



BUSINESS-DRIVEN INNOVATION

CASE STUDY

# A Distributor's Radical Digital Transformation to Completely Automated Processing

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The following case study is based on one of Equisoft's clients. All of the names and telling details have been changed to preserve client privacy. It examines the impact that implementing a modern agency management system had on one distributor.

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## How One Top Distributor Went from Manual to Almost 100% Automated Processing with the Equisoft/centralize Agency Management System

Stone Stewart Moss (SSM) used largely manual, labor-intensive processes to manage most aspects of their business. With the implementation of Equisoft/centralize they transformed into one of the most automated and efficient distributors in the industry.



# The Challenge

## Manual processes were hurting SSM efficiency and productivity

When Stone Stewart Moss' Canadian affiliate went looking for an agency management system they were starting from scratch. They already had a good tool for managing transactions on the investment side of the business, but nothing for insurance. Up to that point, they had been managing the insurance business solely using Excel spreadsheets.

As a result, the workflows were horrendous. Manual and labor-intensive. Too much time was being wasted on creating spreadsheets for sales follow-ups and to handle commissions. They even worked with the ACORD's XML data feeds for each policy directly. That meant opening the feeds in a browser, reading it and amending an Excel sheet according to whatever changes they saw. Not only time-consuming, but also a process that opened the door to human error.

## Changes to the old system were expensive and time-consuming

At this point in time, SSM in the US was already using an agency management system, but the experience hadn't been what they hoped for. One of the biggest issues with the US solution was the cost to make any changes to the base system. Any required changes, even small ones, could take up to 24 months. Even something as simple as deleting a couple of letters on a label could cost a few thousand dollars and had to be submitted as a request that might take months before it was addressed.

## Key Facts

- ▶ Stone Stewart Moss is a North American financial services company.
- ▶ The Canadian affiliate has been in business for 25 years.
- ▶ It has more than 700 branches and over 1700 advisors.



# Why Equisoft/centralize was chosen

Over a two-year period, a number of vendors did product demos for SSM, but none matched all of the requirements SSM was seeking to fill. It wasn't until SSM saw Equisoft/centralize that they found the next-level agency management solution they'd been seeking.

## **Streamlining all aspects of agency management with one solution**

As an agency management and distribution back-office system connecting all stakeholders for streamlined insurance distribution and commission management, Equisoft/centralize would:

- ▶ Enable SSM to track leads and advisor productivity
- ▶ Feature out-of-the-box business processes already set-up
- ▶ Be able to handle all types of commission splits
- ▶ Provide more than 50 off-the-shelf reports, like policies sold and commission projections

## Equisoft/centralize also delivered several added benefits others couldn't provide

### Unmatchable configurability

One of the first things that impressed SSM was the simplicity of the interface, as well as the speed and ease with which changes could be made because of the user's real-time access to the database.

### SSM discovered that with Equisoft/centralize:

- ▶ More than 80% of their change requests could be done right away because the tool is highly configurable
  - For instance, if a specific extraction and importation of data needed to be automated, that could be done in real time
- ▶ Even larger changes could be quickly incorporated into the next version, which would be rolled out in a matter of months

### Increased efficiency through automation

Because of SSM's desire to move completely away from manual processes, Equisoft/centralize's data importation and processing capabilities were a significant benefit. It helped to drive productivity and efficiencies by

connecting carriers' feeds, parameds, clients, policies, and other contracting and compliance systems to a single platform. 3 key areas of focus for SSM automation were:

### Data Exchange

- ▶ Automating workflows through data exchange was the biggest driver of automation
- ▶ The efficiency of the entire value chain was increased when eApp, pending and in-force feeds could be taken into Equisoft/centralize from carriers through electronic exchange to auto-populate the system.
  - The agency and advisors would have a full panoramic view of each client and their data.
- ▶ Equisoft/centralize helped to aggregate and translate the data from multiple sources into one unified system, accessible from a single point, seamlessly and automatically.
  - SSM advisors would no longer have to waste time logging in and out of different systems to find the data they needed.

