Insurer Hiscox Covers Their Information with OpenText

OpenText ECM Suite helps reduce costs, improve efficiency, and support compliance

Industry

Financial Services/Insurance

Customer

HISCOX

Business Challenges

- Handle email as a primary form of business communications, including attachments
- Manage growth in document volumes
- Reduce Physical storage volume and cost
- Integrate with Microsoft® Office

Business Solution

- OpenText ECM Suite

Business Benefits

- Reduction in storage costs and physical paper
- Efficient business processes, initiating cover faster
- Integration to email, Microsoft Office, and fax
- Long term archival for compliance

Hiscox Underwriting Group Services Limited, an international specialist insurer, underwrites a diverse range of personal and commercial risks. Headquartered in Bermuda, Hiscox operates 28 offices in 11 countries, including their operations through Lloyd's of London.

In addition to the high value business at Lloyd's, Hiscox also underwrites high-volume personal and business retail insurance, both of which are information-intensive trading environments.

The need to change

Even in the 1990s, trading in these environments meant that the team at Hiscox was facing a growing problem with the volume of paper received from clients, brokers, and others, as well as internally-generated volumes. Managing this effectively was becoming increasingly difficult and costly. Delays would occur in replying to enquiries and in underwriting business, and documents could easily be misfiled or even lost. Hiscox set out to change this, and with new forms of communication—such as fax and email— becoming more commonplace, it was time to move to an electronic solution. In the 1990s, such systems were still in their infancy.

Key documentation required to underwrite insurance business was highly paper based, making process automation and streamlining for efficiency difficult. Greater control was also needed with regards to access and security. Hiscox initially implemented their first electronic solution in 1995 from DOCS Open, which was still in use through to 2007. But in that time many advances had taken place and Hiscox recognised it was time to move to a more effective and feature-rich platform.

Selecting OpenText ECM Suite as the replacement

Understanding the complexities of the insurance market, how processes work, and the documentation required to support this meant Hiscox had to select their solution provider carefully. OpenText and its partners had extensive experience of applying OpenText technology to the specific business environment of organisations like Hiscox. OpenText was able to successfully bid for and win the business to upgrade Hiscox to the OpenText ECM Suite solution.

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OpenText was selected for its continued ability to manage all types of business communication from internal and external sources, such as brokers and customers. All electronic requests for quotations, declarations, and a vast array of supporting documentation would be managed in OpenText ECM Suite.

Migration and implementation

Hiscox utilised a personal project management and implementation resource to upgrade to OpenText. This allowed them to gain significant knowledge of the solution in the real world, rather than the theory of a training environment.

The Hiscox London Market group and the retail part of the business were both involved from the outset to ensure that their requirements would be met by the solution. Working closely with IT, an initial impact analysis phase was undergone from February to April 2007. From April to September, the emphasis moved to building the environment based on the findings of the first phase, including a user-acceptance testing environment. In parallel to this, Hiscox also undertook a significant project to deploy their desktop applications in a Citrix® environment.

Following testing and acceptance, the system went live in mid-October 2007. Initially with a deployment of 100 users, the system has been continuously expanded and rolled out to 1,000 users today across the globe. The system is now so central to the operations at Hiscox that at any time there are typically as many as 850 concurrent users.

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Streamlining the business processes

With so many documents being received at Hiscox, the ability to save directly using ECM Suite was high on the list of requirements. Tightly integrated to Microsoft® Office, OpenText allows users to instantly save not only Word® documents, but also emails and attachments. "We receive a lot of correspondence by email these days from brokers, customers, and others. Being able to instantly and easily save these using ECM Suite without disrupting the flow or thought processes of our underwriters and others has been a huge benefit," comments Forster.

The team at Hiscox has continued to strive for ways to further streamline and simplify processes. For example, under a program internally named "Get Fit", they have users complete just four fields when saving new email documents, making the process fast and efficient. The system itself automatically adds a number of others.

Once captured, a workflow process is initiated, depending on the document type and other information. "OpenText integrates with one of our underwriting systems, called Magic, to commence workflow processing. This could be a new policy, an amendment, or perhaps additional information to an existing case. The speed at which we can handle these has improved immensely, routing the work to the correct resource immediately," continues Forster.

Growing volumes are no problem

Hiscox now manages more than eight million documents with OpenText, and this number continues to grow. Through the elimination of paper, the reduction in physical storage space, and the prevention of document loss, costs have been reduced,

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contributing to a return on investment for Hiscox. Add in the efficiency of policy start-ups, maintenance, claims handling, and general customer queries, and Hiscox and their clients are benefitting from improved service with greater accuracy.

With email now accounting for 75 percent of all correspondence and new business often having upwards of 25 attachments in an email, documents are now made available to underwriters within minutes of them being saved into the system by Hiscox. This is critical to get risk on coverage, and hence, revenue into the organisation. Hiscox also receives documents electronically by fax. Fax documents, once captured, can then be routed to the appropriate person as quickly as any other document type. Of course, physical correspondence still plays a part in the document landscape for Hiscox. Paper is scanned on receipt and again, as with other document types, is routed quickly and effortlessly to the appropriate team or person for further work.

A matter of record

Like any financial services operation today, regulation and legislation is a big consideration. The Hiscox team is able to use OpenText ECM Suite to help them meet their long-term record keeping requirements. Hiscox operates a hierarchical storage system with the newest documents that are most likely to be retrieved stored on the fastest, and therefore the most costly, storage. After four months, these documents are moved to a second, lower-cost storage medium. Finally, after fifteen months, documents are moved to a third, even lower-cost storage. Here, documents remain for as long as necessary, which could be for as long as sixty years or more, not only from the point of capture, but from the cessation of insurance coverage or completion of a claim. Typically minimum retention is 15-20 years, causing continued growth in document volumes.

Looking ahead to the future

No one really knows what the future holds. The markets continue to shift and evolve, and regulation and legislation continues to develop. "The relationship we've built up over the years with OpenText gives us confidence that as requirements emerge they will be able to work with us to identify and deploy cost-effective, efficient, and functional solutions to meet our needs long into the future," concludes Forster.

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