The Insurance Industry Guide to Driving Digital Re-invention
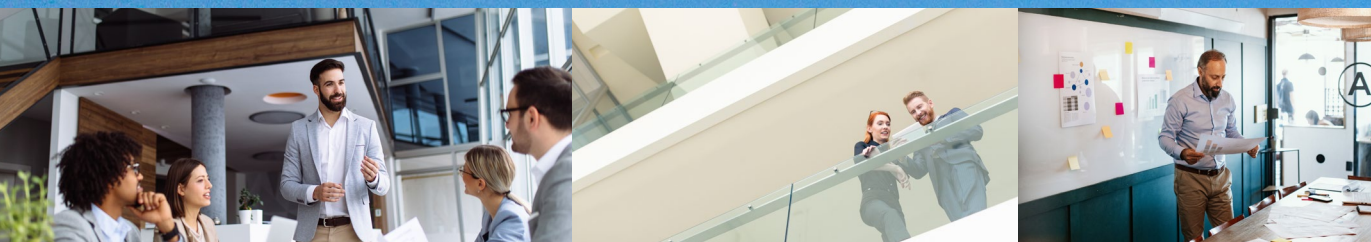
2022

R SYSTEMS

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INTRODUCTION

Innovate or Stagnate:
Riding the Wave of Digital-Re-invention.

The divergence between traditional insurers seeking to adopt a more digital way of working and the born-digital insurers who launched their business on a digital-first platform is driving momentous change throughout the Insurance Industry.

It's no longer enough just to play catch up. The ability to predict what's ahead rather than just reacting to business changes requires re-imagining how you work, how you create value in a digital world, and more importantly how fast and skillfully you can pivot

Netflix, a digital disruptor, is a recent casualty of this failure to pivot. Netflix was slow to react to the torrent of competition from new streaming service and lacked the agility to provide their investors any new strategies to stem subscriber fall off.

The insurance industry faces similar challenges. The seismic shift in the business landscape, whether driven by the pandemic, war or a broken supply chain, now happens faster and with greater frequency. For traditional insurers, winning in a post-covid world requires a complete digital re-invention. This means fluidly adapting to constantly evolving business objectives, challenges, and disruptions to create business value.

Delivering world class digital-first experiences is now imperative across the insurance industry. Digital leaders stay ahead by using new technology to continually re-invent, disrupt business models, and open new markets. Scanning the horizon for the next new wave is not enough. Your company needs to be agile enough to ride that wave when it comes, then prepare for the next wave heading your way. When it comes to digital re-invention, wiping out is not an option.

To achieve sustainable digital re-invention, you need a technology partner with digital DNA and deep insurance experience.

64% of CEO's believe their companies need to build new digital businesses to stay viable by 2023.

Source: **Statista**

R SYSTEMS: ALL EYES ON THE HORIZON

Predicting what lies ahead on the horizon isn't easy, and to succeed in this fast-shifting digital environment leaders must be ready to change and change often.

R Systems helps companies understand which technologies are on the horizon, allowing you to exploit the right technologies at the right time. We translate business requirements, identify the impact, and implement the right technologies at the right time, enabling you to add new digital capabilities to help drive willful and deliberate disruption to your business.

This requires continually **modernizing business operations**, **optimizing customer experiences** and **enabling intelligent decisioning**.

Modernizing Business Operations

R Systems helps your organization automate laborious, critical tasks at scale and speed, with accuracy. This allows you to redeploy workforces to focus on more meaningful tasks and responsibilities leading to massive productivity gains, reduced labor costs and more.

The Next Wave: Shifting from Automated to Autonomous.

Optimizing Customer Experiences

Data and data analytics are the beating heart of providing a rewarding customer experience by accurately predicting what a customer will do next. R Systems' CX solutions provide true, real-time customer insights that drive business growth and ROI.

The Next Wave: Moving from the Personal to the Contextual.

