



Promutuel Insurance Transforms Its Claims Business with Guidewire

French Canadian Insurer Uses ClaimCenter to Gain Leverage in the Market and Expand Business

CASE STUDY



“With ClaimCenter in place, we can imagine a real change in the way we do business.”

—Sylvain Fauchon, CEO, Promutuel Insurance

Promutuel Insurance was founded in 1852 and has become one of the leaders in property and casualty insurance in Québec. It is comprised of 26 mutual associations, one company jointly owned by all 26 mutuals, and a federation based in Québec City. The Group is known for its expertise in auto, home, commercial, and farm insurance.

More than 160 Years of Community-Based Service

In the middle of the 19th century, Québec’s farmers were badly protected by insurers, who refused to insure farms because they viewed the risk as too great. To fix this problem, a few farmers from Huntingdon, Québec, banded together to help safeguard one another’s capital, equipment, and livestock from loss in the event of a fire. Thus Québec’s first mutual was formed, and today it is known as Promutuel Insurance.

Guy Lecours, vice president of insurance at Promutuel Insurance, says, “We have financial solidity, we have been around for 160 years plus, and we’re based in Québec—we’re not an international player, we’re a mutual, we’re close to people, and we have good service.”

The Need for a Single, Modern Claims System

In the past, each of the Group’s member associations had its own claims system—and many were based on pen, paper, and thousands of heavy files.

“When I was a claims adjuster, I once broke the file holder on my desk because I had so many heavy files in it,” laughs Caroline



Promutuel Insurance

Headquarters:

Québec City, Québec

Operations:

Québec Province, Canada

Business Lines:

Damage Insurance

Employees:

1,850

Website:

www.promutuelassurance.ca/en

Products:

- Guidewire ClaimCenter®
- Guidewire PolicyCenter®

Benefits:

- Created a single, unified claims system across all 26 member associations
- Allocated claims resources across all member organizations
- Achieved numerous efficiency gains
- Increased use of preferred auto vendors
- Reduced use of independent adjusters

Martin, now a business solutions consultant at Promutuel Insurance.

The Group sought a single, modern claims system that would help it eliminate cumbersome paper processes and speed business processes, share resources, save money, and build business. But before purchasing a new system, it needed agreement from all 26 mutual associations.

Gaining Member Support with Guidewire Value Consulting

Prior to selecting a new claims system, Promutuel Insurance's claims transformation team participated in Guidewire's Value Workshop in order to scope and demonstrate the benefits of purchasing Guidewire ClaimCenter®. The team worked with Guidewire value consultants, who helped create a business case for the project using Promutuel Insurance's own numbers and projections.

"Having our people complete the business case and reach the results on their own was very convincing," says Benoît Duchesne, former director of claims and current director of policies at Promutuel Insurance.

The Value Workshop resulted in unanimous agreement from all 26 mutual associations to purchase ClaimCenter.

A Fast, Under-Budget Implementation

For its implementation of ClaimCenter, Promutuel Insurance worked with the Guidewire Professional Services team and system integrator and Guidewire PartnerConnect™ Affiliate member V-NEO. The Group followed an agile methodology, and used the Guidewire Value Alignment process to ensure that each of its business goals were met every step of the way. In addition, it adhered to its original out-of-the-box strategy.

The result was a successful launch across all lines of business that finished seven months in advance and 25 percent under budget. For the project, Promutuel Insurance received an award from OCTAS, a prestigious annual competition that awards excellence in Québec's IT sector.

One Common System for Processing Claims

Promutuel Insurance's go-live with ClaimCenter heralded the beginning of a new era for the organization. For the first time in the Group's history, all member associations now have a common claims system with consistent, verified data; follow the same business processes; and manage information in the same way.

"Now we work from the same recipe," says Sylvain Fauchon, chief executive officer at Promutuel Insurance.

In addition, the organization now shares resources easily. During major storms or other peak load events, the federation takes emergency calls and easily reallocates resources across the 26 mutual associations so no one organization is overloaded and all Promutuel Insurance customers are served quickly.

Tracking Value Post Go-Live

After Go-Live, Promutuel Insurance has continued to track the value of its ClaimCenter project. Just nine months after launch, the organization has seen benefits in multiple areas. Through better management of processes, Promutuel Insurance has reduced its use of independent adjusters and reduced clerical work.

"Promutuel Insurance has always been a reliable, safe insurer, but now we aim to be more competitive by using the best tools in the market."

—Guy Lecours, Vice President of Insurance,
Promutuel Insurance

And by guiding claimants to an expanding preferred vendor network, the Group has been able to increase its use of preferred auto vendors.

The Biggest Transformation: Gaining Market Leverage

Sylvain Fauchon cites leverage in the market as the largest benefit the Group has gained from implementing ClaimCenter.

“Harmonizing claims processes across all of our mutuals—that’s the big transformation. With ClaimCenter in place, we can imagine a real change in the way we do business,” he says.

The Group has used its newfound leverage to develop strategic vendor relationships and negotiate more favorable rates.

Successful Claims Project Builds Confidence for Other Projects

Because its claims transformation project was so successful, Promutuel Insurance has gained organization-wide support for other business improvements. The Group is implementing Guidewire PolicyCenter® across its business and car insurance, and it has embarked on a \$50 million “Phoenix” business project.

“ClaimCenter was a great confidence-builder for the Group,” explains Sylvain Fauchon. “The project was a success story. We reached buy-in from every general manager, and they worked with the federation to build a business case. And we built on that success to sell the Group our Phoenix project, and we did the same with PolicyCenter for business lines.”

Ready to Conquer New Markets

Promutuel Insurance is now ready to break into new markets with a new logo, advertising campaign, unified claims system across all 26 mutual associations, and a new policy system for commercial lines.

“Promutuel Insurance has always been a reliable, safe insurer, but now we aim to be more competitive by using the best tools in the market,” says Guy Lecours.

About Guidewire

Guidewire delivers the software that Property/Casualty (P/C) insurers need to adapt and succeed in a time of rapid industry change. We combine three elements – core processing, data and analytics, and digital engagement – into a technology platform that enhances insurers’ ability to engage and empower their customers and employees. More than 200 P/C insurers around the world have selected Guidewire. For more information, please visit www.guidewire.com and follow us on twitter: @Guidewire_PandC.