

# SOS to combat inefficiency

Strategic operations support—SOS—represents a departure from traditional business process outsourcing, says Travis MacMillian of Xceedance, as he explains why this approach is advantageous for re/insurers.

Re/insurers are increasingly using cutting-edge strategic operations support (SOS) to enhance business workflows. They are reaping the rewards of deploying a comprehensive and impactful level of consultancy resources that involve knowledgeable support for core operations, says Travis MacMillian, chief business officer of Xceedance, a global consultancy and strategic managed services provider.

Traditional business process outsourcing (BPO) still has a role, but the mission-critical requirement of raising operational productivity has evolved significantly—from deploying offshore labour for back-office relief to direct collaboration with C-level executives, according to MacMillian. SOS helps support re/insurers' strategic, revenue-generating, and service-improving activities across the insurance lifecycle.

"As an insurance-dedicated global consultancy, we drive strategic operations support in alignment with our clients' requirements, and with an understanding of unique business objectives in fast-changing markets. Because we are industry-focused, we can quickly and seamlessly help remove obstacles and challenges re/insurers face in conducting the business of insurance," he says.

"We also leverage what we call adaptive target operating models, to drive best-in-class processes that can facilitate our clients' strategic vision. The models closely reflect real-world business conditions such as size, markets, product portfolios, geographies, and distribution frameworks.

"Adaptive models provide our clients with appropriate, ongoing benchmarks to measure success, as they embark on operational improvements and transformation initiatives for competitive differentiation."

## Intelligent tech

For Xceedance, one of the most important features of SOS and adaptive target operating models is the utilisation of intelligent technologies and data sciences to enrich re/insurer processes.

"If there's a need for capacity, SOS and



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adaptive target operating models can drive the initiative. If top line growth is a priority, SOS and the models can accentuate that objective. If cost containment is paramount, our methodology can assist with process improvements to reduce expenses without restricting the levers for growth," says MacMillian.

"Once re/insurers articulate their strategic goals and obstacles, Xceedance can deliver a practical and measurable transformation plan—by leveraging our SOS and adaptive target operating model offerings."

MacMillian says the firm supports reinsurance organisations for significant elements of their front, middle, and back office operations. He adds that the value proposition for reinsurers is simple but powerful.

"For a range of critical operations, Xceedance is essentially a highly experienced extension of the reinsurer's team. We can handle a host of reinsurer requirements, including exposure management, pre-underwriting, pricing support, and much more.

"Our clients see Xceedance as an authoritative resource for both process-centric and technology transformation. They realise we are informed by diverse, hands-on

experience in global insurance operations, which is the engine of our SOS paradigm.

"Our industry-specific portfolio is not about throwing people at projects; rather, it's about how we can channel SOS and adaptive target operating models to optimise re/insurer processes and create efficiencies.

"Xceedance helps clients attain top and bottom line goals through hands-on collaboration and insurance know-how, and by utilising advanced technology."

As a strategic consultancy, MacMillian notes, Xceedance is designed to emulate an insurance organisation. This internal structure and culture allows the firm to effectively recognise and appreciate the issues that re/insurers face daily, from the standpoint of operations, markets, pricing, and service.

"Having a re/insurer mindset as a baseline within Xceedance allows us to better assist in process re-engineering, and with the integration of modern, intelligent technologies in every area of insurance operations," he says.

MacMillian offers an interesting example of Xceedance's abilities to conceptualise and complete a strategic project for a progressive client. A travel insurer was looking to launch a flight interruption policy that creates a flat benefit for cancellations and delays of more than two hours.

In designing the programme, the insurer perceived it would be beneficial to understand exposures associated with flight patterns. The insurance data sciences team at Xceedance was mobilised to analyse a host of variables and develop models to anticipate flight delays.

"The predictive and prescriptive modelling solution integrated large bodies of data for flights, routes, airports, and weather. We created thousands of analytical datasets. The insurer ended up with a broad view of how flight delay dynamics could impact claims." MacMillian explains. ●

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