

The Changing Face of GI



**Actuaries
Institute**

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Data and Analytics: Bottom Up or Top Down?

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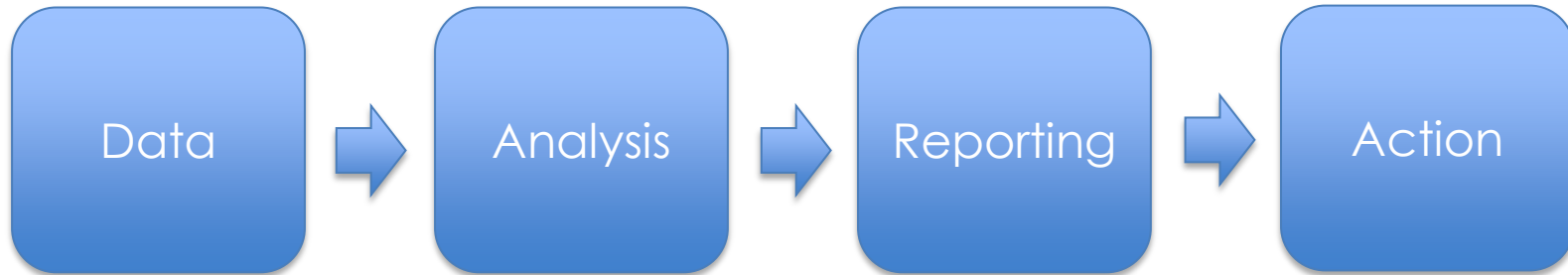
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Analytics

- Analysis of data to produce knowledge that leads to improved actions and business outcomes





Business Intelligence

Building a smarter business





Requirements for Institutional Analytics

- Single platform for Data and Software
 - Not smart people sourcing their own data and doing analytics on a PC
- Deep engagement with business (eg. internal customer focus)
 - Continuous driver of actions
- Senior leadership trust and investment
- Strong cultural foundation



Cultural Foundation for Analytics

- Leadership focus and investment in training:
 - software packages and techniques
 - Quality control and standards
 - Customer service
 - Project management
 - Communication and Presentation skills
 - Innovation



Analytics in General Insurance

Actuarial
Valuation &
Technical
Pricing

Pricing
Analytics

Marketing
Analytics

Customer
Analytics

Claims
Analytics

Fraud
Analytics

Partner
Analytics



Advantages of Alternative Structures

Business Units

- Close engagement with business
- Deep understanding of context

Functional Units

- Sufficient scale to develop strong cultural foundation
- Greater efficiency
- Resource allocation
- Career development



Actuarial Team versus Analytics Team

- Actuaries have high credibility and proven track record
- But not exclusive ownership of domain
- Close collaboration across teams
- Actuarial typically the largest and most developed analytics team
 - Opportunity to provide cultural leadership
 - Share training, quality standards, project management tools, etc.



Experiences working across Analytics teams

- Close involvement of actuarial team (either directly or through collaboration)
 - Output of one team used as inputs of another
- Strengths and weaknesses often similar to actuaries
- Challenges more often arise from poor soft skills rather than poor analysis