

CASE STUDY

INSURANCE

POLICY CHANGE MANAGEMENT

Chubb automates auto endorsement process to reduce AHT by 71%

BUSINESS OBJECTIVE

Chubb is the world's largest publicly traded property and casualty insurance company. With operations in 54 countries, they provide a wide range of insurance products (property, life, auto, health, etc.) and underwriting services to a diverse group of customers.

The company wanted to embark on a journey of operational excellence that would help them improve customer satisfaction rates and reduce their operational spend by \$300M by 2023. They chose to automate their core customer-facing functions to streamline operations, improve customer service, and reduce the cost of managing complex processes.

One such function selected for automation was the automobile insurance endorsement work order processing, handled by the policy administration team. An endorsement request is raised when customers request modifications or additions in the existing terms of the policy. The process is time-consuming and needs collaboration across various teams. This high complexity made it a good candidate for automation.

CHALLENGE

Policyholders/customers often send requests to the company for modifications in their existing policies (e.g. change a coverage, add a driver, remove a vehicle, etc). The underwriters then list down these change requests along with all the relevant information required to process the request and update this on a Microsoft Word-based instruction sheet. These requests are then forwarded to the policy administration team through work orders. On average, underwriters raise 1500 work orders every month through a custom-built legacy system.

Although the instruction sheet has a structured format, the input from the underwriters was mostly unstructured and differed significantly from one work order to another.

Frequent changes in state regulations led to the same work order being processed in different ways, with sub-par accuracy.

Many times, the policy admin team would need to collaborate closely with the underwriters to seek clarifications, resulting in multiple rounds of e-mails, chats, etc., increasing the time to process requests.

Once the policy admins understood the requests, they would have to manually scan through the policy in another custom-built legacy system to identify which areas need to be updated.

Policies may contain anywhere between 1 and 200 vehicle records and just as many insured drivers. The admins must refer to a repository of more than 1000 auto insurance symbol, coverage and state combination rules which regulate the scope of policy coverages. They must ensure that the updates conform to the regulations for a respective vehicle type and state-specific rules.

The entire manual process resulted in an average handling time (AHT) of 42 minutes per work order and was highly prone to human-induced errors, such as missing a policy update or updating incorrectly. Because the process was so labor-intensive and involved complex rules, new hires had to undergo a six-month training program. Also, retraining the team to keep them aligned and informed with changing policy rules added to the operational costs.

SOLUTION

The company had previously reached out to an RPA vendor for its automation solution. However, they were unable to deliver on some of the key end-goals for the programs like handling a varied number of rules, reducing the AHT, and improving the accuracy of the customer-facing output.

Soroco was selected to replace the RPA vendor because of its ability to leverage the work graph and build complex automation systems that can handle unstructured input formats. Soroco's solution is built on top of the two legacy applications and is designed to read values from up to 100 fields in the work order at once.

To convert unstructured data inputs into a structured format, the Soroco team custom-built a worksheet.

By the numbers

1500

work orders handled per month
with 100% accuracy

1000+

auto insurance symbols learned
by the automation system

Soroco's solution is designed to identify 1000+ auto insurance symbol combinations and process work orders automatically with 100% accuracy.

The admins now enter work order details in the worksheet which is fed as input to the legacy system. The automation system then processes these work orders in a few minutes and sends the desired output to the admins. In case of exceptions, such as a missing mandatory coverage or mismatched auto insurance symbols, the automation system routes an exception message to admins or underwriters based on the pre-configured routing rules. This enables the teams to now focus only on the work orders that need their attention.

The solution can learn hundreds of continuously changing vehicle-specific and state-specific regulations to decipher 1000+ auto insurance symbol, coverage, and state combination rules. This helped the organization reduce the AHT from 42 minutes to 12 minutes per work order and process work orders automatically with 100% accuracy.

Going forward, the company is exploring how they can leverage Soroco's solutions to drive similar change programs across multiple processes to achieve operational excellence and reduction in operational spend goals by 2023.

IMPACT



\$325K

saved in annual operating cost



71%

reduction in AHT



960

hours of human effort automated every month

ABOUT SOROCO

Soroco's AI-driven process analytics and automation solutions are enabling enterprises to achieve ambitious cost savings, customer experience, and employee engagement objectives. Soroco's solutions are commercially proven, built to scale, and deployed across eight industry verticals at global F500 leaders.



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