



**Making Strategy Happen**  
MANAGEMENT CONSULTANTS

## Case Study



AXA contact centre / **available** / **reliable** / **attentive**

# AXA works smarter to halve new business application timeframes

### OBJECTIVE:

“We needed to make a quantum improvement in our new business applications processing to reduce our average of 35 days for completion to a target of 15 days.”  
**Nicola Hogg, GM Operations AXA New Zealand**

### THE CHALLENGE

AXA is one of the largest providers of life insurance services in New Zealand with over 270,000 customers paying AXA over \$200m each year in premiums. Their suite of risk products that includes life insurance, income protection and trauma cover is sold by independent Adviser businesses around the country. The speed at which new business applications are completed not only impacts on Adviser commission payments, but ultimately on the quality of service to AXA customers. AXA had experienced long delays in application timeframes for processing new business, with an average of 35 days from customer meeting to completion. A 2007 industry study saw AXA ranked 7<sup>th</sup> out of 8 companies in timeliness of applications. Not being competitive in this space was completely unacceptable to a company whose point of difference is knowing their business is all about people. AXA’s General Manager Operations, Nicola Hogg describes how getting life cover in place quickly for customers was a critical driver under their customer service strategy. “We needed clarity and quality analysis to pin point where our processes were failing, and we needed answers pretty fast”.



### End-to-end modelling flagged where processes were stalling

Internal strategies to reduce processing times had taken AXA only so far according to Nicola Hogg. “MSH Consulting already had an excellent view of our business, having added significant value to our customer services strategy, now we needed their perspective to give us a microscopic view on where our processes were failing. Their end-to-end modelling approach is a good solid framework that lets you see things very clearly. They deliver quality analysis and they have an extraordinary ability to articulate their findings in such a way that people get drawn into the conclusion and the action needed is simple and defined in a way everyone can understand. But it’s more than having the right tools, it’s how they apply them and how they understand our business. They challenge the thinking, they look further, so the answer has more meaning.”

Workshop sessions involving AXA’s underwriting, new applications and business processing teams and concise end-to-end modelling gave MSH Consulting the fuel to identify the key value drivers that were having an impact on timeframes. Some eureka moments occurred during the process. “I had assumed the majority of the delays were in waiting for health information from doctors that were outside of our control, but it was actually a shock to see the analysis showed that it was a series of basic administration procedures that were taking too long and they were largely in our control,” says Nicola Hogg.

“Through in-depth modelling, MSH Consulting was able to identify 10 value drivers with actionable initiatives to make changes that would streamline processes. Some were

### OUTCOME:

AXA have halved their new business processing times.  
“This is an excellent outcome, due to the combined strength of good people and an effective and proven methodology. Getting new business processed quickly is a critical issue for the business to be competitive and the outcome has significantly built on our customer service strategy work”.

**Ralph Stewart, CEO AXA New Zealand**

immediate good wins for best gains, simply because we had clarity over where the delays were occurring. Other initiatives will help us look closely at changes we need to make to training and resourcing.”

### Measurable gains equals great customer service

Not only did AXA embark on making changes to their actual chain of processes, they stood back and asked how do we better organise ourselves around these processes. The result was the creation of a number of small teams of people led by a business partner, underwriters and business administrators, to work with Adviser businesses and to be their single point of contact. Adopting several of the value-modelling drivers, the small teams of people were trialed and the results were significant. Processing timeframes have halved from 35 days to 15 days. A survey of Adviser businesses found that 65% said that AXA’s service offering was faster and more accurate and that over half expected to place more business with AXA as a result.

For more information go to: [www.mshconsulting.co.nz](http://www.mshconsulting.co.nz)