



# Lessons Learnt from Providing Technical Assistance on Process Optimization to Microinsurance Providers in Ghana

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**GTZ-supported Programme for Sustainable Economic Development**

Session on Process Optimization

6<sup>th</sup> International Microinsurance Conference in Manila

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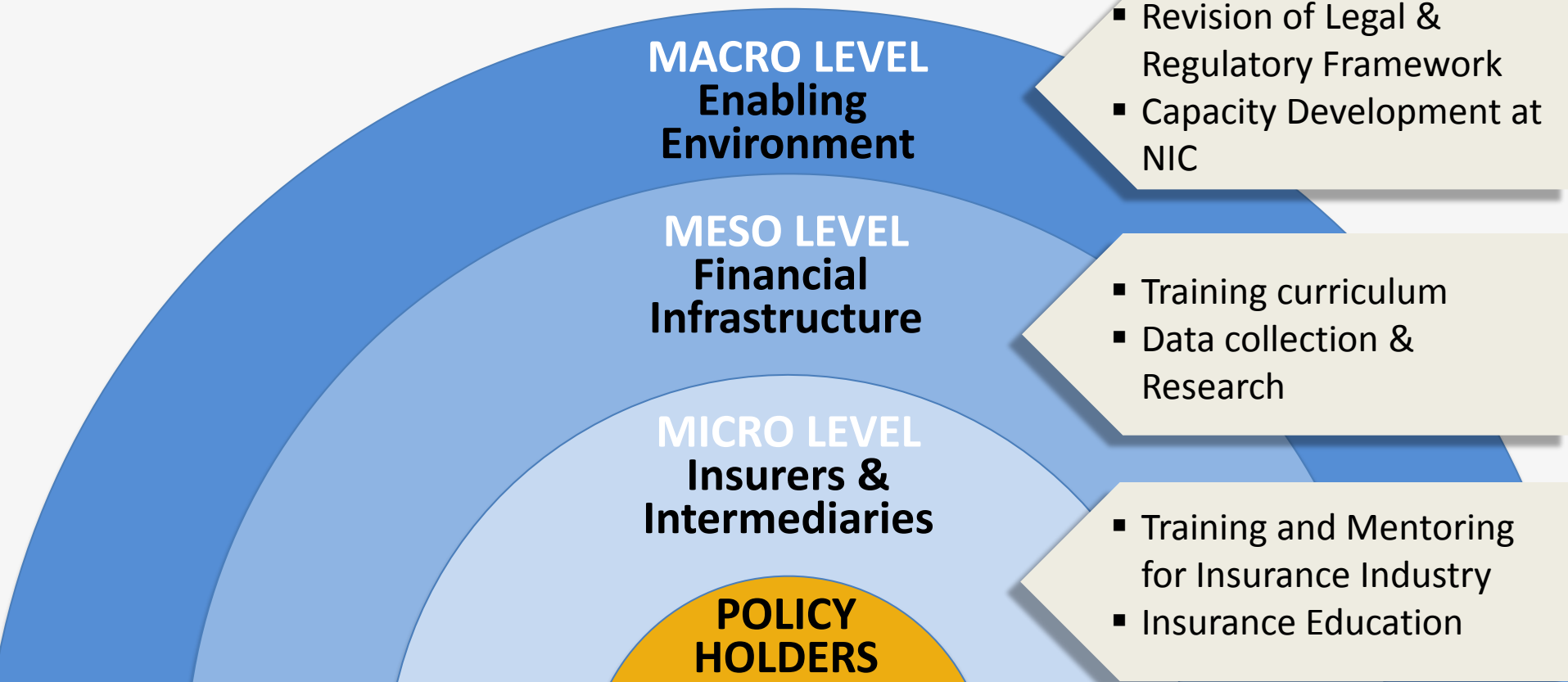


# OUTLINE

- Holistic Approach to Microinsurance Development in Ghana
- Overview of Mentoring Programme
- Mentoring Support provided to Donewell Life
- Applying the Process Mapping Toolkit to Donewell Life's Claims Process
  - Key Milestones
  - Achievements – Core Issues and Recommendations
  - Challenges
  - Lessons learnt



