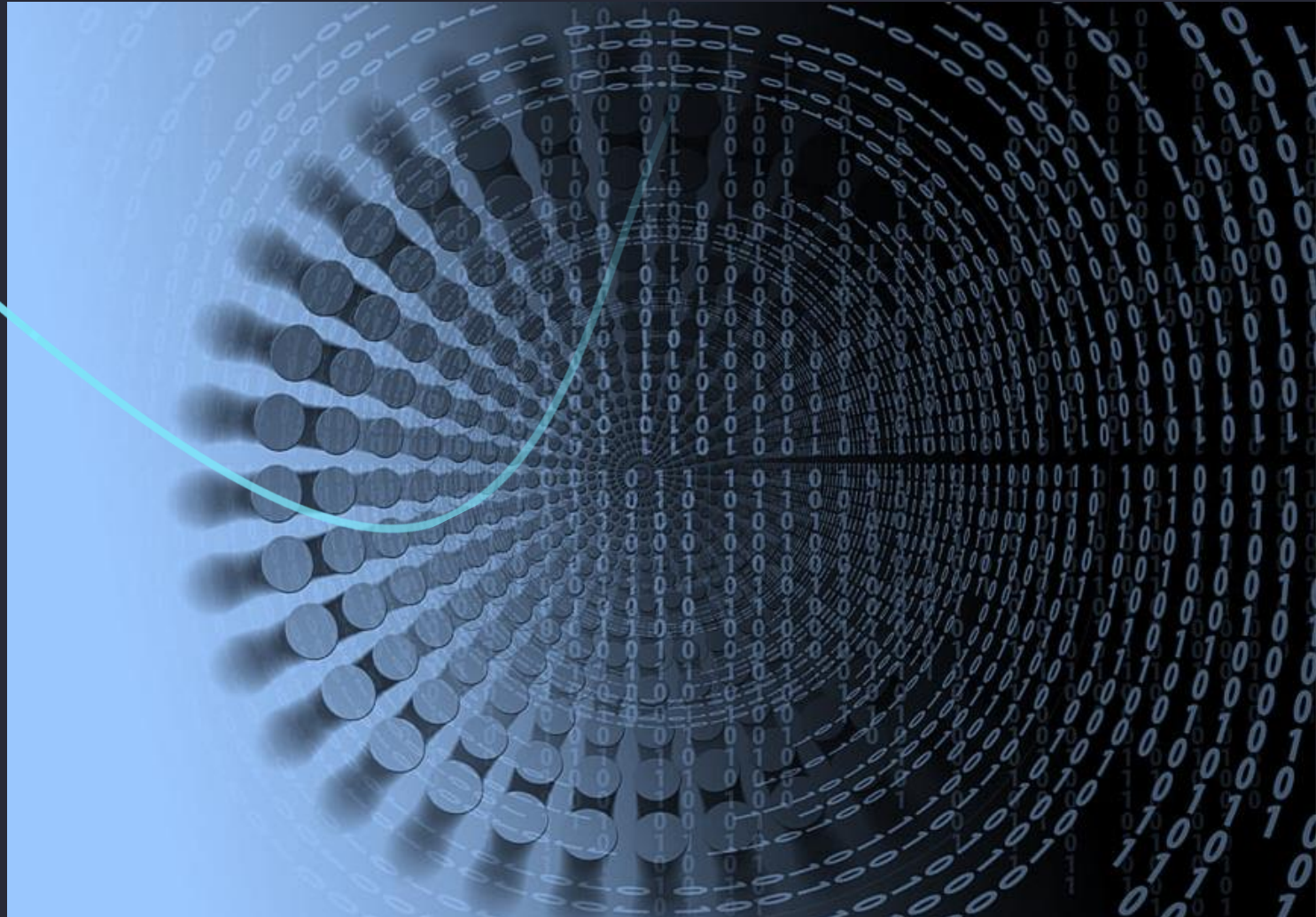