

Shared services: making things better together

How effective support relationships at RSA have enabled transformation that saved the business £23m in UK claims, established a global best practice model and brought planning closer to the business.

Summary

In a fiercely competitive market, two initiatives show the fundamental role support teams play in transforming the business. Firstly, by providing front-line claims teams with a framework to improve their own performance and starting with data, measuring what really matters, Project IMPACT helped reduce indemnity spend 10% & settlements by £18m, using an approach now being adopted in other territories. Secondly, the planning function (SOAR) used evidence and ideas from their Standard Audit to re-structure, creating new Business Partner Roles, focussed on stakeholder engagement. By delivering expert planning services, including sophisticated Back Office and Surge Modelling, and driving collaboration and consistency across business areas they have helped the UK business save £5m.

Key initiatives

Measures that really matter – the data story

Faced with a challenging market position, the contribution of Operational Development (OD) teams at RSA has been key. IMPACT (improving processes and championing teams) is an operational excellence toolkit with a difference. Not only is it saving 10% a year on claims spend – it cuts to the heart of the purpose of the operation. Implementations all follow the same template and start by measuring decisions that really matter. In motor claims, for example, are we liable? How well are we negotiating? These concepts have been historically difficult to measure, but the team overcame the challenges and were able to present complex ideas in a compelling and engaging way (see graphs on next page). Operational teams could see for the first time how their role impacted the bottom line. “Clear purpose for data” “Go after a big problem that people care about” “Bring people with you using stories”.

Engagement requires honest & adult conversations

Once the data story is clear, the implementation moves into the people aspects of the change. IMPACT gets everyone contributing to change. To engender trust, a new team-based communication structure is based around four distinct sessions, some just for advisors so they feel free to talk about the difficult customer conversations. Huddles focus on challenges and performance. Focus Groups are data-based, to give clarity on team performance. Learning Teams are peer-to-peer, based around sharing, listening and peer coaching. BRILL sessions are open workshops to help identify issues; problems are identified and prioritised rapidly, grouped into themes and then entered into a prioritisation model, based on ease of resolution and size of benefit. Accredited facilitators were selected and trained, a critical factor behind success. “A sharing environment” “Safe” “Trust builds” “Shows the financial imperative” “Made work really clear”.

Professional people review each other’s work

Above all, the process is challenging commonly-held beliefs regarding how to manage costs and people. Using data effectively creates focus on what really matters; all this has transformed performance in a variety of areas. In the



“Getting the right people together in a shared service has delivered big results.”

Paul Sweet,
People Change Leader

“We have created an environment in which people within their own teams can both share and learn.”

Tom Bradford,
Learning Team Facilitator

“BRILL sessions are all about finding solutions and putting them into practice. They have really helped the efficiency of the business.”

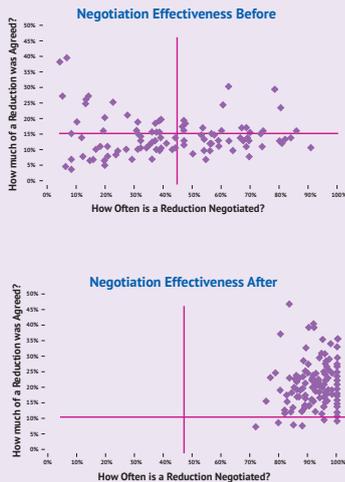
Roger Binks,
UK Complaints Manager

“The change in our business has provided the opportunity to stop, reflect and consider what is happening. The feeling of constant pedalling has gone ... now we really understand the business and plan effectively. We have a different level of conversation.”

Tracy Johnson,
Business Partner Leader

Results

- Reduction in claims settlement £18m pa
- Indemnity spending on lost claims down 10%
- Claims overturned on appeal is 11 points below industry average
- Complaints cut over 15%
- Sickness cut 5% points!
- £5 million in cost savings



“IMPACT has had a highly positive influence on the working environment. SOAR enabled us to get on the front foot with what’s going on with the business.”

Davy Montgomery,
Complaints Leader

“The biggest value of the surge model is that we now have confidence in the changing forecast”

Heidi King,
Demand Analyst

“We get the best out of people who didn’t previously have confidence in themselves.”

