

**Digital Business Processes for Insurance** 

### Safe harbor slide

The following is intended to outline our general product direction. It is intended for information purposes only, and may not be incorporated into any contract. It is not a commitment to deliver any material, code, or functionality, and should not be relied upon in making purchasing decisions.

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### **What is Oracle Modern Best Practice?**

www.oracle.com/modernbestpractice



Digital business processes that evolve with you



End-to-end across the organization



Radically superior results



Leverages emerging technologies



### **Oracle Modern Best Practice books**



The original book on Oracle Modern Best Practice is now in it's 3<sup>rd</sup> edition is available at https://go.oracle.com/LP=88653



A new book with our vision for processes in the future is available at https://go.oracle.com/LP=88688



Designed for change – evolves with you

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### Open, Standard, Free

Finance • Budget to Approval • Asset Acquisition to Retirement • Bank Transaction to Cash Position • Expense Report to Reimbursement • Supplier Invoice to Payment • Customer Invoice to Receipt • Customer Statement to Collection • Daily Close to Financial Forecast • Period Close to Financial Reports • Customer Contract to Revenue

**Procurement •** Supplier Registration to Supplier Performance • Insight to Smart Sourcing • Contract Creation to Spend Compliance • Requisition to Receipt • Supplier Return to Settlement

Project Management • Opportunity to Project Approval • Resource Analysis to Utilization • Project Methodology to Delivery • Task Detail to Plan Adjustment• Project Costs to Accounting • Billing to Revenue Recognition • Grant Award Funding to Closeout • Capital Project to Asset

Risk Management • Security Design to Separation of Duties • Business Process Risk to Continuous Assurance • Audit Scoping to Financial Reporting Compliance • Risk Identification to Organization Readiness

Marketing • Analytics to Insight • Insight to Campaign ROI • Campaign Execute to Lead • Event Execute to Lead • Disparate Sources to Unified Data • List Import to Prospect

Sales • Social Prospect to Lead • Lead to Opportunity • Opportunity to Quote • Quote to Order • Order to Close Opportunity • Opportunity to Forecast • Sales Play to Key Account Opportunity • Schedule Change to Sales Call • Vendor Lead to Channel Opportunity • Channel Lead to Vendor Opportunity

**Sales Performance Management •** Sales Strategy to Execution • Coaching Plan to Performance • Incentive Plan to Payment

Service • Customer Contract to Resolution • Social Listing to Resolution • Service Request to Dispatch • Knowledge Gap to Solution • Sensor Alert to Preventive Maintenance • Customer Sentiment to Preventive Maintenance

**Commerce** • B2C: Multi-Channel to Omni-channel Experience • B2C: Awareness to Interaction • B2C: Interest to Purchase • B2B: Multi-Channel to Omni-channel Experience • B2B: Product Search to Cart • B2B: Cart to Agreement

**Logistics** • Shipment to Dispatch • Inbound Shipment to Receipt • Freight Invoice to Approval • Lane Forecast to Carrier Contract

Order Management • Multi-channel Order to Promise • Fulfillment Orchestration to Invoice • Order to Drop Shipment

**Manufacturing •** Forecast to Plan • Production Order to Cost Update • Contract Manufacturing Request to Delivery

Innovation • Social Monitoring to Idea Capture
• Idea Capture to Business Case • Requirement
Definition to Optimization • Concept Formation to
Design • Product Proposal to Go-to-Market
Candidate • Portfolio Review to Selection

HR & Talent • Recruit to Onboard • Benefits to
Payroll • Time Collection to Payroll • Payroll to
Payment • Goal Setting to Performance Improvement
• Career Planning to Development • Talent Review to
Succession • Absence Planning to Productivity
Improvement • Incident Report to Workplace Safety •
Employee Insight to Workforce Wellness • Employee
Separation to Workforce Analysis

Industry: Retail • Public Entity • Higher Education • Insurance • Banking • Healthcare • Utilities

### **Modern Best Practice for insurance**



### **Finance**

- Budget to Approval
- Capital Asset Acquisition to Retirement
- Bank Transaction to Cash Position
- Expense Report to Reimbursement
- Insured Invoice to Receipt
- Insured Statement to Collection
- Daily Close to Financial Forecast
- Period Close to Statutory Reports