Enabling Intelligent Decisions

Insurers need complete visibility to make definitive business decisions. R Systems leverages the power of analytics, cutting-edge technologies, and best practices to gain actionable insights from the large volume of data across the enterprises.

The Next Wave: Turning Insights into Action.

INSURANCE INDUSTRY CHALLENGES

As the Insurance Industry evolves to deliver the deep digital-first experiences customers expect, there are three key challenges that must be addressed:

Implementing New Technologies

Traditional insurers are constantly playing catchup as they embrace digital technology and learn to survive in a hyper-competitive landscape. Implementing technologies such as AI, machine learning, blockchain and IoT are beyond the expertise and limited resources of most insurance companies. Digital-born insurers also struggle to keep ahead as new technologies come online.

Changing Customer Behavior and Macroeconomic Cycle

Customer churn is a major issue for the Insurance Industry. Digital has fragmented the barriers that once prevented customers from switching providers. Customers now expect an Amazon like experience from their provider, with access to digital and mobile self-service.

Improving Fraud, Security and Payment Protection

A perennial challenge, insurance fraud burdens providers with billions of dollars of losses annually. Implementing sophisticated risk management analytics tools help mitigate the losses, but without the expertise and analytics that provide actionable insights, companies will continue to lose money.

At R Systems, we help you face these challenges head on with digital accelerators that help automate your processes, deliver world-class customer experiences, and help mitigate risk and detect fraud so your teams can focus on growing the business keeping you profitable.
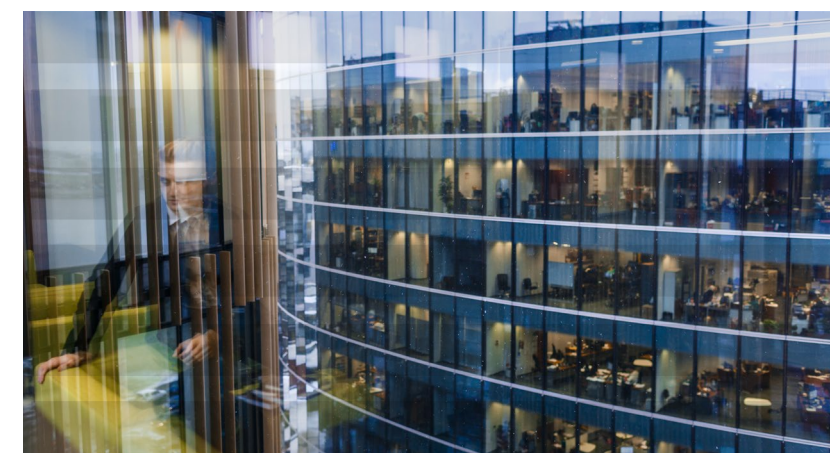
HOW WE WORK

R Systems is a digital product engineering partner committed to helping our clients add new digital capabilities, achieve speed-to-market, and create business value with our specialized service offerings, digital accelerators, and consultative business approach.

Whether you're far ahead on your digital re-invention journey or taking your first steps, R Systems helps you innovate with purpose.

Taking the first steps
Developing a roadmap...

Digital Advisory Services
- Evaluate digital strength
- Data Advisory

Enhancement Services
- Enhancement Services
- Modernization Services
- Test Automation

Accelerate impact
Delivering cost efficiencies...

Process Mining
- Mapping, repairing and managing internal process

Automation Enhancements
- RPA

Intelligent Process Automation
- Adding AI/ML

Cloud Transformation
- Cloud migration

Customer experiences
Streamline the total experience...

CX Value Mapping/Assessment
- Assess & Design

Contact Center Services
- Platform development
- Managed services

Unified Communications
- High-quality audio capabilities
- Natural IVR
- Interactive chatbots

Competitive differentiators
Data insights = better actions...

