

Target Operating Model Design and Staffing Analytics for P&C Insurers

We help insurance companies design their target operating model and create a workforce plan that supports and sustains it.

We emphasize data-driven solutions to sustain and support growth, leveraging our uniquely rich combination of performance and reward data and people experts to draw broader connections between business goals and workforce planning. We help our clients assess their operations, identify areas of opportunity, and develop a roadmap to achieve efficiency gains that are sustainable.

Trusted data and insights to set the bar

Using our Ward benchmarking data and industry insights, we give you a clear picture of how your staffing model compares to your peers and assist with identifying measures to improve efficiency. We partner with financial leadership to make data-driven decisions about future business targets.

As part of the analysis, we:

- Assess staffing performance across the organization relative to industry peers
- Evaluate expense gaps relative to actual performance and projected results
- Identify potential cost reduction and operational efficiency considerations

Forecast of workforce needs customized to your future operating model

An efficient workforce is critical to supporting and sustaining a competitive operation. Our consultants work with you to develop a workforce plan that supports the business strategy and capitalizes on the opportunities identified in the performance evaluation. We help you:

- Assess the impact of projected staffing and expense adjustments against revenue projections
- Analyze workload benchmarks at a department / business unit level and help establish targets to achieve top quartile performance
- Optimize workforce for the size and revenues of the business empowering companies to accelerate and increase productivity

Competitive pay analysis to attract the talent you need to get the results want

A competitive total rewards program that attracts top talent and incentivizes the results you want to see starts with a keen understanding of market benchmarks. Our team is equipped to assess your true competitive standing in the market to facilitate decisions around balancing your rewards mix in relation to your business strategy.

We're here to empower results

Contact us for more information:

Jeff Rieder
513.746.2400
jeffrey.rieder@wardinc.com



**Optimizing Revenue
Growth Through Talent**
Insurance Companies
with a strong reputation
for managing talent
(and measuring
performance)
vs. competitors
**increase operating
income by nearly
40 percent each year.**

We analyze staffing and expenses for 27 primary functions and over 65 sub-functions

Commercial Lines

- Corporate / Product Management
 - Product Management
 - Pricing
 - Oversight
- Commercial Underwriting
- Commercial Policy Processing
- Risk Management / Loss Control
- Premium Audit

Personal Lines

- Corporate / Product Management
 - Product Management
 - Pricing
 - Oversight
- Personal Underwriting
- Personal Policy Processing

Acquisition and Marketing

- Sales
 - Contact Center
 - Direct Agent
- Marketing
 - Advertising / Marketing
 - Communications
 - Research and Customer Experience
- Distribution Management
 - Sales Support and Training
 - Licensing

Loss Adjustment

- Claims Support
 - Loss Reporting
 - Support
- Adjusting and Appraising
 - Multi-line
 - Homeowner
 - Commercial Property
 - Commercial Liability / Casualty
 - Workers' Compensation
 - Personal Auto Physical Damage
 - Commercial Auto Physical Damage
 - Personal Auto Bodily Injury
 - Commercial Auto Bodily Injury
 - Bond / Surety
- Claims Legal
 - Staff Litigation
 - Legal Support / Paralegal
 - Legal Management and Bill Review
- Corporate Claims
 - Salvage
 - Subrogation
 - Fraud Investigation
 - Medical Management
 - Medical Bill Review
 - Medical Provider Network
 - Auto Repair Network
 - Claims Audit
 - Claims Training
 - Analysis
 - Strategy and Other

Shared Services

- General Support
 - Procurement
 - Mail / Postage
 - Imaging
 - Printing
- Finance
 - Accounts Payable
 - Financial Planning and Analysis
 - General Ledger
 - Investment Accounting
 - Tax Reporting
 - Treasury
 - GAAP / STAT / IFRS Reporting
- Human Resources
 - Compensation and Benefits
 - Employee Relations and Admin
 - HR Generalists
 - Payroll Processing
 - Recruiting and Staffing
 - Corporate Training
- General Counsel
 - Corporate Compliance
 - Legal
 - Government Relations
- Actuarial
 - Reserving
 - BI and Analytics
 - Statistical Reporting and Support
- Auditing
- Enterprise Risk Management