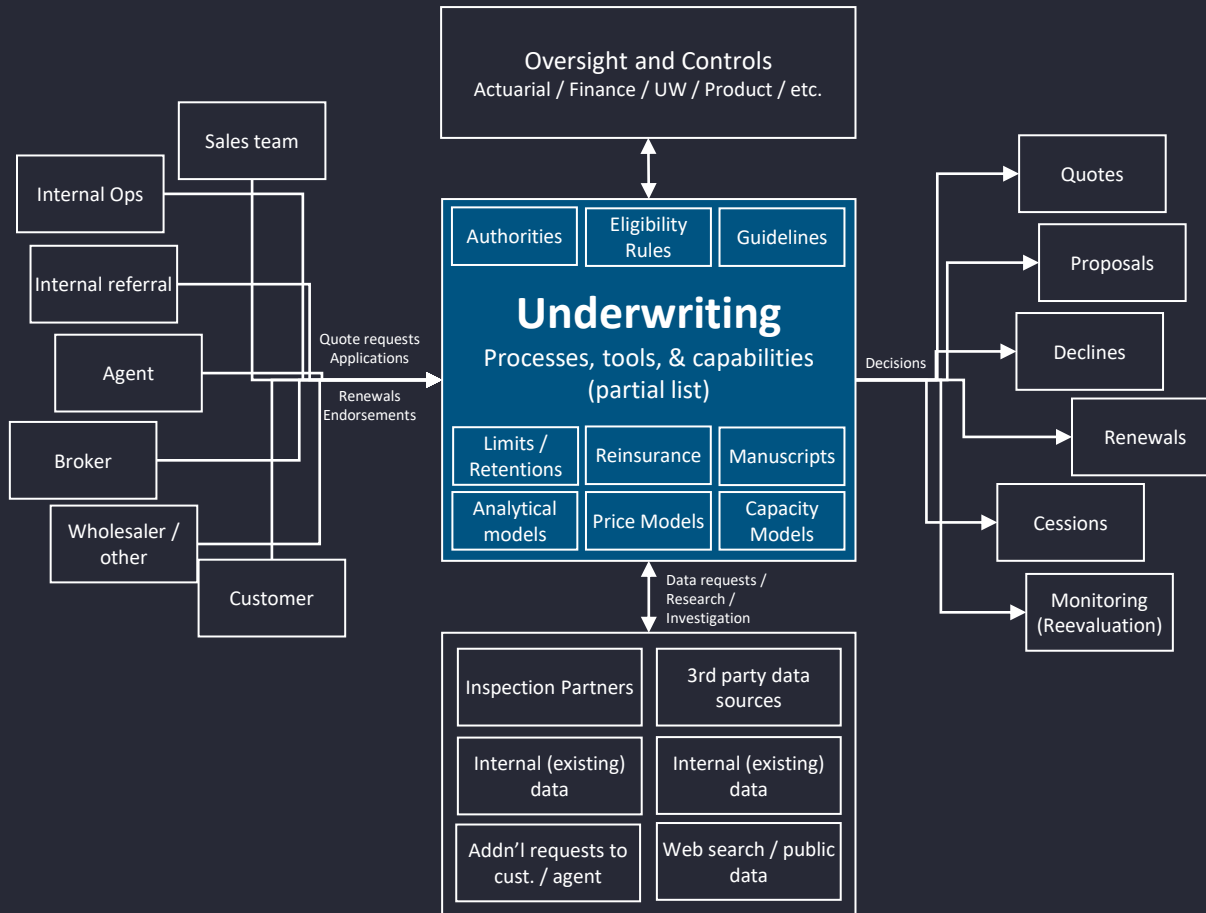# Insurance Underwriting Workbench

