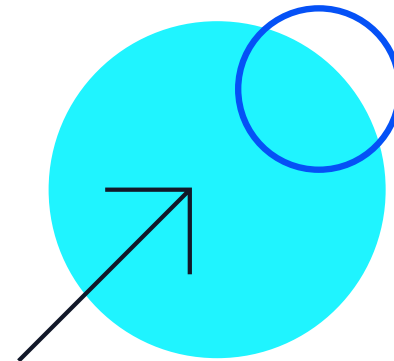
THE INSURANCE INDUSTRY MEETS INTELLIGENT AUTOMATION

THE WAY MODERN INSURERS DELIVER SERVICES IS BEING TRANSFORMED BY AUTOMATION

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OPTIMIZING **THE INSURANCE INDUSTRY**

Modern insurance companies can ensure the success of their digital transformation strategy and business process optimization plans by building them atop a strong foundation of automation.

RPA, Artificial Intelligence (AI), Machine Learning (ML), Intelligent Document Processing (IDP), Conversational AI, and other intelligent automation technologies should be key components of these plans. Automation enables insurers to build a high-growth, agile business while optimizing costs.

As insurers streamline and automate repetitive manual tasks such as customer address and phone number changes, they increase business efficiency. This increase in efficiency gives staff more time to innovate new business ideas and focus on their most valuable work.

Customer satisfaction also improves due to less errors and faster response times to customer requests. Most errors and process exceptions in the insurance industry are routine and can be handled using correctly specified rules-based algorithms.

By investing in these technologies and culture change management, insurance companies around the world are re-engineering their processes and workforces for increased efficiency and resilience in the face of disruptive change.

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SOFTWARE ROBOTS ARE MODERNIZING OLD PROCESSES

Insurance companies face common issues due to inefficient legacy business practices.

**Common challenges:**

> Manual carrier quote requests result in delays up to several days long

> Managing large amounts of data

> Inefficient, error-prone legacy systems

> High utilization of manual labor across business processes

> Ineffective hand-offs and high-touch process flows across siloed teams
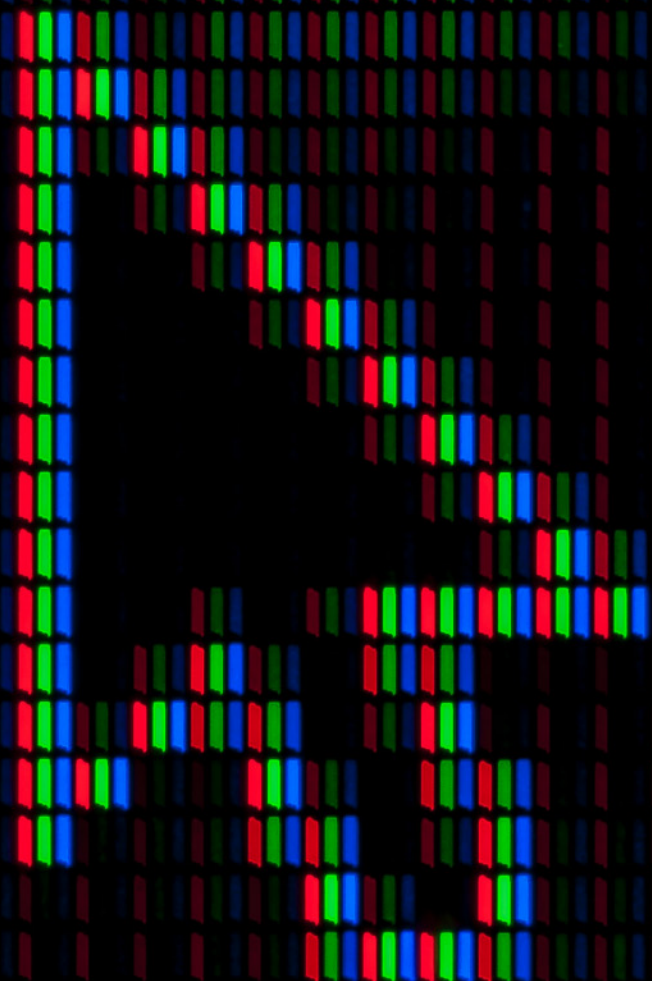
How RPA and intelligent automation help:

> Create automated quote systems that deliver results in minutes

> Process high volumes of data into useful structured formats

> Integrate legacy systems across platforms and reduce errors

> Automate manual and repetitive tasks

> Improve process hand-off governance and streamline process flows, minimizing siloing issues

INSURANCE PROCESS HEATMAP

Automation Potential

Low — Medium — High
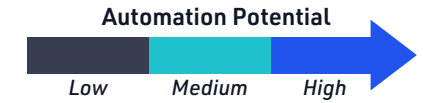
RPA and intelligent automation enable insurance organizations to be more efficient and productive across their entire enterprise.

Sales and Distribution	Quote and New Business	Renewal and Billing	Servicing	Risk Advisory	Operations	Customer Service	Claims
Lead generation	Know Your Customer (KYC)	Invoice management	Claim intimation	Actuarial assessment	Account onboarding	Service request	Claims intake
Requirement management	Need analysis	Renewal notices	Claim / policy enquiry	Risk assessment	Activation / termination	Member portal	Claims processing
Appointment management (Sales calls / referrals)	Coverage and eligibility check	Recovery management	Claim settlement	Risk modeling	License management	Correspond	Claims adjustment
State filings	Personalized recommendation	Collection management	Renewal processing	Treaty placement	Recruitment	Appeal and grievances	Claims payment
Expense submission	Quote comparison	Commission management	Policy changes / endorsements	Investment consulting	Training	Create case or complaint	Coordination of benefits
Dashboards / reporting	New business submission	Reconciliation	Document handling	Market analysis	Data aggregation	Change of plan / service / order	Fraud detection and management
		Produce bill / statement	Evaluate application			Change of account details	
		Process receipts	Manage renewals			Manage commission types and plans	

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THE DIGITAL FRONTIER

LEVERAGE THE POWER OF RPA AND INTELLIGENT AUTOMATION TO GENERATE TRUE BUSINESS VALUE AND GROWTH

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MAKING END-TO-END CLAIMS PROCESSING A REALITY

Zero-touch, end-to-end claims processing is where insurance organizations will find the largest opportunity to reap the benefits of automation. The reality is that the costs of claims payouts and expenses are the largest expenditure for a P&C (Property & Casualty) insurer, often accounting for more than 75% of premium revenue.

There are a lot of moving parts in the claims process. Large amounts of data needs to be collated by employees spread across several teams. The correct documentation must be filled out for each claim, using the appropriate codes per current company guidelines. This complicated, manual claims handling process introduces many opportunities for error and delays. Automating this complicated process reduces operational overhead, errors in data-entry tasks and improves compliance measures.

DECREASE CLAIMS PROCESSING COSTS

RPA and intelligent automation create cost savings across claims fulfillment.

REDUCED FRAUD = INCREASED REVENUE

As part of end-to-end automation of the claims process, AI powered analytics can help insurers anticipate and detect fraudulent behavior.

IMPROVE CLAIM SETTLEMENT TURNAROUND TIME

Manual settlement turnaround averages between 3 to 21 days. Faster turnaround reduces possible exposure to undesirable court rulings.

IMPROVE COMPLEX LOSS AND PRODUCT CLAIM PROCESSING

Increase the efficiency of loss and product claim handling with IDP and ML.

MAXIMIZING CUSTOMER OPTIONS WITH INTELLIGENT AUTOMATION

According to Gartner, only 38% of insurance brands allow users to enroll online after filling out a quote request form. Insurance companies striving to remain relevant in the modern online marketplace must close the digital gap between what they offer and what customers want.

Intelligent automation enables insurers to offer self-service options to their clients through chatbots powered by Conversational AI and automated smart forms. These powerful automations can respond to prospective customer inquiries such as quote requests 24/7 and process many other standard user inquiries.

Responses to basic profile change requests can be automated and logged with zero staff interaction needed. Software robots can also handle end-to-end automated processing and payment of simple claims. These processes are designed and implemented according to pre-set business logic, allowing the automatic payment of claims if the payment is below a specified amount.

