

Case study

Scottish Friendly Assurance case study Implementing Bravura Solutions' Talisman



The organisation

Scottish Friendly Assurance Society Limited is one of the larger UK Friendly Societies and has a broad portfolio including insurance, pensions and investment products, offered and serviced both directly and through the IFA channel.

SFA is competing in the wider, over-subscribed insurance market where potential customers are selecting product providers on the basis of investment return and service quality. While the friendly society tax-free position provides a powerful marketing position, the SFA executive team has no desire to maintain status quo and looks for all opportunities to secure increasingly good returns for Scottish Friendly policyholders.

The business case

With some systems less than 10 years old, SFA already provided efficiency with 8,500 policies managed per customer service officer. However there were some significant drivers to look for alternative solutions, not least increasing market and regulatory pressures on costs. In addition, demands from SFA's success in marketing and acquisition included product and process specialisation, as well as the strains of growing beyond the current floor space.

- Multiple systems and manual interventions for different products and processes, inadvertently led to a level of specialisation and complexity forcing a higher cost model.

- Managing ISA products through a stand alone system was an additional cost, directly and indirectly through separation of client enquiry and error checking.

Any new business solution had to reduce the costs of renewal, plus be capable of supporting new acquisition channels and be responsive to future market and service demands.

Counter to common experience

Across all markets the last decade has seen high profile projects struggle under burgeoning timelines and increasing costs for implementation and conversion projects. In many cases disciplines of maintaining project objectives, costs and timelines have been compromised by spiralling scope escalation (often where complexity is not needed) and selecting system architectures and solutions which do not closely match the financial services business model.

Solving specific business issues rather than delivering a full solution, like implementing a call centre CRM, achieves real returns for many companies. However, similar project timelines and costs can achieve much more.

SFA moved to a single enterprise solution resulting in minimal licensing arrangements, totally integrated data management, significantly reduced administration and IT maintenance costs, and common information available to all processes. All achieved in project timeline of less than one year.



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In simplifying its system complexity to a single fully integrated CRM and product solution, SFA achieved immediate measurable gains and also an environment where strategy is not constrained by system structure.

SFA selected Bravura Solutions' TalisTrust and TalisLife for many reasons, all of which delivered on immediate objectives as well as future requirements.

- Certainty on price for implementation
- Auditable proof of conversion
- Insurance and Investment product management on one database
- Integrated CRM, workflow and client correspondence
- Parameter-driven product and process design and continuous improvement
- Functionality borne from over 25 successful implementations
- A partner specialising in the financial services market
- Short delivery timescale

New business model

With uncompromising focus, SFA directed the implementation of a business model which achieved an immediate reduction of renewal costs, improved call centre responsiveness, and reduced error rate while automation of complex calculations moved staff to generalists, smoothing workloads and reducing reliance on coverage for pockets of specialised areas. A single, rich view of all information and processes for each client includes all insurance and investment products held, new business and claims tracking, transactions and correspondence. This instantly reduced enquiry team referrals to the back office team from over 1200 to less than 300 per month.

No longer is change only at the time of substantial systems implementation. Ownership of process design is driven by SFA users rather than constrained by system design or specialist's manual intervention. Significant processes are automated to a level determined by those accountable for service and cost. Processes and correspondence are amended in-house as and when demanded by clients or management.

Product design is translated into system parameters. Two new products have been introduced to market without any system change required or supplier assistance. Common processes and correspondence are available to these products. On a short timeline, unique Child Trust Fund interfaces were created with SFA achieving one of the earliest approvals by the Inland Revenue. All were achieved with minimal costs. Competition and increasing pressure in the market for good investment returns demand a reduced cost structure, and SFA has commanded a position to compete successfully on these terms.

"Bravura Solutions Limited has delivered a pragmatic and comprehensive IT solution that enabled us to re-engineer our business processes in line with that streamlined model, thereby realising significant cost efficiencies and time savings. We capitalised on those savings immediately, by reducing our fixed costs base and by delivering new products to market within a much reduced timeline of weeks rather than months. We have since capitalised further by working with Bravura Solutions to create a new service offering administration services supported by the Bravura Solutions package to third parties – a very valuable 'new string to our bow.'"

Ms Fiona McBain, Chief Executive, Scottish Friendly Assurance

The solution – talisTrust and talisLife

Features

- Select one or many product systems
- Flexibility of product and process design
- Multiple channel / stakeholder access
- Common processes and presentation

Benefits

- Integrated client information with one view of all investment and risk products
- System enables rather than constrains business change
- Direct entry and information to owners and advisors
- Generalisation and breadth of responsibilities with smoothing distribution of workload
- Short timescales

- Return on investment less than 3 years
- Immediate cost reduction of over 40%
- Efficiency of over 15,000 policies per customer services officer
- Resolution of client enquiries improved 80%
- IT no longer determines the 'new product to market' timeline
- Continuous improvement