Well informed decisions at pace

Capgemini

Underwriting is the center of the risk transfer mechanism for insurance
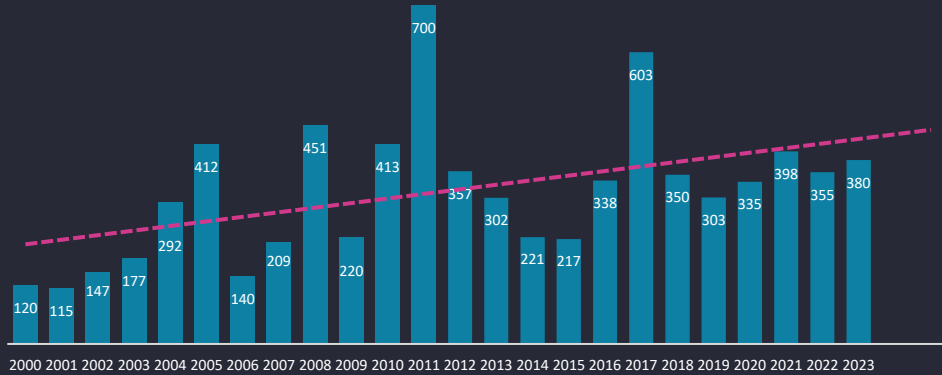

- **Underwriting is the key to viable insurance businesses: it is the key process determining profitability and scale.**

  - *The process of 1) evaluating a risk to determine if the insurance company will insure it and, if yes, 2) pricing it (Brittanica)*
  - *To set one's name to (an insurance policy) for the purpose of thereby becoming answerable for a designated loss or damage on consideration of receiving a premium (Webster)*

- **Broadly, underwriting includes risk transfer and risk accumulation:**

  - Risk eligibility determination
  - Pricing of risks
  - Distribution engagement and relationships (with brokers, etc.)
  - Book management

- **Successful underwriting as a process requires both speed and accuracy:**

  - Accuracy: the quality of the risk assessment, pricing and profitability
  - Speed: the ability to underwrite efficiently, quickly, at scale
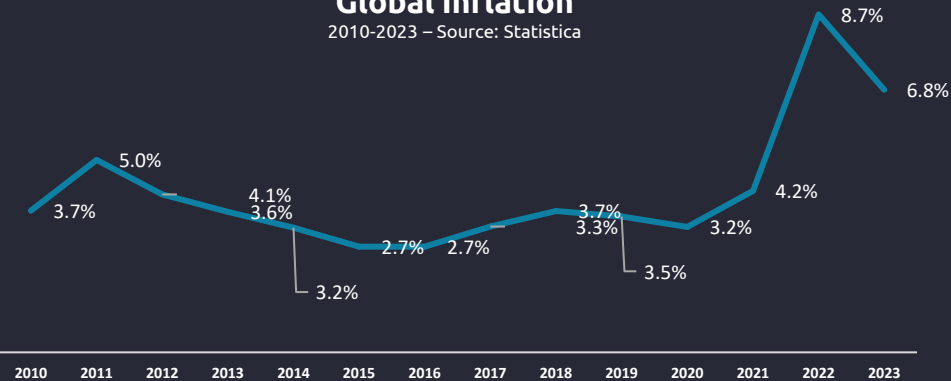
The underwriting process is about making risk transfer decisions. Effective (accurate) and efficient (fast) underwriting requires UW-focused systems.

Underwriters' Challenges

Global Economic Losses from Natural Disasters 2000-23
($billions) – Source: AON

Year	Value
2000	120
2001	115
2002	147
2003	177
2004	292
2005	412
2006	140
2007	209
2008	451
2009	220
2010	413
2011	700
2012	357
2013	302
2014	221
2015	217
2016	338
2017	603
2018	350
2019	303
2020	335
2021	398
2022	355
2023	380

Global Inflation
2010-2023 – Source: Statistica

Year	Value
2010	3.7%
2011	5.0%
2012	4.1%
2013	3.6%
2014	3.2%
2015	2.7%
2016	2.7%
2017	3.3%
2018	3.7%
2019	3.5%
2020	3.2%
2021	4.2%
2022	8.7%
2023	6.8%

Significant part of the time is spent on non-underwriting ("*administrative*") activity..