Intelligent Decisioning
- Advanced Analytics

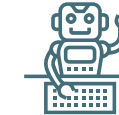**Digital Platforms**
- Enable new business models

Our Practice Areas

Design	Architecture (Core Platform/APps Deve)	Data Engineering	AI, ML, Analytics (Intelligence)	Intelligent Automation	Cloud	Mobile	Security	DevOps

Agile | SAFe | Hybrid

WE SPEAK INSURANCE

A Wealth of Insurance Expertise

R Systems has 20+ Years of Insurance Industry expertise within Personal, Commercial, E&S, MGA, Life, Claims, and Financial Services. Our expertise is second to none and includes Underwriting innovation, Process Improvement, Automation Enhancements, Analytics, and elimination of both manual processes and duplicate entry.

Our cutting-edge digital solutions are designed to eliminate manual processes, increase speed to market, mitigate risk exposure, and improve overall quality while focusing on improving "smart risk" selection.

Our Insurance Capabilities Include:

| Automation, AI, Analytics | Process Mining | Customer Experience (CX) | Risk Management | Fraud Detection |

DRIVING AUTOMATION WITH PROCESS MINING

Process Mining allows insurers to capture user interaction data to better understand their processes and implement improvements. R Systems' solutions go deep.

- **Analyze and detect** business problems, opportunities, bottlenecks, inefficiencies issues, action items

- **Robotic Process Automaton (RPA/RDA)**
  Rule-based intake, actions, and Decisions

- **Smart Intake**. Read and understand a variety of documents and forms include standard ACORD as well as non-standard documents

- **Conversational AI, NLP, NLG, and NLU**
  Bi-directional communication in natural language (voice and text)

- **Machine Learning:** Data Science, Deep learning, thinking and making intelligent decisions

- **Digital Workforce (that imitates human behavior)**
  Digital worker that can detect, act, read, communicate, and think

DIGITAL-FIRST TO CUSTOMER-FIRST

Products and Services to Enhance the Customer Experience

Tools for understanding and predicting customer behavior

There is no digital-first without customer-first. R-Systems' customer engagement tools are cutting-edge but also intuitive and simple to implement and use.

Customer Optimization

Our AI driven solutions help lower customer churn by proactively identifying at-risk customer's recent behavior and sending time-specific messaging and promotional offers.

Customer Segmentation

Sending customized messaging targeting customers with a need for your products helps foster brand loyalty and offers customers products they actually need. By using Data-driven feedback loops, we improve products and services that enhance the customer experience.

Business Development

To accelerate your business, you need proactive business development tools. Our digital solutions maximize overall profit across New Business, renewals, and cross sell by gauging inclination to purchase and target customers or prospect with personalized offers.

Lead Optimization:

Tools for prioritizing the right opportunities for your Agents / Brokers across multiple product lines in order to save time and help increase revenue.

60% of Insurance Organizations believe Service Personalization will reshape customer experience (CX) worldwide in 2022.

Source: **Statista**
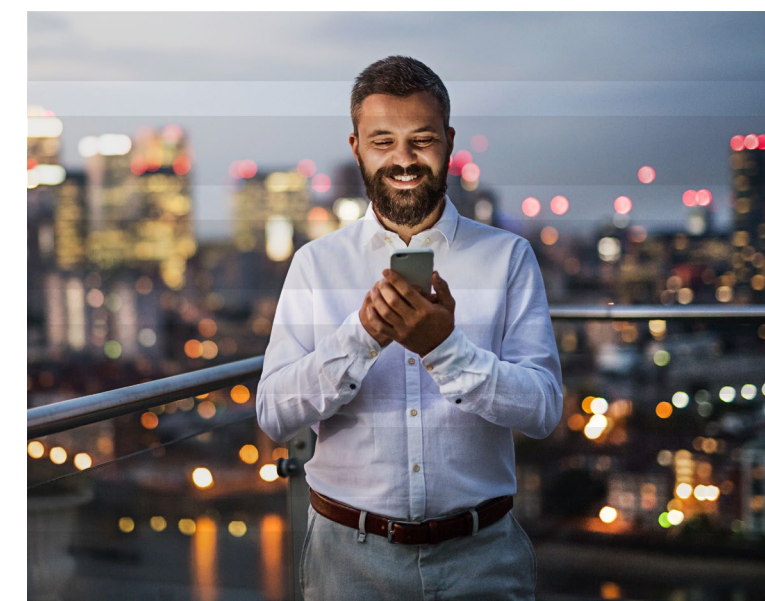
MORE RISK MANAGEMENT – LESS RISK EXPOSURE

