

> Shenandoah Life Insurance Company

Insurance provider reduces policy issuing time by 20 percent

Situation

Mutual insurer Shenandoah Life Insurance Company provides a variety of insurance and financial products, including life, dental, disability, and annuities. The company operates in 31 states and the District of Columbia.

Critical Issue

Shenandoah Life prides itself on delivering outstanding customer service and is always searching for new ways to improve service. As a part of its continuous self-assessment process, the company identified its policy underwriting and issue function as an area for potential enhancement. The policy approval process was paper-based and cumbersome. Paper copies of prospect applications were routed for approval to various departments within the company's home office, resulting in bottlenecks and delays.

Solution

Shenandoah Life implemented an imaging/workflow system to improve the policy approval process, eliminating delays associated with the previous paper-based routing system. With the new system, new business personnel could perform a real-time check of the status of any policy in the approval process. To maximize the effectiveness of the workflow systems, the company turned to SPSS' ShowCase Suite of business intelligence products to provide administrative and executive reporting.

Results

- Empowered management with current information on pending policies
- Reduced the time required to issue certain policies by 20 percent
- Improved underwriting and employee performance review processes

At-a-glance

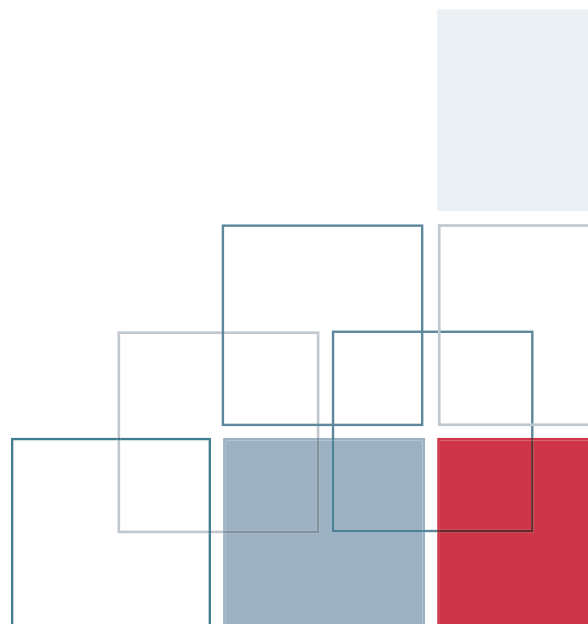
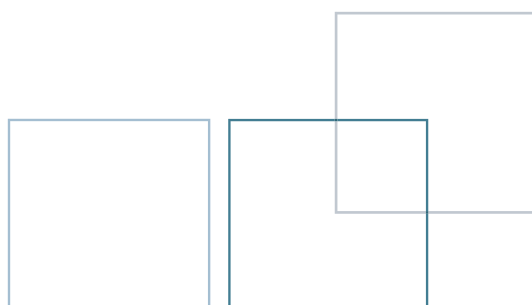
Country: United States
Industry: Insurance
Date Founded: 1916
Company Type: Private (Mutual)
Revenues: \$204 million

Application

Process improvement
Process analysis

Solutions used

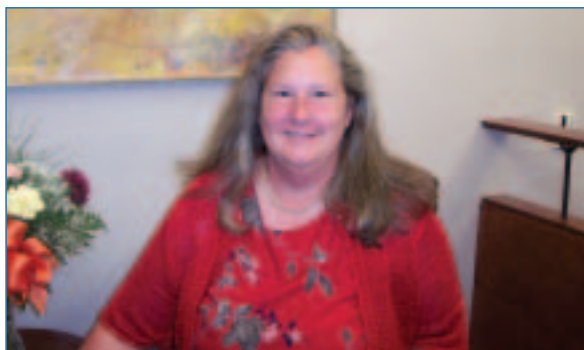
ShowCase® Suite:
ShowCase Warehouse Manager™,
ShowCase Warehouse Builder™,
ShowCase Essbase®,
ShowCase Analyzer™,
ShowCase Query™, and
ShowCase Report Writer™



Mutual insurer Shenandoah Life Insurance Company provides a variety of insurance and financial products, including life, dental, disability, and annuities. The company, with corporate headquarters in Roanoke, Virginia, operates in 31 states and the District of Columbia. By the end of 2003, the company had tallied record sales and a fourth consecutive year of exceptionally strong growth.