# Holistic Approach to Microinsurance Development



Cooperation with National Insurance Commission with the objective that MSMEs and low-income households have a better understanding of and access to demand-oriented microinsurance products



## Overview of Mentoring Programme

- Two training courses in 2008 and 2009 at the NIC highlighted the need for further capacity building support to microinsurance providers through **in-depth one-on-one mentoring programmes**
- **Three microinsurance providers** were selected through an **application process** and cooperation agreements were signed

### Key areas of support of the mentoring programme include

Training for Staff and Agents

Reporting on Key Performance Indicators

Customer Satisfaction/ Feedback Structure

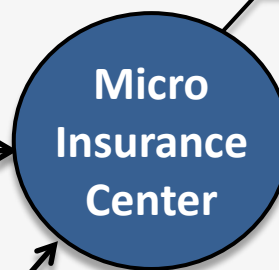
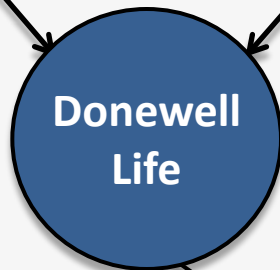
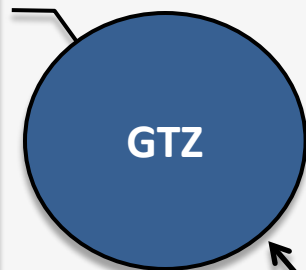
Strengthening Partnerships with Delivery Channels

Process Optimization for Premium Collection and Claims Handling



# Mentoring Programme Cooperation Agreement

- **Facilitator Seat**
- Monitoring & Evaluation
- Communication Channel
- Regular Meetings
- Dedicated staff
- Financial Contributions



- **Backstopping Seat**
- Expertise & Advisory
- Regular communication
- Regular visits
- Training & workshops

- **Driving Seat**
- Work Plan Implementation
- Regular Meetings with Management
- Staff commitments
- **Access** to Staff, Management, Data
- Financial and in-kind contributions

Mentoring support since October 2009:

- Training of Staff and Agents
- Process mapping of Donewell's claims process



Photo taken during field trips with a Donewell Agent



# Process Mapping Toolkit Application – Key Milestones

Claims Sampling: Randomized Selection of 34 out of 672 Claims



Field Visits to Agents and Branch Offices & Filling Timesheets



Preparation of “As-is Map” and Verification Workshop with Staff



Development of “Could-be Map”



Workshop with Management on “Could-Be Map” and Recommendations



Implementation of Recommendations and Impact Assessment



Development of “Should-be Map” and Training to all staff



## Process Mapping Toolkit Application – CORE ISSUES IDENTIFIED

- **Product Design:** Exclusions add to costs and processing time
- **Long Claims Duration** → Dissatisfaction → Lapses by others
- **Software issues** lead to the need for manual calculations
- **Communication Gaps between Head Office – Branches** increases costs and time of processing
- **No Centralized Claims Tracking** leads to low accountability
- **Redundancies:** Multiple reviews and signatories
- **Controls** not adjusted for smaller financial levels
- **Weak Performance Monitoring and Incentive System**





## Process Mapping Toolkit Application – RECOMMENDATIONS

- **Product Design** should be simpler with limited exclusions
- Adequate Computerized System
- **Accountability for Documentation and Claims Accuracy** through effective incentive schemes
- **Centralized Claims Tracking System** by one designated person
- **Elimination of Redundant Processes** to avoid multiple checks
- **Adjust Controls for Smaller Claims** by setting signatory limits



**INCREASED EFFICIENCY BY SAVING COSTS AND TIME**



## Process Mapping Toolkit Application - Challenges

- **Precise measurement of claims process duration not yet possible**
  - Claims documents and internal documentation reviewed did not provide adequate information
  - Difficulty in sharing what is perceived to be confidential data
- **Timesheets filled out did not provide adequate information**
  - Viewed to be too complicated and time-consuming
  - Agents and Staff not used to filling out timesheets



