

LV= General Insurance Group The Digital Insurer

LV= Key Metrics (End 2018)

£1.6bn GWP

£107m operating profit

92% COR

“The Altus team provided an objective review of LV=’s general insurance digital capability. Their maturity methodology gave us real clarity as to our current position, and the detail of where each part of the business wants to get to. The engagement enabled a thorough review of our business model, but was presented back in a way that was easy to follow and has helped us to structure a clear and well-prioritised roadmap for digital transformation.”

Jon Mansley, Digital Director, LV= General Insurance

Background

As one of the top personal lines insurers in the UK, with a strong customer-focused brand, LV= has been making significant progress on its journey to becoming a more digital insurer, with a business-wide programme in place to achieve this.

Recognising the fast-changing nature of digital propositions within and outside financial services, LV= wanted to carry out a holistic assessment of its general insurance business in order to fully understand current maturity. This assessment would enable them to prioritise and quantify the level of effort required to become a market leading digital insurer.

Altus Engagement

LV= engaged Altus to carry out an assessment of core capabilities linked to their Digital programme. Altus was selected for a number of reasons, including our experience in measuring the maturity of GI businesses across the industry, and the depth and re-use of our capability-based approach, which has demonstrated significant value to LV= across many business-wide change initiatives.

The three key aims of the engagement were to:

1. Provide an objective and actionable view of business capabilities across core areas (Policy, Claims, Distribution, Customer, Pricing & Underwriting, Proposition);
2. Analyse and determine the extent to which in-flight initiatives were aligned to the achievement of the digital strategy;
3. Provide recommendations that ensure potential gaps are addressed, and efforts are focused on making improvements that will deliver the greatest benefits to the business.

Through close collaboration with key personnel across LV=, Altus aimed to develop a targeted report to support the Senior Management team in making clear decisions about how best to shape the ongoing digital transformation programme.



Lively Debate

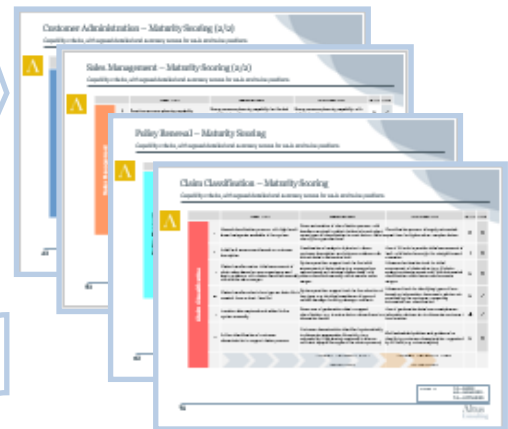
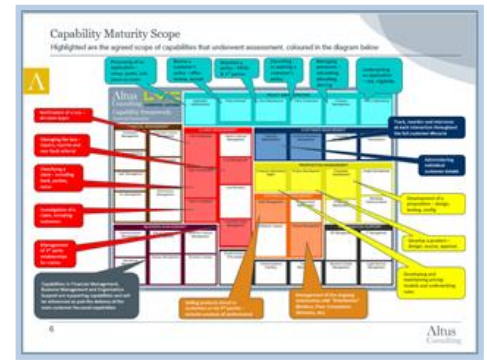
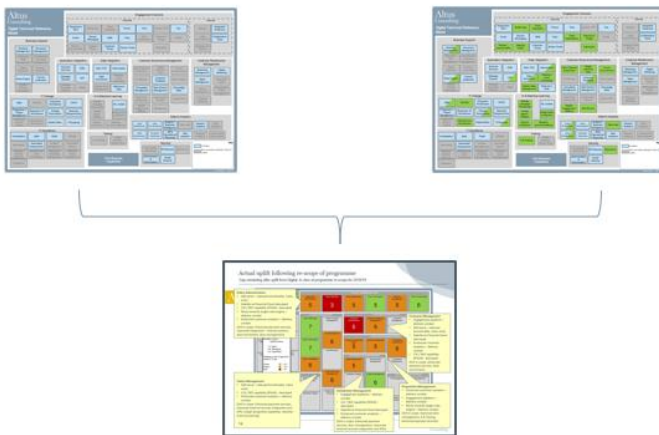
Altus ran a range of workshops across the business, involving SMEs from policy administration, proposition, claims, distribution and customer management, with active contributions and engagement from senior management throughout the process.

Using our PEAK toolkit containing a detailed set of criteria for each of the 18 capabilities under assessment, we were able to promote frank and honest debate with SMEs. The output was a detailed assessment of the current position ('As-Is'), as well as a clear vision for how each part of the business intends to operate in the future ('To-Be'). Scores were given for each assessment criteria, with this data used to assign each capability overall scores for the As-Is and To-Be states.

Linking Business Ambition to the Technology Roadmap

Applying Altus's robust technical reference architecture, we were able to clearly visualise LV's current technology landscape. Following analysis of plans and progress relating to the Digital programme, as well as insight from LV's own technology specialists, Altus produced a heatmap to articulate where there was a need to introduce new functionality or enhance existing capabilities.

Finally, we developed a combined view, through which the impact of decisions to update or introduce new technology could be demonstrated for each of the assessed business capabilities.



The Results

By taking a rigorous and consistent approach to assessing maturity across the business, and delivering a detailed, focused and highly visual report with recommended actions, LV= was able to rapidly digest the key issues and refine its plans to deliver on its Digital ambitions.

"The Altus engagement has enabled LV= General Insurance to review its digital maturity across a range of capabilities, which has provided an invaluable baseline and future state definition to move us forward against our strategic ambitions."

Heather Smith, Managing Director, GI Direct

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