Cathy Sedgwick,
Learning Team Facilitator

“We are really starting to feel the benefits of working together.”

James Taylor,
Strategic Operations and Resourcing Leader

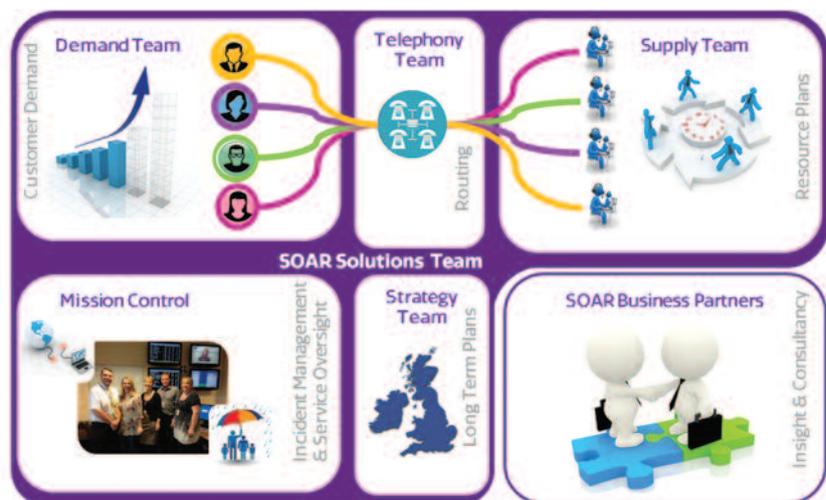
management of complaints far fewer claims are overturned on appeal (27%) compared to industry average (38%). The business has achieved 10% saving on indemnity spend and £18 million annual savings in settlement of claims. Crucially, this is not only about money. Complaints are down by over 15% and £100k saved on cases referred to the industry ombudsman. Employee surveys show that nearly 50% more felt empowered to make the right decision to settle claims than before. A quarter more feel they receive good coaching, perhaps because peer-to-peer coaching is becoming central to a change in culture, where people feel comfortable with being open about strengths and weaknesses and resolving to improve them. Already there is a more positive work environment; sickness rates have plummeted from 8% to 3%. “IMPACT was a big motivator” “Really positive change” “We want to be the best” “It’s made a big difference to my team” “We’re on the customers’ team.”

Partnership: Strategic Operations & Resourcing (SOAR)

After participating in Standards Benchmarking & Audit with The Forum in 2013, the SOAR team introduced nine dedicated Business Partner roles, getting skilled Planning Analysts around stakeholder tables, leveraging their skills, recognising real ‘value’ and driving consistency across all business areas. Despite reducing the overall SOAR headcount by 10 FTE, the team built key future-proof relationships within the organisation and developed a ‘profit centre’ approach delivering c£5m of savings in 2014. With the addition of the business partner role to focus on consulting with Operations, SOAR can see exactly how they are providing value, and how as a team they can drive key changes. “Diverse skills” “Different dimension to roles”.

Planning brings new insight into the business

The business partnering roles brought together multiple functions of the business including Finance and HR. The role is less about the data and more of a consultative approach, really closing down siloes. This change in focus has given the business greater confidence to try more adventurous recommendations now that Planning has greater credibility. In turn, this improved integration with the business has enabled the team to develop more sophisticated Back Office and Surge Modelling, driving collaboration and consistency across business areas. Combined with techniques learned through Project IMPACT such as ‘Communicating Clearly With Data’, ‘Making The Message Clearer’ & BRILL techniques, the team drove slicker processes and have driven both financial and employee engagement. “Teams work hand in hand” “Feels equal” “No us and them”.



With a 300-year heritage, **RSA** is one of the world’s leading insurance companies. In the UK, they are a leading commercial insurer and the fifth largest personal lines insurer. Written premiums exceed £3bn per annum, including home, motor & pet insurance via brokers, affinity partners and direct (MORE TH>N). The customer contact operation over 20 sites and 35 operational teams uses IEX Totalview.