..as Insurers face multiple organizational constraints.
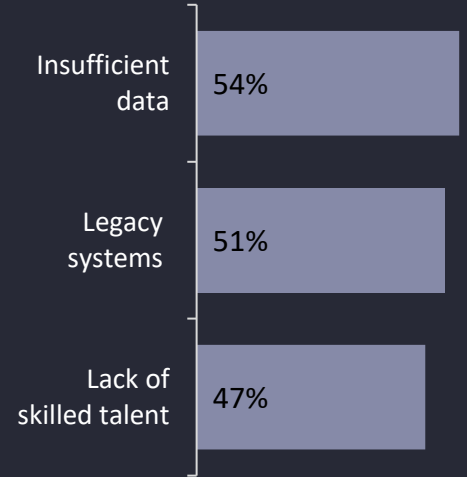
Administrative
Data entry, record keeping, internal admin work, meetings, etc.

Core Underwriting
Risk evaluation, Rating, Books Management

Sales Activities
Channel Relationship Mgt, Sales Pitch, Product Training, etc.

Activity	Commercial Lines	Personal Lines
Administrative	41%	43%
Core Underwriting	33%	32%
Sales Activities	26%	25%

Constraint	Value
Insufficient data	54%
Legacy systems	51%
Lack of skilled talent	47%
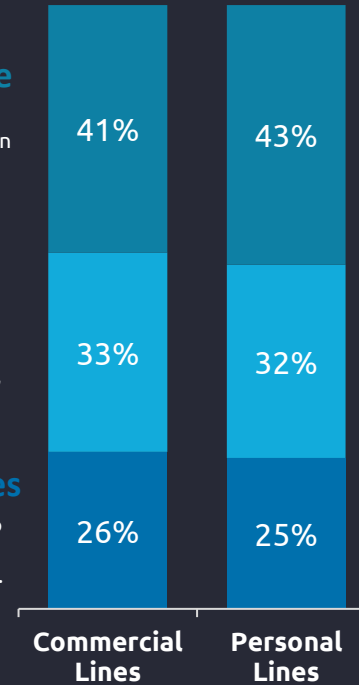
Key focus areas of successful underwriting transformations

Underwriting Transformation Journey

Workbench

- Create a Robust Data Foundation
- Build Sophisticated Insight Machinery at Scale
- Establish AI-assisted Journeys
- Evolve the Underwriting Role

Example characteristics of an "underwriting trailblazer"

Self reported by ~200 execs

Characteristic	Trailblazer P&C insurers	Mainstream P&C insurers
Integrate internal, customer-derived, and 3rd party data	70%	12%
High adoption of adaptable predictive analytics	57%	25%
High UW acceptance of innovative insights capabilities	96%	67%
Optimized underwriting workbenches	65%	19%
Deploy risk mitigation at scale	100%	67%
Underwriters deployed as sales enablers	78%	36%

■ Mainstream P&C insurers ■ Trailblazer P&C insurers

Outcomes

Accuracy
- Improved eligibility determinations, improved portfolio mgmt., etc.
- Example from a trailblazer:
  - Large global multi-line insurer
  - 15% DWP growth YoY without LR deterioration

Efficiency
- Increased productivity / speed and more satisfied partners
- Example from a trailblazer:
  - Global specialty insurer
  - Reduced product time to market by 64%

Sales
- Improved hit rates, better retention, and higher distributor satisfaction
- Example from a trailblazer:
  - Large US mutual

