

WORKED EXAMPLE (ILLUSTRATIVE)

Data strategy for a general insurer

From vision to scorecard, one level at a time

THE SO WHAT OF THIS DECK

See how an insurer runs pricing, claims and regulatory evidence on one data foundation, and start with a rate adequacy view of where claims inflation outruns price.

THE SITUATION

A property and casualty insurer writing motor, home and small commercial property and liability cover, with about 2.5 million policies sold direct and through around 900 brokers. The combined ratio has drifted above target as claims inflation outpaces pricing, leakage and fraud slip through a high-volume claims operation, and brokers complain of slow quotes and referrals. Regulatory and actuarial reporting relies on manual reconciliations, and the conduct supervisor expects evidence of fair value for every product.

What we decided at each level, and so what

Level	What we decided, and why	So what for the data strategy
Vision	Leadership framed the vision around three moments of truth, the price, the claim and the broker relationship, rather than growth for its own sake.	Organise data products around pricing, claims and brokers, so each moment of truth has one accountable owner.
Mission	The mission commits to accurate pricing and fast settlement of genuine claims, and both depend on the same claims cost data.	Make claims cost history one shared product owned once, rather than rebuilt separately by pricing, reserving and claims.
Strategic choices	Leadership chose to restore underwriting profit through pricing and claims before chasing growth, and ruled out large corporate risks, unexplainable pricing factors and commission-led volume.	Because every pricing factor must be explainable and fair, build fairness testing into the pricing pipeline rather than reviewing models after the fact.
Themes	Two themes fix profit (accurate pricing, claims excellence), one grows the book (broker partnership) and one protects the licence to operate (regulatory confidence).	Sequence pricing and claims first, because closing the combined ratio gap funds everything else.
Strategy map	The map shows the policy, claim and party data set (L1) beneath claims triage, broker underwriting and reporting, and fair pricing (C1) as a conduct outcome as well as a profit driver.	Fund the party and policy master once from both offence and defence budgets, because both sides of the map depend on it.

What we decided at each level, and so what (continued)

Level	What we decided, and why	So what for the data strategy
Data objectives	Three objectives are offensive (pricing refresh, claims scoring, broker quotes) and three defensive (party record, reconciled reporting, fairness testing), matching the even posture.	Run both sets on one data foundation, so the fair value evidence the supervisor sees uses the same numbers as pricing.
Scorecard	Combined ratio, leakage, settlement speed and small commercial growth are the lag measures; pricing data latency, party matching, return adjustments and model coverage are the leads.	Cut pricing data latency first, because rates cannot keep up with claims inflation while the data is six weeks old.
Portfolio	Claims inflation monitoring and triage at first notice scored highest on value and feasibility; granular pricing and straight-through broker quoting need the data foundation first.	Deliver the rate adequacy view within the first 100 days, because it shows the board where margin is leaking today.
Roadmap	H1 builds the data foundation, the monthly pricing refresh and a motor triage pilot; H2 adds reconciled reporting, model governance and the broker service; H3 scales granular pricing and straight-through quoting.	Put model and fairness governance in place before granular pricing scales, so no rate change ships without fair value evidence.

The cascade: vision to choices

Leadership chose to restore underwriting profit through pricing and claims before chasing growth, and ruled out large corporate risks, unexplainable pricing factors and commission-led volume.

Vision	To be the insurer customers and brokers rely on to price fairly, pay quickly and stand by them when things go wrong.
Mission	We protect households and small businesses against loss by pricing risk accurately, settling genuine claims fast and working with brokers as real partners.
Winning aspiration	Return to a combined ratio below target through better pricing and claims, while becoming the easiest insurer for brokers to place small commercial business with.
Where to play	Personal motor and home, sold direct and through price-comparison channels; Small commercial property and liability, placed through regional brokers; Our home market only, in lines where we hold deep claims history
How to win	Granular, fair pricing that reflects risk and reacts to claims inflation within weeks; Genuine claims settled fast, with leakage and fraud caught early; Brokers quoted and answered in minutes, not days, for standard small commercial risks
Capabilities	Pricing and underwriting analytics with rate adequacy monitoring; Claims triage, leakage review and fraud detection; One policy, claim and party record across underwriting and claims systems; Straight-through underwriting rules for standard broker business; Regulatory, actuarial and conduct reporting from one reconciled source
We will not	We will not write large corporate or specialty risks during the strategy period; We will not use pricing factors we cannot explain and show to be fair; We will not buy broker volume through higher commission
SO WHAT	Because every pricing factor must be explainable and fair, build fairness testing into the pricing pipeline rather than reviewing models after the fact.

Strategic themes

Two themes fix profit (accurate pricing, claims excellence), one grows the book (broker partnership) and one protects the licence to operate (regulatory confidence).

T1 Accurate pricing

Price every risk accurately and fairly, and react to claims inflation within weeks.

T2 Claims excellence

Settle genuine claims fast and stop leakage and fraud.

T3 Broker partnership

Be the easiest insurer for brokers to place small commercial business with.