## Queries

- ▶ The built-in queries of Equisoft/centralize automated standard processes – such as cashing transactions
  - e.g. when a deposit of \$100,000 would need to be separated into thousands of transactions with fractions applied to different policies
  - This automation would save dramatic amounts of time that would have previously been spent manually completing those processes.
- ▶ Custom queries allowed SSM to easily create unique steps reflecting special rates or considerations for different transaction types as frequently as needed.
  - This would give SSM enhanced flexibility in automating process for even the most special rates.
- ▶ Manual changes to over 1000 transactions, could be batch processed at the click of a single button, saving precious time that would have been spent processing them individually

## Data extraction

- ▶ Equisoft/centralize could import data, transform it and send back to the bank in the format they required, for example – even when each bank or business had their own unique format.
  - This would eliminate the need for manual transformation of data and reduce the resource load for SSM.
- ▶ Since everything was processed in Equisoft/centralize and the appropriate summaries provided, SSM's effort and attendant costs were reduced
- ▶ Workflows were greatly streamlined, with crucial time saved because of the solution's ability to receive the data, automate the key in, transform it to the requirements of the agency, and report it to the correct department

## Implementation and transformation

The implementation of the agency management system was smooth and easy since all new business would be processed through Equisoft/centralize.

The legacy policy information in each carrier's in-force file was imported and used to auto-create tens of thousands of policies within Equisoft/centralize. At the end of that process, all existing policies were loaded and all new business was being processed in one central system.

## Compensation

Because SSM had been relying on spreadsheets and largely manual processes to import carrier feeds, identifying commissions and paying their advisors accurately and in a timely manner were pain points that needed to be addressed. The comprehensive commission payment capabilities of Equisoft/centralize would be a critical benefit.

The agency management system would be able to:

- ▶ Handle complex commission hierarchies so SSM could easily make the correct payments, even when they would be split between distribution partners, advisors, and even staff
- ▶ Use carrier feeds, to automatically identify discrepancies between expected and received compensation, ensuring commission accuracy and reducing advisor frustration
- ▶ Provide the flexibility to handle any type of compensation set-up that might be required, since the solution supported all commission structures



# The Results

With the implementation of Equisoft/centralize, Stone Stewart Moss went from mostly manual, time-consuming and costly workflows, to completely efficient and automated operations. The change from spreadsheet-ruled workflows to automated processing happened almost overnight and revolutionized the agency's business. The distributor is now, by far, the most automated agency in Canada.

## Highlights

- ▶ Since going live, 1300 of the distributor's 1700 reps are using the Equisoft/centralize system.
- ▶ Equisoft/centralize is currently managing 68,000 contracts.
- ▶ 17,000 files and 2000 applications have been processed, including more than 2.5 million cashing transactions.
- ▶ More than 60% of their sales are completed using eApps (by comparison, most agencies only process 10% or less of their business using eApps.)

### **Stone Stewart Moss is now one of the most efficient distributors in the life insurance industry**

Since implementing Equisoft/centralize, the distributor has been able to pivot from largely manual processes based off spreadsheets, to automated workflows that require little staff intervention. The shift has made them a leader in the industry.

They were also able to find efficiencies and increase advisor satisfaction by automating and ensuring the accuracy of commissions. Payments were made quickly and correctly, making them a favorite of advisor's looking to work with a distributor.

Critically, the ability to import, extract and transform data has turned SSM into a truly data-driven business, with improved decision-making and has spurred growth across the country.

**To find out how Equisoft can help you automate and transform your agency, connect with us today.**

# Connect with us to learn more:

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See how our insurance solutions like [Equisoft/centralize](#) can help.

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## About Equisoft

Founded in 1994, Equisoft is a global provider of advanced digital solutions in life insurance & wealth management. Recognized as a valued partner by over 50 of the world's leading financial institutions in 15 countries, Equisoft offers innovative front-end applications, extensive back-office services and unique data migration expertise. Equisoft is also Oracle's largest & most experienced integration partner for the Oracle Insurance Policy Administration platform.



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