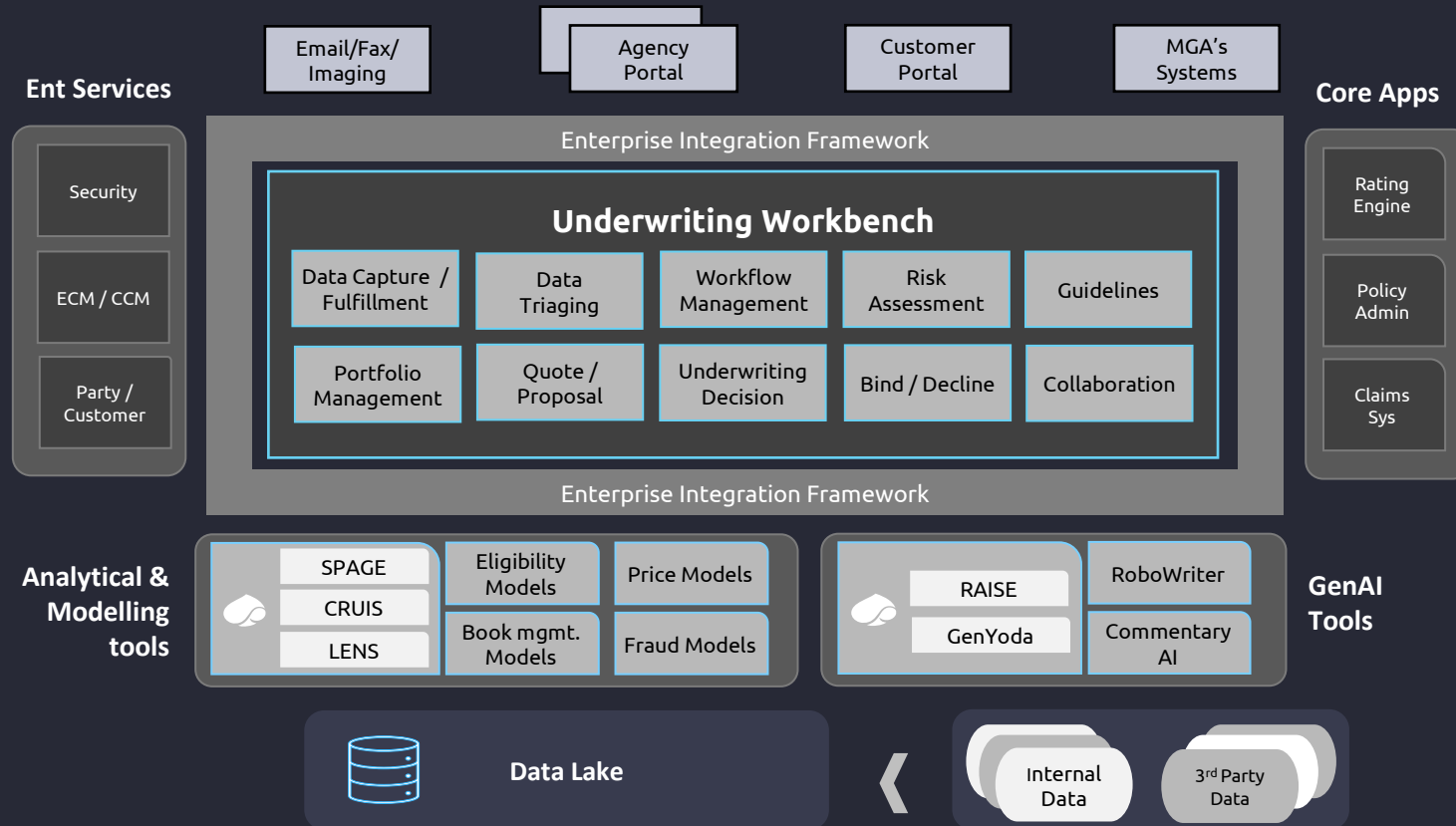# Underwriter focused features curated from our Workbench experiences

