



DIGITIZATION IN A TIME OF COVID-19

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Introduction

A few weeks into March 2020 the first case of Coronavirus was reported in Kenya. As an organisation, ZEP-RE (PTA Reinsurance Company) activated its business continuity plan to ensure that service to our clients continued to be delivered despite the challenges. This involved new ways of working that required greater use of technology in daily operations.

In one of my WhatsApp groups, someone posted a poll result asking the question: “Who accelerated the digital transformation in your company.” One would expect the usual suspect – CEO, IT Team, Management, CIO, or Agile Team. However, the winner of the poll was – Coronavirus! While the poll might have been done in jest, it showed how the unprecedented challenge of Covid-19 was shaping our world in ways not seen before. Businesses are being forced to change their ways of operating to take into account the new reality of service delivery in the middle of a pandemic.

In this article, we analyse one area in the insurance industry that is a core service one which those who buy insurance expect the most – claim processing. We look at what clients expected before the pandemic, what the forced changes needed during this time of challenge are, and how technology is an enabler for such changes. We also use the case of ZEP-RE as an example of how we have adopted technology as an enabler for service continuity.

Customer-Centric Claims

In interviews conducted in Canada [1], it was noted that clients seek three things from their insurers – speed of claims settlement, timely updates, and choice on how to engage.

Clients want their claims processed quickly. This is a very important expectation as many insured persons do not have cash available at their disposal following the occurrence of a loss. They seek support to be back on their feet as soon as possible.

They want to be kept in the loop. As a claim progresses through the internal processing stages, anxiety levels are reduced by timely notifications received from the insurer updating them of progress. Clients are more willing to accept delays if updates come often, are convincing and reasonable.

Clients are individuals with unique preferences who want to engage using their preferred channels. Some would like to speak to a person rather than chat-bot or other automated services to register and track their claim while others want to see the face behind the voice. Then there are yet others who thrive on mobile phone communication and expect interaction through this device.

In Kenya, similar needs were noted – simple, speedy, and reliable services, with options on how they interact [2].

COVID-19 induced changes – technology as an enabler

In this era of social distancing, the expectations from the clients have not changed, but the ability of the insurance industry to deliver on the expectations is being challenged. The virus spread has resulted in some countries introducing curfews like Kenya [3], or full lockdowns like South Africa [4]. The curfew in Kenya recommends reduced social contact through measures such as employers allowing employees to

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work from home and a mandatory night-time stay at home order. Despite all this, clients still expect service delivery to meet their needs.

Claims processing time has been greatly affected by claims department staff being unable to share physical documents from one desk to the next as they would normally do in office operations. They are unable to pass on work to their colleagues who need to take the next decision or provide input. This then requires a different way of working to ensure that timely processing is still met.

At ZEP-RE, we spent time in 2019 introducing a digital workflow system that manages the flow of work as well as the supporting documents. With this system, we can introduce work into the system and enable each person in the claim processing to take their actions and decisions efficiently. This has proved useful with the work from home recommendation as we are still able to execute claim payments on time and track progress without the need for physical human interactions. Technology has come in as the saviour to enable us to continue with business operations. As an organisation, you will need to review your work processes and technology that you have in-house to determine how best to serve your clients. It can be as simple as shared folders on Google Drive or Microsoft SharePoint, that enable scanned documents for review and decisions. It could also mean asking clients to make electronic submissions of documents which may be required for a possible audit later.

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Before COVID-19, a client could walk into an insurer's office or call them on their office telephone lines to receive an update on their claim. The current situation which requires social distancing and limited movement present a challenge on how to maintain similar levels of contact in a work from home environment. At ZEP-RE we have used our workflow system to automate notifications as claims progress through the payment process. The technology allows us to give our clients the confirmation that they need to assure them that their claim is being handled.

Conventional communication channels in the time of COVID-19 have been disrupted. With no one in the office, there is no receptionist to take calls and employees do not have access to the usual PABX services for calling out. This again demands the use of technology to expand the communication choices to make up for those lost. The best way would be to give employees access from home to technologies that they would normally have in the office. This might mean adding software to employee mobile phones that connect to their office telephone extension supported by virtual private networks to give access to office applications. At ZEP-RE we have expanded our use of virtual meeting technology - MS Teams - to enable virtual connection with our clients. It is a journey that we need to make with our clients as we work in the new world order. We will soon be launching a claims portal that will offer an alternative interactive channel with our claims process. The portal is integrated with our workflow system, satisfying the need for engagement as well as timely updates.

Challenges that come with remote working Technology

Introducing technology in a time of crisis brings with it some challenges. The first is how to maintain controls that ensure the integrity of business results. A good illustration is decisions that are taken by a committee through physically meeting, reviewing documents, and signing off on the decision. A business has to explore



options for achieving the same controls in a digital environment. There is technology available for virtual meetings that can be recorded and transcribed to support decisions.

There has been an increase in the number of COVID -19 phishing scams preying on the fear of the virus, as well as workers increasingly working from home [5]. They attempt to gain credentials of staff members using the employee's desire to gain information on the virus. The risk is increased when employees are isolated and working from home without immediate physical support of co-workers who can help pick up these scams. This requires that staff members be educated more and more.

Will things be the same post COVID -19?

The question that will come after the crisis is over – will things return to the way they used to be? I believe the answer is NO! This crisis will teach us new things, as well as things that we had forgotten, about how we can work in organisations.

Will we need to travel as much as we used to before? Probably not. The grounding of flights has taught us that it is possible to maintain engagement with our clients with much less need for physical meetings. The technology and communication capacity available today has shown us that video calls can be a worthy replacement for face to face business transactions. Technology companies have taken a step further and even offered free services to support virtual meetings [6].

Can we survive with fewer days in the office? Most likely. The past few weeks of working from home have introduced a concept previously practiced by few companies. If we are well able to manage claims processing for our clients while working from home, can we not extend this to support a better work-life balance for staff members?

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