

Customer Profile

Information Builders helps organizations transform data into business value. Our business intelligence, integration, and data integrity solutions enable smarter decision-making, strengthen customer relationships, and drive growth.

United Automobile Insurance Company

Snapshot

Organization

United Automobile Insurance Company is a non-standard auto insurer based in Miami, Florida.

The Challenge

Previous reporting environment lacked timely, detailed, and accurate information. Business users were at a competitive disadvantage.

The Strategy

Information Builders P&C experts helped IT group implement the Insurance Performance Foundation and mapped transaction data into data warehouse with pre-built summarizations which generated pre-packaged dashboards and reports.

The Results

A single source of accurate reporting data enabled the company to rerate its book of business and to consider claims, endorsements, and premiums more accurately and competitively.

Information Builders Solution

Insurance Performance Foundation, WebFOCUS, iWay DataMigrator, Professional Services P&C team, and InfoResponse Premium Support Services.



United Auto Strengthens Stance With “Single Business View” from WebFOCUS

Transformed Analytics Give P&C Insurer a Competitive Edge

A property and casualty (P&C) insurance organization specializing in automobile insurance for non-standard risks, United Automobile Insurance Company is headquartered in Miami, Florida and employs about 800 people. Through its affiliates, United Auto provides a variety of insurance-related services including premium finance, claims processing, and advanced point-of-sale solutions. The company operates in highly competitive markets, primarily in Florida and Texas.

Insurance companies are intent on improving the strategic use of information to make better pricing decisions, reduce loss ratios, and thoroughly research claims. Dean Kozlowski, a vice president at United Auto who oversees pricing and compliance activities, was tasked with acquiring a business intelligence (BI) solution that could deliver state-of-the-art dashboards, reports, and analytics.

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Dean Kozlowski
Vice president
United Auto

"Our previous reporting system did not have an audit trail and employees found themselves not always agreeing about what the numbers meant," Kozlowski admits. "It was hard to obtain accurate, vetted information about claims and policies. We wanted to establish a single source of accurate reporting data that all of us could query in a disciplined way."

For example, an ad hoc report request for territory zip code data might take four to six weeks to complete. This delay was costly, and the lack of structure in the reports might not yield accurate data on the first attempt. "A lot of information we previously relied on as gospel was based on how policies were constructed at the time of their inception, or how they existed at the time a historic report was created," Kozlowski continues. "We were not using a transactional view of the policy to get a complete understanding of the risk."

The majority of research at United Auto was performed using legacy reporting systems, such as SQL and Guidewire reporting. Kozlowski's team needed a single view of the business along with a system that could deliver accurate reports, including an audit trail. This system would grow with the business and deliver information quickly. "If you want to be a leader in this business you have to make analytics a priority," he states. "Our competitors were mastering their data. It was clear that we were losing ground and inaction would impair our ability to compete."

Selecting a Proven Solution

Kozlowski evaluated BI solutions from Information Builders, IBM, and a few other vendors, including an outsourced P&C dashboard. "They all promised everything but only Information Builders demonstrated a mature solution, along with substantial expertise from people who had worked in the insurance industry," he notes. "Competing companies said they would build exactly what we needed from the ground up but I had far more confidence in Information Builders' ability to deliver what we needed through its Insurance Performance Foundation (IPF). They understood my vision and showed me a working application."

Christina Rodriguez, a product manager who works on Kozlowski's team, also favored the IPF. "We were impressed with the accuracy and timeliness of the information," she recalls. "What we were lacking most was clearly a fundamental part of the IPF product. Information Builders understood reporting, BI, data management, as well as our specific business problems."

The Insurance Performance Foundation includes not only advanced analytics reports, but also a mature data model geared for P&C insurance activities along with the routines, processes, and experience to load it promptly. There are two primary components to the system:

- Insurance Performance Foundation Metrics includes a pre-packaged data mart with insurance-specific strategy maps, dashboards, scorecards, reports, and dynamic alerts that can be configured to fit each customer's specific needs
- Insurance Performance Foundation Business Intelligence adds pre-built business analytics and enables business users to segment issues in real time. For example, underwriters can see the quality of all production activities, claims managers can segment all loss information by size of loss, and actuaries can run loss-development scenarios at any level of granularity

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Leveraging Accurate Data

Working with P&C specialists within Information Builders Professional Services group, United Auto's IT team mapped their data to the IPF data model and loaded five years of transaction-level detail into a new data warehouse. This included all of the company claims data from inception and all of the policy data for policies incepting from January 1, 2008. Soon the warehouse will include 10 years of data.