RPA and intelligent automation assist insurers with presenting these options as an omnichannel experience. Insurance organizations that have invested in creating omnichannel service can ensure their customers that they can access their information and insurer services regardless of whether they are using their smartphones, computers or tablets.

'In the digital ecosystem, separating the winners from the losers is not based on which digital elements an insurer merely possesses, but often how they translate their efforts into holistic experiences across multiple customer journeys.'

– GARTNER

# TAKING THE INSURANCE INDUSTRY TO THE NEXT LEVEL

TAKE ON THE CHALLENGES OF TODAY AND SEIZE THE OPPORTUNITIES OF TOMORROW

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WHERE WE ARE TODAY

The COVID19 pandemic has created an unprecedented crisis that has landed body blows on industries across the world. This crisis has created a new normal in our everyday lives in both social and economic circles that must be adjusted to.

The impact of the pandemic and other world events has led to stock market crashes, resulting in substantial losses and a paradigm shift that brings into question the viability of many insurance carriers because the profit contributions from investment surpluses versus underwriting surpluses is 5 to 1.

This new normal and the unknowns that come with it have generated risks for insurance companies that will need to be analyzed for years to come. Global disruptions also create new opportunities to take stock of business processes and determine what can be improved. Insurance companies that invest in RPA and intelligent automation now will be better prepared for the inevitable challenges of the future.
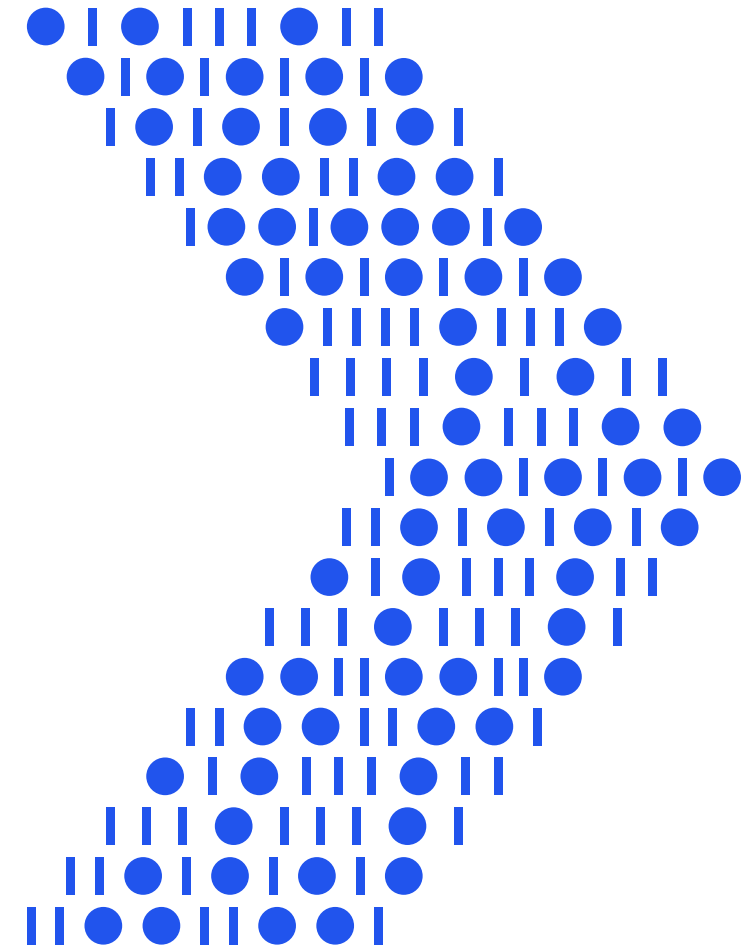
HAVE ANSWERS READY WHEN PROBLEMS ARISE

Here are some examples of how a digital workforce of software robots help make insurers more agile when complications threaten to derail standard operating procedures.

SPIKES IN THE VOLUME OF CLAIM SUBMISSIONS

Challenges

> A pandemic or natural disaster has triggered a surge in death/disability claims for life, annuity and benefits carriers.