To accurately manage risk, companies need insight and visibility. R-Systems' RMS Accelerator connects you to a single view, ready to use dashboard for all your data sources, providing a comprehensive view of your insurance book of business and line of business portfolio.

This is a fully secure, platform independent solution that is able to track your KPI's, and slice and dice your data.

- Claims forecasting

- Claims Aging

- Customer Satisfaction

- Loss Ratio Projections

- Risk Exposure/Appetite

- Billing - AR, AP, Reinsurance, Agent Commission

- Policy - Transactions, State, Territory and Lines of Business

- Catastrophe/Peril - Windstorm, Hail, Fire

**RMS Accelerator
Dashboard**

DETECTING FRAUD – MODELLING LITIGATION RISKS

The FBI estimates the insurance industry losses to be approximately $40B annually through fraud. This not only impacts insurance carrier, but also costs the average family between $400 and $700 per year through increased premiums.

R-Systems can help stem this loss with fraud analytics and litigation prediction tools that empower your claims professionals.

Claims Fraud Analytics

Detect fraud with high accuracy and efficiency when compared to rules-based implementation. Investigate at speed, reduce cost, and uncover fraud across multiple lines of business.

Claims Subrogation Prediction

Predict which new and existing claims can be subrogated to reduce costs. Empower your claims professionals by helping them predict which claims are likely to be subrogated.

Claims Litigation Prediction

Reduce costs and mitigate risks by accurately predicting which claims have a high chance of going to litigation. Litigation Propensity models predict potential litigation and have an early intervention and a settlement with claimants to avoid litigation and reduce litigation expenses.

Insurance carriers on average recover **27%** of the claims insured by a third party.

WHO DO WE WORK WITH

R Systems is a trusted partner to some of the world's largest and most respected insurance companies.

WHY R SYSTEMS?

5 Reasons to Work with Us

PURPOSEFUL INNOVATION

Your commercial objectives are our North Star. We constantly innovate using fresh ways of thinking to develop accelerators for your business, leveraging the power of automation and AI to generate actionable insight, simplify workflows and mission-critical processes. We support sustainable innovation, backed by big data, analytics, and cloud.

A TRUSTED PARTNER

Our consultative business approach enables ongoing digital re-invention that meets your current needs and future ambitions. We observe, listen, and think deeply. Understanding the challenges and harnessing our global technological and analytical solutions, we empower our clients to overcome digital barriers, put their customers first, and achieve operational efficiency.

FUELING BUSINESS PERFORMANCE

Our specialised service offerings help our clients to achieve speed-to-market, driving business growth. We use the cloud's full potential to gain maximum value and maintain a competitive edge. Our AI-powered, data-driven intelligent insights help our clients to optimized customer experience and develop lasting relationships.

GLOBAL

R Systems has locations in every major insurance market in the world, with 26 offices, 16 global delivery centers, and 3,000 employees across North America, the UK, Europe, and Asia Pacific.

PROACTIVE AND AGILE

We recognise that there's never just one way, and work collaboratively to find the optimal solutions. Helping organizations to understand the value of UX in product innovation, our digital accelerators enable customers to adapt to constant changes in technology, security issues, and user behaviour.

OUR SUCCESSES

R Systems commits fully to every customer we partner with. We ask questions, think deeply, get to work, fast. Our 100% turnkey accelerators allow us to deploy quickly, enabling customers to reach their digital re-invention goals skillfully and rapidly.

A major insurance carrier contacted R Systems indicating they did not have a process in place for submission clearance.