Objectives		Features	Benefits
Accuracy	**Intuitive access to more risk data**	• Single pane for all risk info, incl. 3rd party data and risk scores across perils • Automated risk info research, collation, commentary and summaries	Accurate Risk Assessment
		• Climate models with scores, exposure analytics and alerts • Integrated Portfolio analytics	Improved portfolio health
	Improve the quality of risk decisions	• Auto decline and indications • Pricing indication with explanation	Quicker decision
		• Embed predictive analytics - Lead and bind propensity, claims propensity • Disposition from Portfolio analytics (Grow, retain, etc..)	Improved UW result
Efficiency	**Make it easier to perform the tasks**	• Easier journeys, maximise self-service, intuitive UI with access • Intuitive alerts and task management	Higher UW productivity
		• Omni-channel support across devices / channels • Real-time team collaboration	UW Experience
	Minimise the repetitive non-value add tasks	• Portfolio report summaries incl. anomalies and causal analysis • Automated renewals, guidelines, STP	Improved UW result
		• Multi-channel, digital ingestion and summaries of the submission • RoboWriter – GenAI UW Assistant: knowledge, Q&A, Manuscripting	Higher UW productivity
Sales	**Meaningful broker engagement**	• Multi-channel ingestion (email, fax, Broker's desktop, insurer's portal) • Real-time multi-channel collaboration	Agent / Broker Experience
		• UWGenie – to assist Agent/broker (GenAI)	Higher UW productivity

- We designed and built workbenches for various product lines and markets, including the London market. The goals ranged from easier access to quality data, to making Underwriting a unified enterprise capability including new skill models.

- It's critical to look beyond the cost efficiencies as the goal and invest in features leading to improved business results overall.

- This intelligence and best practice accelerates the execution and improves the RoI.

Capgemini's Underwriting Workbench is architected for long-term value

We architect to align with your technology roadmap, promote reuse, and integrate Capgemini proprietary accelerators.

Ent Services

Email/Fax/ Imaging

Agency Portal

Customer Portal

MGA's Systems

Core Apps

Enterprise Integration Framework

Underwriting Workbench

Data Capture / Fulfillment	Data Triaging	Workflow Management	Risk Assessment	Guidelines
Portfolio Management	Quote / Proposal	Underwriting Decision	Bind / Decline	Collaboration

Enterprise Integration Framework

Security

ECM / CCM

Party / Customer

Rating Engine

Policy Admin

Claims Sys

Analytical & Modelling tools

SPAGE
CRUIS
LENS

Eligibility Models

Price Models

Book mgmt. Models

Fraud Models

RAISE
GenYoda

RoboWriter

Commentary AI

GenAI Tools

Data Lake

Internal Data

3rd Party Data

OUR WORKBENCH SOLUTION:
Our solution is aimed to address the current 'lag' that the Underwriters are facing across geography, LoBs and platforms to meet the market demand. An innovative solution that combines *SIMPLIFIED JOURNEYS* and value of *INSIGHTS* backed by *ENRICHED RISK DATA* coming from various internal & external sources.