Shenandoah Life attributes its growth to a continuous focus on improving customer service. For this insurer, excellent policyholder service begins as soon as a prospect fills out a policy application. Shenandoah Life sought to reduce the time required to issue its policies and identified the policy application process as an area for potential improvement.

The policy approval process was paper-based, which caused bottlenecks and delays. To solve this problem, the home office implemented an imaging/workflow system that would enable employees to scan each application, making this information available on a company-wide basis. While this solution eliminated certain bottlenecks associated with the paper-based system, others remained. Management turned to reporting analyst Kaffa Shank to provide analysis and reporting that would assist in minimizing these delays.



Shenandoah Life's Kaffa Shank

As documents moved through the workflow queue, files were created to capture the timing of each step in the process. Shank used SPSS ShowCase products to examine these files and produce “time service” reports that revealed how long a policy took to move through the system.

Empowered management with current information on pending policies

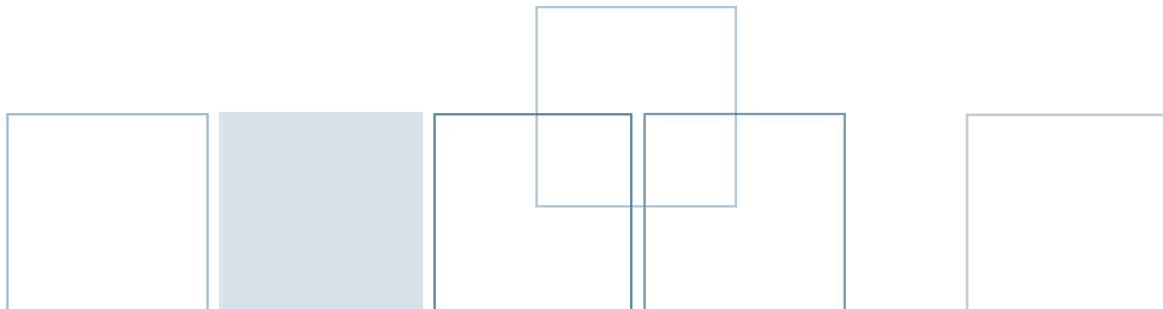
The time service report that shows pending business is particularly important to management. The data for this report is produced on a daily basis using ShowCase Query, ShowCase Warehouse Builder, and IBM® eServer iSeries™ scheduling software. The final product is presented to management in Excel using the ShowCase Query Add-In feature, which offers a current view of Shenandoah’s new business and helps to identify where bottlenecks are occurring.

“With the file that is created from the workflow system, we can use ShowCase to monitor specific tasks and determine if those tasks are being performed in a timely manner,” said Shank. “By tweaking these tasks, we can reduce the cost and time it takes to approve a policy, thereby improving the overall customer experience.”

Reduced the time required to issue certain policies by 20 percent

Shank’s time service reports give Shenandoah Life’s management the ability to monitor policies, locate bottlenecks, and devote additional resources to improve productivity.

As a result, Shenandoah Life was able to reduce the approval process time for policies with face values of less than \$100,000 by 20 percent, from seven business days to less than six days.



Improved underwriting and employee performance review processes

Underwriters are now doing research on how the company can lower overall costs by reducing spending on medical vendors. They are using ShowCase to explore dimensions such as policy type and age bracket to determine if they can eliminate certain medical tests, which will further streamline issuing new policies.

The company is also able to supplement performance review and goal setting information with data provided on the time service reports.

Shenandoah Life's investment in imaging/workflow and SPSS' ShowCase Suite demonstrates the premium the organization places on technology to help improve customer service. With this kind of commitment, Shenandoah Life can undoubtedly look forward to another year of growth.

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– *Kaffa Shank*
Reporting Analyst
Shenandoah Life Insurance Company

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