### **Procurement**

- Supplier Registration to Supplier Performance
- Insight to Smart Sourcing
- Requisition to Receipt
- Supplier Invoice to Payment
- Supplier Return to Settlement



# Modern Best Practice for Insurance – Finance

### **Budget to approval**

### Insurance

### **Define budget** strategy

Define and link budgets for income (e.g. policy premiums, commissions, investment returns) and outgoings (claims, settlements, commissions, operating expenses etc.) performing what-if scenarios as needed



#### **Generate allocations**

Allocate budgets across organization (e.g. branches, brokerages, departments)



#### Maintain budgets

Securely collaborate across organization of across organization on budgets and key plan assumptions such as the level of premium needed to achieve at what expense, commission, and loss ratios to deliver the net profit number



#### **Monitor and** consolidate

Monitor budget participant progress and approval status including areas such as underwriters, finance, HR, claims, sales, actuarial, risk engineering,



### **Approve budgets**

Approve final budget and communicate



#### **Predictive forecasting** and monitoring

Automatic review of budgets status and scenario analysis











### **Capital asset acquisition to retirement**

### Insurance

### Acquire capital assets

Recording of all capital asset acquisitions at all branches and brokerages via purchases, projects, contracts. Secure interaction via social network on open issues, questions and approvals

### Recognize and register

Automated recognition of assets on purchase. Dashboard driven placement into service, useful life definition and tax valuation

### Assign amortization

Automated calculation of depreciation and rules – based assignment to cost center(s) etc. Automatically track depreciation tax breaks and deferrals

### De-recognition and disposal

Manage valuations, disposals, de-recognition and retirements in compliance with Statutory Accounting Principles

### Manage capital asset insights

Active management of capital assets via secure role-based dashboard allowing centralized monitoring, alerts, reassignment and period close for all branches







Product Mix: ERP Cloud (Financials, Procurement, Project Management)
Popular KPIs: Fixed Asset Turn Over Ratio, % fixed asset loss



# Bank transaction to cash position Insurance

#### **Review activities**



Review automated aggregation of disbursements (e.g. claims, dividends), payroll, collections, investments and borrowing and view highlighted differences and variances to plan via secure role-based dashboard



#### **Bank validation**

Daily interfaces with banks featuring automatic comparison of records, automatic adjustment of fees and minor differences. Align daily balances



### Initiate interbank activities

Execute global cash management. Optimize balances across accounts using zero balance schemes, etc. Real-time review of bank positions



### Manage end of period positions

Automated month end statement reconciliation. Balance sheet optimization with automatic updates to forecasts and plans

Product Mix: ERP Cloud (Financials)
Popular KPIs: time to reconcile, no. of reconciliations











### **Expense report to reimbursement**

Insurance



#### Define expense policies

Configure corporate expense policies, templates, approval rules and audit processes. Maintain the terms and conditions to be accepted before expense report submission



#### **Process expense** reports

Self-service submission of expense reports (from executives, assessors, loss adjustors, etc.). Snap receipts, claim forms etc. Use voice, leverage calendar events to create expense reports. Get answers on status, policies etc. from digital assistant



#### Process credit card feeds

Secure and automated availability of credit card transactions for expense reporting enabling timely approval of reports and payments



#### Manage cash advances

Self-service submission of and processing of cash advance requests. Actively monitor and follow-up on overdue cash advance balances with automated notifications



### Manage employee travel

Integration with GETTHERE enables direct access to travel booking sites, rules-based reservations, automated itinerary downloads and automated creation of expense reports



### Analyze and audit

Leverage audit policies, lists and selection criteria to automate expense report audit processes in accordance with business policy and statutory reporting











Mobile Analytics Social

Product Mix: ERP Cloud (Financials) Popular KPIs: expense vs. budget, expense as % of revenue, payment cycle time



### Insured invoice to receipt

### Insurance

Create and manage transactions

Automatically generate insured policy invoices based on business rules. Review status via rolebased dashboards

Send invoices

Send insured policy invoices or consolidated policy packets via preferred format and delivery method (mail, email, or e-commerce message) Address billing
issues

Manage insured disputes and billing issues with role-based dashboard. Collaborate on audits via secure social platform. Apply corrections (credit or debit memos) and refunds after required audit and approval

