

Honestly, it is the best policy

*Seeking to ensure that their clients always receive their contract documentation promptly, Willis were pioneers of the electronic policy. With more than a year's experience of using this service, **John Higgs, Head of UK based policy teams**, sets out how the new way of working has gone down within Willis and with their clients.*



The work to achieve contract certainty highlighted several things to us at Willis. Firstly, our clients had a right to receive documented evidence of the contract we had placed for them promptly, and certainly within the 30 day target set in the Code of Practice. Furthermore, this right should not be compromised by the type of contract document the client wanted to receive and to achieve this on the policy side we needed to find a considerably better approach than the traditional “paper in paper out” process that was in existence. So when, last year, Xchanging were looking for brokers to participate in the pilot of a new service that would see bureau policies submitted and returned to the broker electronically, we were keen to volunteer.

Whilst recognising that the improvements the market has made to the placing document standard – the Market Reform Contract (MRC) – meant that more and more of our clients are agreeable to receiving a copy of the slip (MRC) or a Broker Insurance Document as their final contract documentation, Willis still have a significant number of clients who specifically require an insurer authorised bureau policy document. The contract certainty Code of Practice does not permit additional time

for the issuance of bureau policies and our records showed that in order to meet the 30 day regulatory deadline we needed to speed up the process considerably!

The proposal was simple. Replace the longstanding process, whereby we sent a paper policy submission with a “man in a van” to Chatham and waited whilst the paper policy made the return journey, with a more modern and enlightened process - namely an electronic policy request via the Insurers’ Market Repository (IMR) and an Adobe pdf version of the document

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sent back via email (with a copy retained on the IMR).

As with any process change of this sort, we were faced with a number of internal culture and behaviour hurdles to overcome. We needed to stop assuming that our clients would be unhappy with

an electronic version of the policy and that they always needed or expected a paper copy wrapped in an official jacket. We also needed to recognise that our clients did not value the policy seal authentication as highly as we thought they did. Although, naturally, we accepted that there are clients who prefer to receive a paper policy document and indeed that there are also those clients who reside in territories where local regulations may require them to continue to do so.

We have put this to the test and have progressed to sending out electronic Adobe policies to our clients via email. The vast majority have been very happy with what they receive. Where there have been questions raised we have been able to explain our approach and the motivation behind it to their satisfaction. Indeed we can only recall one case where we have been asked to reissue an electronic policy on paper – which we were happy to accommodate.

We did encounter one minor technical challenge. In the early days, some of our clients had problems opening the Adobe reader documents that we were sending them. We swiftly identified that the issue was with different versions of the Adobe software and put a process in place to overcome the problem. To be

honest, given that this is the only real technical issue we have had, I would say that is not bad.

Receiving bureau policies back electronically from Xchanging became business as usual for Willis from July last year. By end 2007 we had produced and handled in excess of 3,000 in this way. From March this year it has been our normal business practice to send out all policies to clients by email.

The service has delivered us a host of benefits. The 30 day timeline for issuing policies where they constitute the final contract documentation has become considerably more achievable. The e-policies approach has shaved between 5 and 7 days off sending the policy to Xchanging and receiving it back. But that is not the only advantage of taking the van out of the process. On occasions, documents would be misdirected or get delayed on their journey to or from Chatham. With e-policies this is no longer a problem. Equally, if we need to retrace a policy or provide additional copies, these are all securely stored electronically and we can always see the copy on the IMR.

The new approach has allowed us to streamline our processing. We receive all policies from XIS into one central email inbox. Whereas previously we would have taken copies of a paper



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policy and produced a covering letter, now the process for sending on the email is much more straightforward. The combined effect of the centralisation and reduced effort has meant that we have been able to reallocate our time and resource and we have reduced our

cost base significantly. It has also provided opportunities to some of our policy team to transfer roles and work within the business units.

For our associates, the changes have also improved the quality of working life for our policy teams. It will come as little surprise, I suspect, if I tell you that the previous tasks of unbinding, scanning or copying and rebinding physical policy documents was somewhat tedious! The team have fully embraced the new way of processing and can see the benefits of the change.

The move to e-policies has been a terrific experience for Willis. I would struggle to understand why any broker would hesitate to adopt it. To my mind, anything that can help meet that crucial client service target of getting contract documentation out within 30 days has to be worth making use of and, as we have seen, this process certainly does vastly improve your chances of achieving that. More than that, though, it has taken a lot of clunkiness out of our back office processing and made us more efficient (and happier) as a result. I would certainly recommend this to any broker.



Events...

Dates for your diary

The Market Reform Forum sessions are designed to provide an update on the progress of the reform programme and give more detailed information on particular projects or aspects of the process. Forthcoming dates are provided below.

**Thursday 28th August –
Willis Auditorium, Lime St**

**Thursday 2nd October, Willis Auditorium, Lime St
Friday 31st October, Willis Auditorium, Lime St
Monday 1st December, Willis Auditorium, Lime St**

Only those who pre-register will gain admittance. Online booking is available via http://www.marketreform.co.uk/Market_reform_calendar2008.htm Places are reserved on a first come first served basis.

ACORD Club dates:

ACORD Club provides an update on the latest technological innovations in the market. The venue for this is Balls Brothers, Minster Court. Forthcoming dates are

**Thursday 25th September
Thursday 30th October
Thursday 27th November**

For more details on upcoming speakers, visit the ACORD website (www.acord.org) or email Melanie Harding (mharding@acord.org)