> Health-related trip cancellations due to travel disruptions, quarantines, testing delays and possible long-term impacts on individual health outcomes have contributed to a surge in health-related claims.

> This spike has occurred across paper, email and contact center channels.

Solutions

> IDP services can be scaled up to respond to increases in paper and email claim submissions.

> Software robots can be integrated with contact and call center software to pre-screen callers and prepare pre-designed custom pop-ups and scripts that personalize responses. This automatic real-time expert support helps agents provide customers with the critical insurance information they need in a time of crisis.

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TACKLING THE SHRINKING OF PREMIUM INCOME

Challenges

> Social distancing guidelines and travel restrictions imposed by governments across the world have critically affected small businesses in the travel and hospitality industry. This has led to shutdowns and job cuts, which in turn has shrunk premium income and revenue for insurance companies.

> Small businesses have started to look for delayed renewal or payment plan options and possible reductions in coverage/benefits or increases in deductibles to adjust to the economic crisis.

Solutions

> AI powered analytics and RPA can help insurers determine the risk profile of business clients and proactively offer different payment and coverage options based on the results.

> Risk profile data can help software robots suggest which next-best-actions customer service agents can share with business customers when they contact insurers with policy change questions.

MANAGING A SPIKE IN CUSTOMER ATTRITION

Challenges

> Unemployment and underemployment are resulting in an economic slowdown that will trigger premium shopping in the personal, auto and home insurance market.

> Discounting premiums to retain customers, and customer churn, results in a reduction of premium revenue.

Solutions

> ML and AI powered analytics can monitor industry-wide insurance premium shopping trends and help insurers proactively offer new payment and coverage options such as competitive multi-line discounts to existing customers to boost retention.

> Automated churn risk profile analytics can help insurers determine personalized offers depending on the individual client's estimated risk of switching providers.

There is no doubt that COVID19 and current world events have changed the market reality for insurers and their customers alike. Insurance companies must invest in software automation to improve their adaptability and meet rising consumer demands for innovative and affordable insurance products.

HYPERAUTOMATION AND THE FUTURE OF INSURANCE

RPA and intelligent automation technologies such as AI, ML, Natural Language Processing (NLP), and Conversational AI build efficiency and scalability into the structure of insurance organizations and help build a hyperautomated workplace. With the right strategy, investments in these technologies can transform inefficient, legacy processes enterprise wide. As insurers move along their hyperautomation journey, employees can spend less time on routine, repetitive processes, and insurance organizations can foster a culture of innovation and learning. Companies taking these steps will be ideally positioned to respond to the business needs of today and the future, such as data analysis and predictive analytics.

According to McKinsey & Company, IoT experts estimate there will be up to one trillion connected devices by 2025.

IoT devices such as smart watches and industrial sensors continue to proliferate among consumers and in commercial settings. The data these devices produce, and their use is predicted to expand at breathtaking speeds. The ability to clean, sort, structure, and visualize this data with the aid of ML and AI software robots is becoming vital for insurance companies and this need will only grow in importance as time goes on.

'The rapid evolution of the industry will be fueled by the extensive adoption and integration of automation, deep learning, and external data ecosystems.'

– MCKINSEY & CO

FUTURE TRENDS IN AI POWERED DATA ANALYSIS

Insurance companies capable of filtering out the noise and capturing the right details in their data, using analytics automation, will better understand what kind of coverage consumer and commercial clients need, now and in the future.

Predicting trends in client behavior and calculating risk pools has always been an essential activity in insurance. Understanding how the spread of new technologies such as autonomous vehicles, drones and genetic therapy are going to influence insurance policy writing is growing more difficult by the day due to the sheer volume and complexity of the data. Analyzing the data on the potential risks these technologies may create with the help of AI and ML will make it easier to personalize policy pricing and accelerate the creation of new products.

Deep Learning is a form of automated ML capable of dealing with very large data sets and noticing patterns that can be missed by human observers. This form of AI can look at data and predict trends with a high degree of accuracy if given the right data and time to train its analytical abilities. The zero-error rate of RPA and efficient gathering and processing of data provided by intelligent automation is one of the best ways to ensure good, clean data is available when insurance companies need it. This ability to collate and structure data grows in power as insurers move further along the hyperautomation journey and create more end-to-end enterprise-wide automations.

