HOW RELIANCE MAKES PROGRESS

STREAMLINING THE UNDERWRITING PROCESS

Reliance Life Insurance is an associate of Reliance Capital Ltd., which ranks among the top 3 financial services firms in India. In just two years of operation, Reliance Life Insurance has exceeded 2 million policies and is among the country's fastest growing life insurance firms in new business premiums with a year-over-year growth rate of 195 percent.

CHALLENGE

Reliance Life Insurance (RLIC) had an IT infrastructure in place that included four standalone systems: Life Asia, which ran on an AS/400, was their core business engine. The company also had a document management solution, an auto underwriting engine called Insure Connect (INSC), and a policy tracking system.

RELIANCE Life Insurance
Anil Dhirubhai Ambani Group
A Reliance Capital Company

CHALLENGE
Drastically reduce new business processing and underwriting time and cost

SOLUTION
Progress® Savvion™

BENEFIT
> *Slashed new policy processing from two weeks to four hours*
> *Significantly reduced auto underwriting transaction cost*
> *Achieved real-time visibility and control over every policy*
> *Reduced processing errors*
> *Assured customer satisfaction by meeting SLAs and enabling multi-channel services*

BUSINESS MAKING PROGRESS™ **PROGRESS** *SOFTWARE*

However, the company lacked a formal system for managing the steps involved in underwriting: receiving submissions, analyzing data, and providing approvals. The underwriting process required insurance policy underwriters and application process agents to manually assemble all the information they needed from large paper files, analyze the data, and determine what premium rates should be, or whether the customer should be offered coverage at all. Because of the lack of visibility of the end-to-end process, underwriting often took two weeks to complete and was prone to errors. The problem was getting worse over time due to the rapid growth of the company.

The absence of automation was impacting productivity and the ability to book revenue in a timely manner. RLIC needed to find a solution that could improve process control, reducing average underwriting turn around time (TAT) from weeks to hours. The solution also needed to have the scalability to meet future needs and the flexibility and agility to react to changing market conditions and support new products and markets.

SOLUTION

RLIC initially considered a workflow application based on a document management system. But this solution proved too limited in its functionality and scalability. RLIC frequently changes its insurance product offerings. The workflow application lacked the flexibility to keep up with the changing product mix. In addition, it could not provide out-of-the-box reporting capabilities.

In 2007, RLIC kicked off a company-wide business process management (BPM) initiative, which led RLIC to consider the Savvion comprehensive BPM suite that could support enterprise-wide deployment.

After a preliminary evaluation, Reliance Life selected Savvion in July 2007. A team of five from Progress® Savvion worked with a project manager and operations manager from RLIC to define the entire underwriting process. Savvion assures that documents, information, and tasks are passed from one participant to another based on assigned roles and a predetermined set of procedures together with defined business rules and an escalation process.

During the implementation stage a major issue surfaced. The operating system Savvion ran on limited the number of application files that could be stored within one folder. "We thought we'd have to go back to the drawing board," says Mr. Mohan Chandrasekaran, CTO. However, Savvion Support provided a product update that eliminated the problem and the project quickly resumed.

A NEW, STREAMLINED PROCESS

The solution went live in January 2008, and includes Progress® Savvion™ Process Modeler, a business process modeling tool for business users; Progress® Savvion™ BPM Studio, a development environment for more technical users; and Progress® Savvion BusinessManager™.

The underwriting process now begins when an application process agent arrives at the branch and scans the application form along with supporting documents and uploads them to the document management server. This triggers the process, which retrieves the document and allows agents to view documents electronically in the document management system along with other business metadata. After the agent validates the information and enters required inputs, the data is updated on the document management system. This data is used to send as an underwriting and policy issuance request to INSC to process the response, which then automatically generates and sends an email notification based on business rules.

Proposal forms and other documents are exported to a central system on completion of issuance activity. The policy tracking system (PTS) is also updated during various milestones in the process.

BENEFITS

Savvion has resolved RLIC's biggest underwriting issues. "With the process in place, Savvion helped us reduce TAT time from almost two weeks to a day, reducing lag time and ensuring that tasks don't fall through the cracks," says Mr. Santosh Ranade, VP, Head Branch Operations. In addition, transaction costs for auto underwriting have been significantly reduced.

"Savvion seamlessly integrates all the systems, giving us endto-end visibility and control of the complete policy underwriting life cycle in real time."

Ms. Anasuya Ghosh
Head Underwriting,
New Business Issuance
and Group Operations
Reliance Life

What were once siloed systems now work together. "Savvion seamlessly integrates all the systems, giving us end-to-end visibility and control of the complete policy underwriting life cycle in real time," says Ms. Anasuya Ghosh, Head Underwriting, New Business Issuance and Group operations. This visibility and control also reduces errors, increasing the quality of the process which, in turn, increases customer satisfaction.

Savvion also answered the need for scalability. The solution easily supports 900 concurrent users and volumes of up to 10,000 new policies per day during the peak season of January through March. And it can accommodate new types of policies within two to three weeks.

RLIC has seen a significant return on their investment in the Savvion solution. "With the business growth, head count has increased only by 30 percent since Savvion was deployed," says Mr. Vaibhav Vaidya, Chief Manager, Operations. "Without Savvion, however, the increase would have been 100 percent." RLIC estimates the solution paid for itself within the first three months.

PROGRESS SOFTWARE

Progress Software Corporation (NASDAQ: PRGS) is a global software company that enables enterprises to be operationally responsive to changing conditions and customer interactions as they occur. Our goal is to enable our customers to capitalize on new opportunities, drive greater efficiencies, and reduce risk. Progress offers a comprehensive portfolio of best-in-class infrastructure software spanning event-driven visibility and real-time response, open integration, data access and integration, and application development and management—all supporting on-premises and SaaS/cloud deployments. Progress maximizes the benefits of operational responsiveness while minimizing IT complexity and total cost of ownership.

WORLDWIDE HEADQUARTERS

Progress Software Corporation, 14 Oak Park, Bedford, MA 01730 USA
Tel: +1 781 280-4000   Fax: +1 781 280-4095   On the Web at: www.progress.com

For regional international office locations and contact information, please refer to the Web page below:
www.progress.com/worldwide