Discovery

Our team conducted a discovery session with the carrier and identified several opportunities where an automated clearance process would significantly reduce duplicate submissions being received from their agents, eliminate duplicate quotes of varying prices, and improve the overall customer experience.

Engagement

We engaged in a 1 week requirements gathering process and went to work creating an RPA solution that identified key components from the ACORD Application, saved all the attachments in their Policy Admin System and reserved the submission for a dedicated agent.

Rapid Results

This process would usually take 15- 30 minutes to complete, but with RPA automation, each submission was cleared within 3-5 minutes, saving the customer manual entry and duplicate submission activity.

The Next Phase

Automate the entire application and rate the submission for the UW prior to UW review.

This customer is extremely satisfied with the solution provide by R System and the process improvements they are seeing with the upgraded platform.

MEET SOME OF OUR TEAM MEMBERS

Nancy Morro

Principal Solution Expert – Insurance
Industry Experience: 35+ years

I've spent the last 35+ years learning everything there is to know about the Insurance industry – from Operations, Process Improvement, Underwriting and Insurance Products to Insurance Systems, RPA, AI, Machine Learning and Predictive Modeling. I'm currently applying this knowledge in my role as Director of Insurance Systems R Systems, where I'm responsible for identifying automation needs for the Insurance Industry.

Satish Gundawar

Global Head – Data Analytics and AI
Industry Experience: 20+ years

Senior Data and Analytics technology executive with 20+ years of proven expertise in machine learning, AI, pattern recognition, data mining, and advanced analytics (big data included) technologies in real-world applications. Successfully navigate matrixed organizational structures to identify, design, and implement initiatives that create measurable business value in Banking, Financial Services, Insurance, Healthcare, and Telecom industries.

Hemanth Shetty
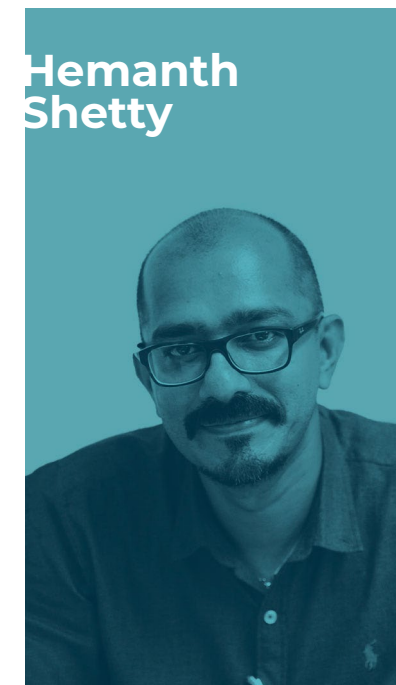
AVP – Intelligent Automation Practice
Industry Experience: 20 years

With a focus on BFSI, Telecom, Manufacturing and Technology companies, Hemanth is a certified Lean Six Sigma Black Belt, and has significant experience in driving end-to-end digital transformation and intelligent automation projects. Over his career, his responsibilities have comprised technology, operations, and customer support functions for major global organizations.

WHAT WE BELIEVE

R System believes digital re-invention is both a journey and a destination. It is an endless pursuit demanding relentless curiosity and the confidence to manage perpetual change.

We believe in innovation with purpose, which means being a technology partner laser-focused on your digital goals. We take action to ensure you stay resilient enough to handle any disruption and strong enough to propel further and faster.

We believe that observing, listening, asking the right questions, and thinking deeply about those answers will make our customers better prepared for whatever the future brings.

We don't believe in the status quo, standing still, or taking the road most traveled.

We are technology expeditioners, driven to explore new digital paths, leaving no stone unturned in our quest to deliver business solutions that drive meaningful impact.

Contact Us Today

Book a free four-week engagement with us

Let us show you how we can help you efficiently manage regulatory costs, achieve speed-to-market, and increase revenue.

Book Now →

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