Automation platform tools, such as Roboyo Converge, put insurance organizations in control from the beginning, collecting and displaying detailed automation management information in one place to help harness the exponential power of hyperautomation. Pre-packaged automation solutions are also available. These turnkey solutions enable insurers to automate many processes without having to start from scratch, making it easier than ever to kickstart the use of automation technology.

DELIVERING NEXT LEVEL PRODUCTIVITY

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Our client, a leading European insurance company, reached out to Roboyo for automation assistance. Using RPA, we created massive efficiency gains at its shared services arm that delivered policy, fund administration and other services.

CHALLENGES

- Reduce the volume of emails that require manual processing.

- Simplify insurance-centric tasks involving tracking data on Excel spreadsheets and ensure consistent communication with all involved parties.

- Disparate sources of data such as emails, phone conversations, and multiple applications and systems made processing the data complex and error-prone.

SOLUTION

Software robots were tasked with processing many of the emails.

The group deployed RPA to connect all the legacy communication and data processing applications the organization used in its day-to-day tasks.

OUTCOME

Despite an increase in transactions, software robots helped:

Reduce call volume by 38%

Reduce incoming email volume by 56%

Create a 23% improvement on SLA compliance for front line calls, rising from 73% to 96% year-to-year.

A decrease in processing time of more than 70%.

BEST PRACTICES FOR RPA AND INTELLIGENT AUTOMATION IN THE INSURANCE INDUSTRY

Getting the most out of intelligent automation and RPA in Insurance.

Insurance organizations seeking to enhance their service capabilities and customer experiences by deploying their own software automation initiatives and Centers of Excellence (CoE) should keep in mind some best practices to achieve steady ROI from their first software automation implementation onwards.

IMPLEMENT AN RPA AND INTELLIGENT AUTOMATION TRAINING PROGRAM FOR YOUR WORKFORCE

With the implementation of a complete, comprehensive automation training program for their workforce, insurance organizations will provide their staff with the skills needed for automation success.

Organizations implementing enterprise-wide education initiatives can easily tackle one of the most challenging parts of digital transformation for any company - culture. By applying change management practices like demonstrations and training programs, insurance companies will help workforces enjoy the benefits of intelligent automation and RPA.

CENTRALIZE TO DRIVE RPA AND INTELLIGENT AUTOMATION SUCCESS

Insurance organizations drive successful automation implementation by centralizing governance, execution, and leadership in a single, dedicated team of stakeholders in partnership with a CoE. This team should allow for the rotation of subject matter experts (SMEs) from each process and business unit so the organization can deploy RPA and intelligent automation faster in each project.

SELECT THE RIGHT PROCESSES FOR AUTOMATION

When insurance organizations are deciding which processes should be automated first, it is important to start with a simple rule-based, repetitive but high-value process that can be automated fast to show the proof of value to stakeholders.

It is important that these organizations have a clear understanding that some processes may require re-engineering before being automated.

CONCLUSION

THE FUTURE BECKONS

RPA and intelligent automation have become critical investments for insurers that want to position themselves for success in achieving future strategic growth goals. Early adopters of these technologies that have supported a disciplined, digital first mindset enterprise-wide are already pulling ahead of the pack as they become end-to-end hyperautomated enterprises.

Consumer and business technology trends are pointing towards a long-term wave of industry disruption. The spread of IoT and culture changes, including shifts in transportation and how and where people work, are creating enormous new data pools. Insurance companies need to harness the ability of AI-powered analytics to process this data into useful insights in order to adjust risk considerations and innovate new products.

RPA and intelligent automation help free up time. As efficiency improves and automation takes over more and more of the mundane tasks that used to bog down employee productivity, opportunities to create a workforce fit for the future arise. Make automation work for you and it will help you succeed at speed and at scale, ultimately giving you the competitive edge over the competition.

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NEXT LEVEL NOW

CONTACT US

To talk through how we can help you get the most from intelligent automation, contact us to book a meeting:

ROBOYO.GLOBAL/MEETING