**Process payments** 

Automatically match receipts to invoices even without remittance advice using configurable rules or scoring engine. Handle exceptions with help from recommendation algorithm

Manage <u>≠</u> adjustments

Close receipts and invoices with remaining balances based on company policy and approval limits Post receivables activities

Automatically post all approved receivables activities to the general ledger to ensure current account balances Schedule receivables close

Stay on predetermined close schedule. Use integrated inquiry, reporting, and analysis tools to review and reconcile account balances. Post period close entries and close receivables period





### Insured statement to collection

### Insurance



#### **Generate insured** statements

Send insured policy invoices or consolidated policy packets via preferred format and delivery method (mail, email, app notification or e-commerce message)



#### Optimize collection efficiency

Manage collection team assignment based on performance metrics and KPIs. Automatically assign new insured delinquencies to agents



#### Apply collection strategies

Flag and score delinquencies automatically based on factors such as premium, aging, % outstanding, and credit limit. Assign course of actions such as friendly reminder, staged dunning, and phone calls to suit business needs and policies in line with statutory requirements if applicable



#### Monitor outstanding receivables

Leverage advanced analytics to monitor key metrics such as DSO, Promises, Collection Effectivity, over multiple dimensions and hierarchies such as time, location, and insured



#### Manage collection activities

Gain complete visibility to transactions, correspondence, payments, disputes and adjustments via rolebased dashboards. Organize related delinquencies with case folder and record insured interactions at insured. delinguency, or case level



### Manage settlement

Initiate disputes on behalf of insured for review and approval within and across departments. Receive payments at delinquency or case level













Product Mix: ERP Cloud (Financials) Popular KPIs: no. of delinquent accounts, time to settlement, time



Mobile Analytics Social Big Data



# Daily close to financial forecast Insurance

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### Post subledger activity

Automatically post all approved subledger activity to the general ledger to ensure current account balances



### **Identify anomalies**

Dashboard-driven processing of alerts and notifications anomalous transactions. Use of secure social interaction for further research and review



### Convert to corporate standard

Automatically revalue, translate, and convert subsidiary balances to corporate currency and chart of accounts



### Review daily activity

Secure real-time review, analysis and interaction on the day's financial activities and progress via any device



### Set financial forecasts

Modify and securely share forecasts and financial plans in light of the posted activity from the day









### **Period close to statutory reports**

### Insurance

#### Close subledgers

Monitor enterprise-wide close status. Interact on and finalize outstanding sub-ledger transactions and exceptions



#### **Pro-forma close ledgers**

Prepare and review preliminary statutory statements such as balance sheet, income statement, cash flow statement. premium schedules, statements and claims, losses and expenses. Prioritize outstanding transactions based on initial results



#### Reconcile accounts

Reconcile sub-ledgers to general ledger, automatically matching transactions to entries



#### Close ledgers

Route close tasks to task owners automatically. Collaborate to streamline the close for each entity. Monitor enterprise-wide close status.



#### Consolidate subsidiaries

Transform each subsidiary's results to the corporate chart of accounts. Revalue nonmonetary balances and translate to the corporate currency. Eliminate intercompany activity and minority interest



### Review and confirm financial and management reports

Review consolidated results –using the same reports as each subsidiary where applicable – and enter final adjustments



#### **Publish and** securely share financial statements

Distribute statutory statements to state insurance agency and all internal interested parties leveraging collaboration to incorporate feedback



#### Update financial forecasts

Modify forecasts and financial plans in light of the results from the justclosed period

Product Mix: ERP Cloud (Financials), EPM Cloud (Account Reconciliation, Financial Consolidation and Close, Narrative Reporting) Popular KPIs: time to close books, time to publish reports









# Modern Best Practice for Insurance – Procurement

### Supplier registration to supplier performance Insurance

#### Register supplier

Send prospective suppliers secured links to collect company data and provided goods/services in structured format. Approve/reject registration after internal review



#### Manage enablement

Delegate user account administration to supplier. Offer browser-based, selfguided training and help



#### **Ensure profile** accuracy

Send reminder for certification renewal (e.g., Small Business, Women owned.) Update data to reflect merger and acquisition. Maintain audit trail