- Executive
 - Leadership (CEO, EVP, CAO, COO)
 - Corporate Strategy and Effectiveness
- Billing and Collections
- Investment Management
- Maintenance / Security
- Information Technology
 - User Support
 - Desktop Support
 - Help Desk
 - Network Services
 - Network Administration / Telecomm
 - Mainframe / Server Support
 - Applications
 - Design
 - Development / Maintenance
 - Quality Assurance / Testing
 - Data Warehousing and Reporting
 - Project Management Office
 - Operations
 - Database Administration
 - Information Security
 - Business Continuity / Disaster Recovery
 - Strategy and Other

Our Workforce Planning Tool

The key deliverable from our work is a planning tool that models staffing gaps at a granular departmental level and helps determine where to make new hire investments or target future reductions in force. We assess current workloads and help define your target model within each area, making it easier for departmental leaders to interpret the benchmark data in a format they can understand.

Greater than 15% of Benchmark
Less than or Equal to 0% of Benchmark
Between 0% to 15% of Benchmark

Staffing Gap to Benchmark

| Dept #/Dept Name | Current Staffing | | | 2018 Plan | | | Exceed Goal (+5%) | | | Exceed Goal (-5%) | | |
|------------------------------|------------------|-------|-------|------------------|-----|-----|-------------------|-----|-----|-------------------|---|-----|
| | Staff | Mgmt. | Total | Gap To Benchmark | | | Gap To Benchmark | | | Gap To Benchmark | | |
| Claims Division Total | 102 | 20 | 122 | 11 | 0 | 11 | 9 | (3) | 6 | 15 | 4 | 18 |
| 1. 12345 Administration | 19 | 4 | 23 | 7 | 1 | 8 | 7 | (0) | 6 | 8 | 1 | 9 |
| 2. 12346 Casualty | 19 | 5 | 24 | 2 | (1) | 2 | 2 | (1) | 1 | 3 | 0 | 3 |
| 3. 12347 Fraud | 9 | 2 | 11 | 2 | 0 | 2 | 2 | (0) | 1 | 3 | 1 | 3 |
| 4. 12348 Northern Region | 33 | 7 | 40 | (4) | (0) | (4) | (5) | (1) | (5) | (3) | 1 | (3) |
| 5. 12349 Southern Region | 22 | 2 | 24 | 4 | 0 | 4 | 4 | (0) | 3 | 5 | 1 | 6 |

Expense Gap Opportunity
Current Expense Savings

Expense Savings to Benchmark

| Dept #/Dept Name | Current Staffing | | | 2017 Plan | | | Exceed Plan (+5%) | | | Miss Plan (-5%) | | |
|------------------------------|------------------|-------|-------|------------------|-----------|----------|-------------------|-----------|----------|------------------|-----------|----------|
| | Staff | Mgmt. | Total | Gap To Benchmark | | | Gap To Benchmark | | | Gap To Benchmark | | |
| Claims Division Total | 102 | 20 | 122 | \$ 0.50 | \$ (0.05) | \$ 0.45 | \$ 0.48 | \$ (0.05) | \$ 0.43 | \$ 0.55 | \$ (0.06) | \$ 0.50 |
| 1. 12345 Administration | 19 | 4 | 23 | \$ 0.5 | \$ 0.1 | \$ 0.6 | \$ 0.5 | \$ 0.1 | \$ 0.6 | \$ 0.6 | \$ 0.1 | \$ 0.7 |
| 2. 12346 Casualty | 19 | 5 | 24 | \$ (0.1) | \$ (0.1) | \$ (0.2) | \$ (0.1) | \$ (0.0) | \$ (0.1) | \$ (0.1) | \$ (0.1) | \$ (0.2) |
| 3. 12347 Fraud | 9 | 2 | 11 | \$ 0.1 | \$ 0.1 | \$ 0.2 | \$ 0.1 | \$ 0.0 | \$ 0.1 | \$ 0.1 | \$ 0.1 | \$ 0.2 |
| 4. 12348 Northern Region | 33 | 7 | 40 | \$ (0.3) | \$ (0.1) | \$ (0.4) | \$ (0.3) | \$ (0.1) | \$ (0.4) | \$ (0.3) | \$ (0.1) | \$ (0.4) |
| 5. 12349 Southern Region | 22 | 2 | 24 | \$ 0.3 | \$ (0.1) | \$ 0.3 | \$ 0.3 | \$ (0.0) | \$ 0.2 | \$ 0.3 | \$ (0.1) | \$ 0.3 |

***Dollar Amounts are expressed in Millions.