T4 Regulatory confidence

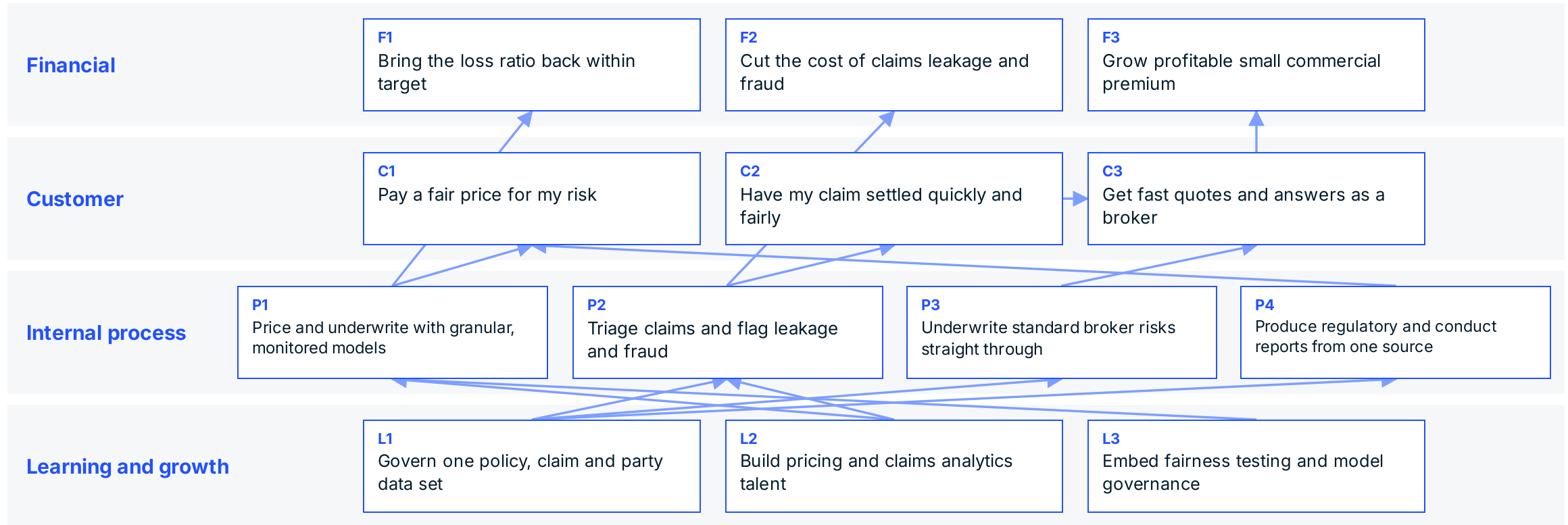
Report right first time and evidence fair value and good conduct.

SO WHAT

Sequence pricing and claims first, because closing the combined ratio gap funds everything else.

Strategy map: cause and effect on one page

Illustrative. Arrows run from cause to effect; learning and growth enables process, process serves customers, customers drive the financials.



SO WHAT

Fund the party and policy master once from both offence and defence budgets, because both sides of the map depend on it.

Posture: 50% offence, 50% defence

Pricing, claims and broker growth carry the profit recovery, while regulatory reporting and conduct evidence carry real supervisory risk; both draw on the same policy, claim and party data, so effort is split evenly between them.

Defence objectives

- D1 Govern one policy, claim and party record across underwriting and claims systems
- D5 Produce regulatory, actuarial and conduct reports from one reconciled source
- D6 Test pricing and claims models for fairness and document every decision

Offence objectives

- D2 Refresh pricing data monthly with claims inflation and conversion signals
- D3 Score every new claim for complexity, leakage and fraud at first notice
- D4 Give brokers instant quotes from governed underwriting rules and risk data

Data objectives, traced to the strategy map

ID	Data objective	Serves	Type
D1	Govern one policy, claim and party record across underwriting and claims systems	L1, P4	Defence
D2	Refresh pricing data monthly with claims inflation and conversion signals	P1, F1	Offence
D3	Score every new claim for complexity, leakage and fraud at first notice	P2, F2	Offence
D4	Give brokers instant quotes from governed underwriting rules and risk data	P3, C3	Offence
D5	Produce regulatory, actuarial and conduct reports from one reconciled source	P4, L1	Defence
D6	Test pricing and claims models for fairness and document every decision	L3, C1	Defence

SO WHAT Run both sets on one data foundation, so the fair value evidence the supervisor sees uses the same numbers as pricing.

Data strategy scorecard

Illustrative baselines and targets.

Perspective	Objective	Measure	Type	Baseline to target	Initiative	Owner
Value	Restore underwriting profit	Combined ratio across personal and small commercial lines	Lag	104% to 97%	Monthly pricing refresh	CFO
Value	Cut claims leakage	Estimated leakage as a share of claims paid, from file reviews	Lag	6% to 3.5%	Claims triage and fraud scoring	Claims director
Value	Grow small commercial	Small commercial gross written premium growth, year on year	Lag	2% to 9%	Broker quote and referral service	Commercial lines director
Stakeholder	Settle genuine claims fast	Simple claims settled within ten working days	Lag	48% to 75%	Claims triage and fraud scoring	Claims director
Stakeholder	Brokers get quick answers	Standard small commercial quotes issued without referral	Lead	22% to 65%	Broker quote and referral service	Head of broker distribution

SO WHAT Cut pricing data latency first, because rates cannot keep up with claims inflation while the data is six weeks old.