#### Begin collaboration

Suppliers share information on social tool. participate sourcing events, advise changes on quantities and shipments, and manage invoices and payments, all on a secure portal



#### Manage supplier qualifications

Send qualification questionnaire to identified suppliers. Review/ clarify/evaluate responses. Automatically add qualifications to supplier profile



### Monitor performance

Analyze supplier performance with a factual data driven review per branch, brokerage, department or enterprise Distribute more spend to high ranking suppliers. Leverage machine learning to evaluate supplier risk profile using transaction history, validated business data, and real-time signals including news and press releases













Product Mix: ERP Cloud (Procurement) Popular KPIs: avg. person-hour to qualify a supplier, no. of suppliers per category or critical item

## Insight to smart sourcing Insurance

**Identify opportunity** 

Focus on high impact opportunities by analyzing spending patterns (e.g. branch, brokerage, department, etc.) and supplier performance

Initiate sourcing
event

Create policy-compliant online negotiation through step-by-step guidance and templates

Develop specifications

Align specs with business needs by collaborating with experts and stakeholders. Determine most likely suppliers per branch, brokerage, department, etc. Manage negotiation

Publish requirements /requests for proposals per enterprise, branch, brokerage, department, etc. Begin participation. Suppliers submit responses via online tools and collaboration

Monitor response

Review and compare submissions. Extend/ pause proposal gathering based on responses and/or response rates

Analyze and award negotiations

Award business based on fact-based data driven analysis and collaborative review

Finalize contract

Streamline contract creation by applying terms and conditions from negotiation event and exception-based approvals \_\_\_ Ensure utilization

Realize contract savings by applying pricing and terms to covered purchases automatically

Product Mix: ERP Cloud (Procurement)
Popular KPIs: Non-contract purchase rate, price savings amount







# Requisition to receipt Insurance

#### Raise requisitions

Create purchase automatically or easily locate intended goods and services (e.g. furniture, phone system, supplies, computers, 3rd party assessor services, actuarial services, adjuster services, etc.) from approved catalogs via consumer like



### Approve requisitions

Route approval automatically based on defined capital limits, approval hierarchies, and purchasing categories



### Create purchase orders

Automate purchase order creation for approved supplier based on negotiated pricing and contract terms freeing talent to focus on strategic -initiatives



### Approve purchase orders (optional)

Route approval automatically according to predefined business rules



### Dispatch purchase orders

Automatically deliver approved purchase orders/ electronic payment via secure electronic channels or supplier portal



### Receive goods and services

Record goods received or approve invoices for services rendered to trigger automated matching in Payables











Product Mix: ERP Cloud (Procurement)
Popular KPIs: processing cost per purchase order, procurement

d Mobile Analytics Social



### **Supplier invoice to payment**

Insurance



### Manage supplier invoices

Process electronically or scan invoices with rulesdriven routing to automate invoice processing. Use spreadsheets to speed up manual entry



### Manage audits, disputes, and approvals

Manage rules-driven approvals across any device or desktop. Resolve disputes and holds via a role-based dashboard and secure social interaction



### Manage prepayments and discounts

Optimize payment timing and discounts based on business goals and supplier intelligence from transaction history and real-time events. Manage prepayments across multiple devices



#### Settle liabilities

Actively monitor and process supplier and statutory liabilities via secure interaction. Process electronic payments, automated pay runs, or off-cycle payments



### Review daily activity

Review and analyze the day's financial activity and monthly progress. Continual supplier factual data driven review per branch, brokerage, department or enterprise



### Schedule payables close

Stay on predetermined close schedule. Review payables register, trial balance, and reconciliation reports per branch, brokerage, department or enterprise. Close payables period













### **Supplier return to settlement**

Insurance

#### **Request RMA**

Contact supplier to authorize return. Enter return shipment and record RMA information



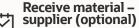
Consolidate and pack material to be returned for credit

#### Load material

Load the prepared material to a central shipping area per branch, brokerage, department or enterprise for shipment

### Ship material

Ship material to be returned and notify supplier electronically



Receive replacement materials from suppliers to inventory or specified location



Settle outstanding balance with supplier. Enter necessary payables and/or receivables records per the details of the return. Record returns for supplier performance analysis













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