KEY CAPABILITIES:
- full scope of the Underwriter role from a single, coherent user experience.
- risk evaluation, to authorities-controlled pricing, manuscripting, and acceptance actions, to external report ordering and inspection ordering.
- embeds AI and automation, mitigate mundane actions, maximising time on core and sales
- delivers insights intuitively at the right point
- easier book management supported by ML insights
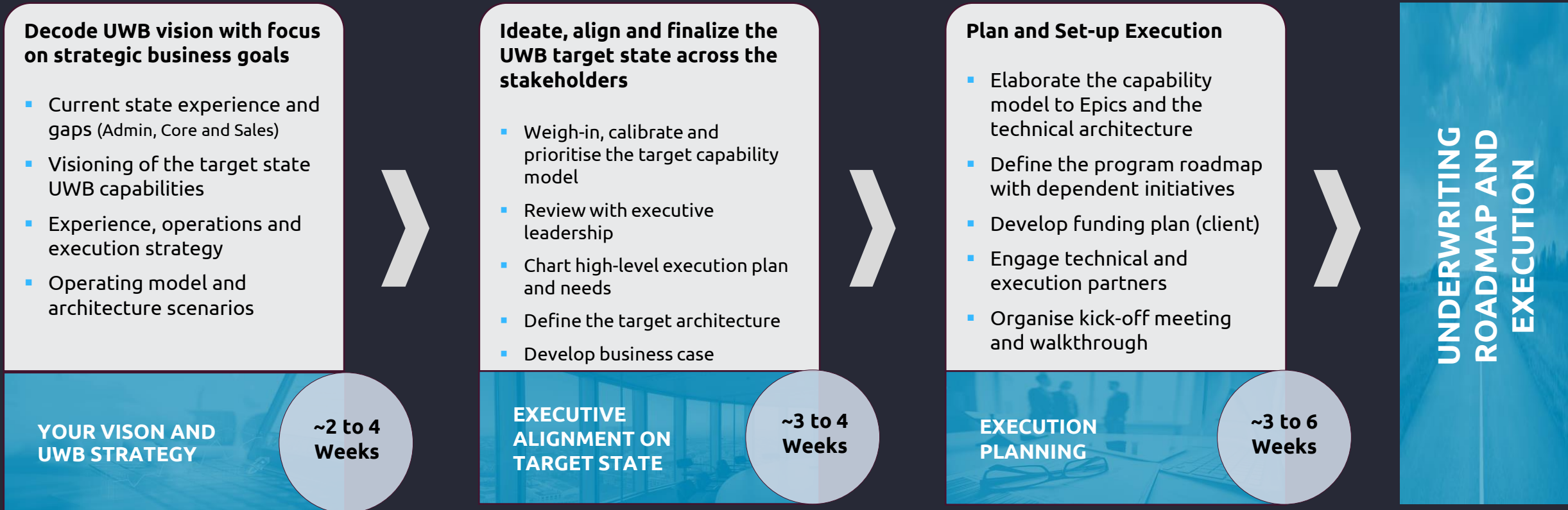- agile market response (eligibility, appetite, guidelines etc)

TAILORED TO YOUR CONTEXT:
We will architect to align with your Technology roadmap and future-proofing principles, promote reuse and bring in Capgemini's proprietary accelerators. Will follow your cloud strategy with extensibility and interoperability as key drivers.

Our goal-driven approach to collaboratively envision, design and implement the Workbench

We understand the complex business structure and federated ownership at Insurers and have a proven track record of successfully leading complex initiatives. While there may be multiple streams of work with different owners, Capgemini will ensure a cohesive, goal-driven program view..

Decode UWB vision with focus on strategic business goals

- Current state experience and gaps (Admin, Core and Sales)
- Visioning of the target state UWB capabilities
- Experience, operations and execution strategy
- Operating model and architecture scenarios

YOUR VISON AND UWB STRATEGY

~2 to 4 Weeks

Ideate, align and finalize the UWB target state across the stakeholders

- Weigh-in, calibrate and prioritise the target capability model
- Review with executive leadership
- Chart high-level execution plan and needs
- Define the target architecture
- Develop business case

EXECUTIVE ALIGNMENT ON TARGET STATE

~3 to 4 Weeks

Plan and Set-up Execution

- Elaborate the capability model to Epics and the technical architecture
- Define the program roadmap with dependent initiatives
- Develop funding plan (client)
- Engage technical and execution partners
- Organise kick-off meeting and walkthrough

EXECUTION PLANNING

~3 to 6 Weeks

UNDERWRITING ROADMAP AND EXECUTION

About Capgemini

Capgemini is a global business and technology transformation partner, helping organizations to accelerate their dual transition to a digital and sustainable world, while creating tangible impact for enterprises and society. It is a responsible and diverse group of 340,000 team members in more than 50 countries. With its strong over 55-year heritage, Capgemini is trusted by its clients to unlock the value of technology to address the entire breadth of their business needs. It delivers end-to-end services and solutions leveraging strengths from strategy and design to engineering, all fuelled by its market leading capabilities in AI, cloud and data, combined with its deep industry expertise and partner ecosystem. The Group reported 2023 global revenues of €22.5 billion.

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