

The Client: An International Reinsurance Company

Operating for more than 20 years, this client has experienced significant international growth. Historically focused on successfully managing and implementing a wide portfolio of run-off business, the management team has chosen to diversify via acquisitions in the global specialty insurance market. Driven by their need for improved data quality to underpin strong analytics, the management team needed the tools necessary to empower them to make informed decisions on future acquisitions and live insurance underwriting. Their goal is innovation; identifying the most effective insurance solutions using the latest technology. With a large presence in the USA, Europe and Asia this client is one of the largest single run-off companies in the world.

Fifth Step provides flexible services across the technology landscape to executive and senior management to enhance, extend and magnify existing capabilities. We do this by taking a collaborative approach, using standard methodologies with a structured body of knowledge.

The Challenge

The acquisition of a major international insurer presented many challenges in terms of merging the companies, operationally, technologically and culturally. The client identified the need for mission-critical support in managing an in-flight Finance Programme at the acquired company. The Finance Programme already had a huge price tag associated with its implementation. Many of the projects within the programme were hugely complex driven by regional differences. When Fifth Step was first engaged the team initiated a programme evaluation process. This reviewed the entire catalogue of project processes with a primary focus on identifying the business benefits and the strategic alignment necessary to on-board the new entity to the parent.

“This programme needed to be successfully delivered to ensure the business benefits were actioned and future costs were minimised. This project was designed to drive consistent group financial results and remove unnecessary additional information.”

Integrating Key Systems

In order to capitalize on integrating the key systems, the company needed to aggressively review and focus on the ‘must-do’ projects that would meet their immediate demands for group reporting. The company’s existing Programme Management teams and methodologies did not provide the functionality or scalability necessary for this task. There was no formal toolset in place to assist with managing day-to-day controls resulting in inconsistent reporting of project status and a tolerability for projects to miss dates and increase expending constantly.

Advanced Processes

Strong project management, rapid solutions, and advanced processes were necessary if the company’s goals were ever going to be met. This programme needed to be successfully delivered to ensure the business benefits were actioned and future costs reduced to the entity by \$300k per annum. A key project within the programme was identified and a hard stop date initiated for the integration of the Oracle General Ledger from the acquired company to the parent company’s Coda General Ledger. This project was designed to drive consistent group financial results and remove unnecessary additional information. While this type of migration had taken place on earlier acquisitions this was the first live insurance company the parent had undertaken. Changes would therefore be required to accommodate the new business processes associated with managing and running this type of organization.

“The Fifth Step team’s analysis quickly identified a mismatch between the business benefits and the multi-million dollar remaining costs of full implementation.”



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Strong Project Management

Under analysis, it became clear that there was no evidence of the regular tasks that needed to be performed for the migration. The Fifth Step team began to build out a repeatable process to enable the company to plan more effectively and on-board future planned acquisitions with greater ease. The project was in-flight when Fifth Step Project Management was introduced with no formal Project Manager and multiple representatives from each region trying to determine requirements with 20 plus voices to consider.

“The client recognized that the Fifth Step approach to ensuring repeatable processes were defined, clear, consistent which with fact-based reporting was essential and highly valued.”

The Solution

Four regions were involved, all with very strong willed financial leaders who were determined that their specific requirements must be maintained. This resulted in differing approaches across the group. Strong project management was needed to drive the regional heads forward; encouraging and empowering them to make decisions within the group to benefit the wider company. The goal was to bring a singular version of the Chart of Accounts to ensure clear consistent financial reporting. From the outset the Fifth Step Project Management identified the key voice from each region and made them responsible for representing their requirements. The Fifth Step team then introduced regular, consistent, fact-based reporting, highlighting key decisions that needed to be made to maintain progress where regions could not come to an agreement.

Confidence in the transition happened early

Progress was enabled and with transition happening early in the project, rather than traditionally testing towards the end of migration processes, confidence grew. Key milestones were derived and progress reported on frequently. Regions were assessed and prioritized for conversion; the largest being firstly to remove as many issues in advance as possible for all the other regions, resulting in a smoother, quicker transition process for them.

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The Result

A single Chart of Accounts facilitating group-wide reporting of standards on time, under budget via a process designed for repeatable on-boarding of future acquisitions.

The Benefits

1. A single general ledger group-wide resulting in significant savings for sun setting Oracle GL,
2. Adherence with group-wide reporting standards on time and under budget,
3. Implementation of repeatable processes designed for more effective planning and on-boarding further acquisitions with a more structured approach.

The Verdict

The client recognized that the Fifth Step approach to ensuring repeatable processes were defined, clear, consistent which with fact-based reporting was essential and highly valued. The client also identified the shift in culture towards a pro-active, can-do approach with influential decision-making. They highlighted these as key factors in the smooth delivery of this project.

A strong, Focused Reporting Mechanism

Additionally, the project management team and tools Fifth Step brought to the client were recognized as their preferred reporting guidelines. The client asked the Fifth Step team to introduce the approach across their portfolio to facilitate a strong focused reporting mechanism. This controlled atmosphere allowed the executive team to understand and measure the status of each project in their portfolio using the standard tolerances agreed.

The success of this project resulted in Fifth Step being asked to provide ongoing Project Management Office (PMO) managed services for the client.