Data strategy scorecard (continued)

Illustrative baselines and targets.

Perspective	Objective	Measure	Type	Baseline to target	Initiative	Owner
Data operations	One party per customer	Policyholder and claimant records matched to a single party	Lead	73% to 96%	Policy, claim and party data foundation	Head of data management
Data operations	Returns right first time	Manual adjustments to regulatory and actuarial returns per quarter	Lead	38 to 6	Reconciled reporting layer	Chief actuary
Data operations	Pricing data kept current	Days from month end to refreshed pricing data	Lead	45 days to 10 days	Monthly pricing refresh	Head of pricing
Capability	Models under control	Pricing and claims models with fairness testing and documented validation	Lead	30% to 100%	Model and fairness governance	Chief risk officer
Capability	Ownership in place	Critical data domains with a named owner and steward	Lead	2 of 7 to 7 of 7	Data governance council	CDO

Prioritised use cases

Use case	Theme	Value	Feasibility	Decision it improves
Claims inflation rate monitoring	T1	5	4	Where are claims costs outrunning our rates, and how fast must we reprice?
Claims triage at first notice	T2	5	4	Which claims can settle straight through, and which need an expert handler?
Fair value and conduct reporting	T4	4	4	Does each product deliver fair value, and can we evidence it to the supervisor?
Granular risk pricing	T1	5	3	What is the right, fair price for this risk today?
Broker performance insight	T3	3	5	Which brokers bring profitable business, and where should we focus support?
Fraud and leakage detection	T2	4	3	Which claims show signs of fraud or overpayment worth investigating?
Broker straight-through quoting	T3	4	3	Can we quote this small commercial risk automatically, or must it refer to an underwriter?

SO WHAT

Deliver the rate adequacy view within the first 100 days, because it shows the board where margin is leaking today.

Build once, use many: data products by use case

Claims inflation monitoring and triage at first notice scored highest on value and feasibility; granular pricing and straight-through broker quoting need the data foundation first.

	Party and policy master	Pricing and quote data set	Claims cost history	Claims event record	Broker trading data	Regulatory reporting data set
Claims inflation rate monitoring		●	●			
Granular risk pricing	●	●	●			
Claims triage at first notice	●			●		
Fraud and leakage detection	●		●	●		
Broker straight-through quoting	●	●			●	
Broker performance insight			●		●	
Fair value and conduct reporting		●	●			●
	used by 4	used by 4	used by 5	used by 2	used by 2	used by 1

SO WHAT

Deliver the rate adequacy view within the first 100 days, because it shows the board where margin is leaking today.

Roadmap

H1 builds the data foundation, the monthly pricing refresh and a motor triage pilot; H2 adds reconciled reporting, model governance and the broker service; H3 scales granular pricing and straight-through quoting.

Horizon 1: 0-6 months

- Data governance council: owners for seven domains, with critical data elements for returns defined
- Policy, claim and party data foundation across the motor, home and commercial systems
- Monthly pricing refresh with claims inflation monitoring for motor and home
- Claims triage and fraud scoring piloted on motor claims at first notice

Horizon 2: 6-18 months

- Reconciled reporting layer for regulatory, actuarial and fair value reporting
- Model and fairness governance covering every pricing and claims model
- Broker quote and referral service for standard small commercial risks
- Claims triage and fraud scoring extended to home claims

Horizon 3: 18-36 months

- Granular risk pricing across all personal lines, refreshed monthly
- Broker straight-through quoting for most small commercial trades
- Continuous fair value monitoring reported to the board each quarter

SO WHAT

Put model and fairness governance in place before granular pricing scales, so no rate change ships without fair value evidence.

The first 100 days

Weeks 1-2: Mandate and baseline

- Sponsor group of CEO, CFO, claims director and chief underwriting officer agreed
- Baselines for combined ratio, leakage, settlement time and return adjustments
- Conduct and fair value obligations mapped to data and owners

Weeks 3-6: Prioritise and design

- Use-case portfolio scored; claims inflation monitoring and claims triage chosen first
- Party matching rules agreed across policy and claims systems
- Designs for claims cost history and the pricing and quote data set

Weeks 7-10: First value in the numbers

- Rate adequacy view showing where claims inflation outruns price
- Triage scores running alongside handlers on motor claims
- Referral reasons analysed for the top 50 brokers

Weeks 11-14: Prove and fund

- Leakage and settlement-time results read against baseline
- Funding case for the reconciled reporting layer and broker service
- Data strategy scorecard reviewed monthly at the executive risk committee

SO WHAT

Leave day 100 with an approved roadmap, a funded first tranche, live forums and two quick wins in delivery.

Build yours

- Strategy Cascade and Scorecard Workbook: the templates behind this example
- Scorecard Measures Library: measures and definition cards
- Strategy Workshop Kit: the three workshops that produce it

scikiq.org/data-strategy