

Anaplan

International Reinsurance Company: Reinsurance Forecasting Using Anaplan



Case Study

INSURANCE



Challenges

An international reinsurance company has been using an Excel based process, with Python scripting, to produce their multi-year forecast for contract level revenue, expenses and cash flow. This process was very time consuming since it could take over a business day to run the entire process. If any changes were made, the entire process had to be run again. The process was very rigid and did not allow changes based on the evolving business environment. In addition to the processing time, one employee spends about one month on data preparation, data validation, and rerunning the process.

The company determined that they needed to move the existing process to a planning software solution that could support the forecasting algorithm, provide for faster calculation processing, and allow for future changes as the business changed.

Solution

The company selected CFO Solutions to implement Anaplan as the replacement platform for their forecasting process. CFO Solutions had implemented Anaplan for reinsurance contract renewal forecasting, and that process is the primary data source for the forecasting process.

CFO Solutions configured Anaplan to apply various actuarial tables depending on attributes of each contract based on the client's algorithm. The process was enhanced to incorporate new actuarial patterns that could not be included in the existing process. In addition, patterns could be easily updated based on changes. With the integration of the reinsurance contract data to the forecasting process, any contract level changes are automatically updated in the forecasting process. The forecasting results can be quickly exported to a flat file as an input into other planning processes.

Results

The company's process now takes seconds to update compared to hours. The Anaplan model was configured to perform many of the manual data preparation and validation processes, thus greatly reducing the manual time requirements from days to hours. Data updates and assumption changes now can be analyzed in real time by leveraging Anaplan's real time calculation engine.

Underwriters spend more time analyzing results while the entire process takes a fraction of time compared to the old process. Contract level forecasting has moved from an annual process to quarterly.