After the data was loaded, the team began to explore the various reports that are available with the system. "We were pleased to have such a strong set of reports right out of the box," says Rodriguez. "Information Builders did a good job of mentoring our IT team and has been very accessible to help us since then."

IPF delivers information to everybody from the executive team to departmental analysts and administrators. It gives them instant access to the performance of each program, by state. According to Rodriguez, the value comes from the timing and relevance of the information. Managers can see how well each state is performing, down to the level of territories and zip codes.

For example, the reserve summary report with a claims stratification sort provides a unique look at the ranges of dollar values for claim cost, sorted by a selected date range. Using this report, analysts can dig into groups of claims by dollar value and drill down to the individual claim level for additional detail.

IPF also includes an executive dashboard along with departmental dashboards for Claims, Underwriting, and Actuarial. The Claims and Underwriting dashboards provide ranking reports that help the sales and underwriting teams monitor how business is progressing at the agency level.

"IPF lets us analyze programs from the summary to the detail level as we examine policies and associated claims payments, by coverage type," Rodriguez says. "We can drill into the data and filter it by time increments such as month, quarter, and year. Previously it took much longer to get information at this level of detail."

Access is restricted based on the role of each user. For example, individuals in claims will see the claims tab when they log in. About a dozen specific reports are available to them. "It's all point-and-click and easy to understand," says Rodriguez. "Users can display reports through a web browser, schedule reports for automatic delivery, or generate Active Technology reports to manipulate data off-line."

Previously, United Auto managed these activities with separate information systems. The IT department had to field ad hoc requests for reports from Underwriting, Claims, and Accounting, drawing data from unique systems in each area. "Our business partners depended on us to create reports and to work with the IT department to satisfy ad hoc requests," Rodriguez says. "Now they can receive this information directly through IPF. They can understand the causes behind the numbers and there are far fewer requests for custom reports."

Find Out More

To find out how we can help your company succeed, talk to your local Information Builders representative today. Visit us at **informationbuilders.com**, or in the U.S. and Canada, call **(800) 969-4636**. To improve your skills with our solutions, visit **education.ibi.com**.

Rapid ROI

Having all of this information so readily accessible has transformed United Auto's analysis activities.

"In P&C we make so many decisions, and not infrequently we use approximations because of the complexity of our business," says Kozlowski. "For example, if you run a report that calculates premiums based on the inception of the policy, rather than on the transactions and endorsements that have transpired since then, you will have some of the premiums and losses incorrectly allocated when analyzing an individual rating factor.

When you magnify this across all of your rating factors and consider all the changes that have occurred in the interim, you realize that you are not getting an accurate look at your book of business."

Instead, IPF reporting numbers are built up from transactions. Thus, the system automatically considers all of the endorsement activity for each term and each insured individual. "This system paid for itself by making it practical for us to re-price and re-rate our book of business around correct information," Kozlowski adds.

Other savings stem from the speed with which people can access information, the advances United Auto has made in its reports, and all the other ways in which they have "mastered their data" to be more competitive.

Big Data Analytics and Performance Management in the Future

United Auto plans to use WebFOCUS to assess, assign, and automate the payment of claims. They are also exploring the use of WebFOCUS Performance Management Framework (PMF) to allow business users to tie performance measures to business objectives and visualize their progress through executive dashboards. "PMF will allow business users to be much more targeted in their approach so they can spend time managing opportunities and problems rather than perusing lengthy, open-ended reports," Kozlowski says.

"We get great support from Information Builders and we appreciate their ongoing help as we optimize this solution," Kozlowski concludes. "IPF has really changed the way we operate. We are now at the forefront of our industry in our ability to use analytics to improve our workflows and optimize our pricing."