### **Difficult to precisely measure quantitative impacts**

- Impact Assessment focuses on qualitative impacts
- Savings in terms of time and cost were estimated



# Process Mapping Toolkit Application - Lessons Learnt (1)

It is **TIME CONSUMING...**



- Process from field trips to 'Could-be Map' took around 3 months
- One GTZ staff dedicated 50% of her working time to the exercise
- MicroInsurance Centre spent 4.5 days on the exercise

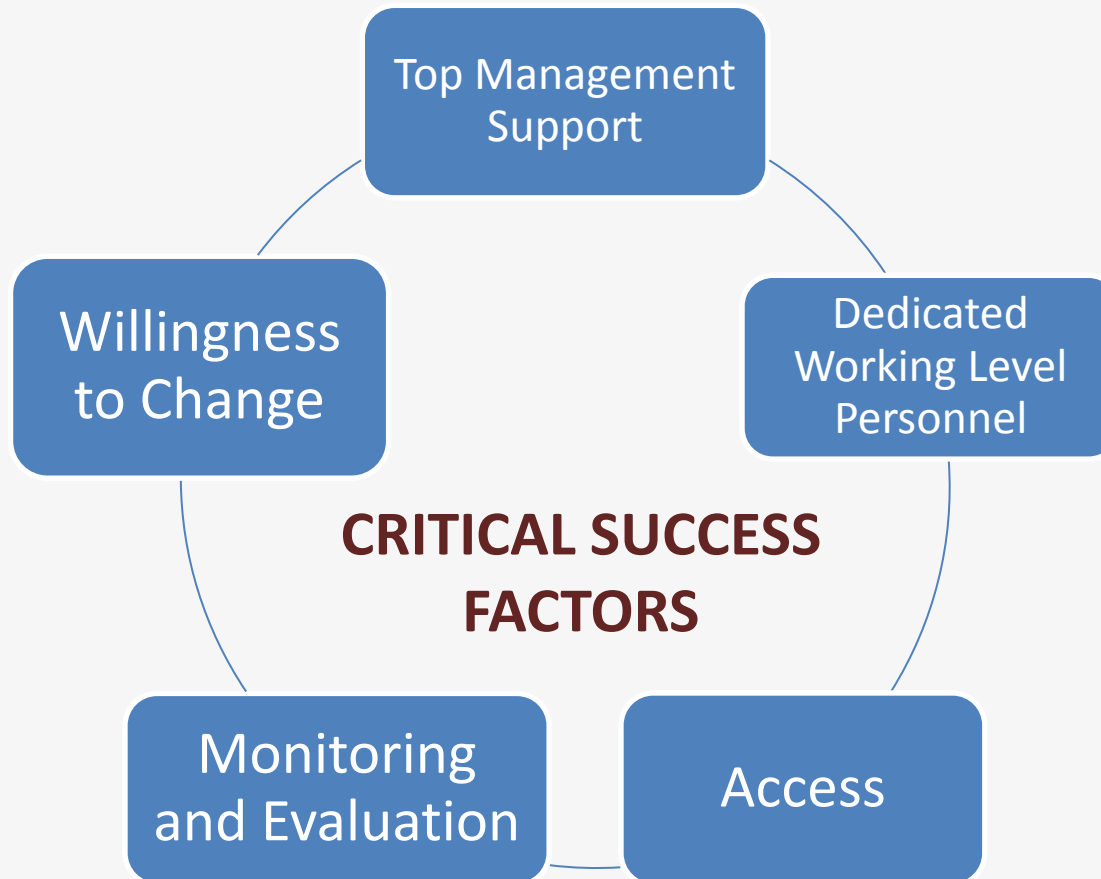
... but **REWARDING!**

- Mapping exercise as "Eye-Opener" for Management
- Identification of key issues and possibility to make real differences to operations by saving cost and time





## Process Mapping Toolkit Application - Lessons Learnt (2)





# Consumer Education and Training of Staff & Agents are Essential for SUCCESS!





THANK YOU!

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