

Improving Commission Processing

About Client

The client is the latest venture of a leading business group in Vietnam to expand into the emerging Asia. It aims to be a multi-channels distribution insurance company with diversified products to suit the financial management and protection needs of the people and companies in Vietnam. It offers life insurance and life, health and pension benefits for employees of multinational corporations.

The client is a green-field venture and planned to start its operations with 2 channels namely Agency and Telemarketing; spanning multiple zones, regions and branches across the country.

Business Need

As a startup insurer, the client's biggest requirement was to attract and retain right sales force while reducing the cost to serve them. The other requirements were:

- Centralized agents' repository to reduce the redundancy and inconsistency between various systems
- One consolidated view for all agency operations across channels
- Flexibility in the compensation definition
- Comprehensive reporting system for fast and reliable decision making
- Manage growing hierarchy and the complexities attached to it

The Solution

Majesco implemented its Distribution Management, a comprehensive system that handles channel setup, definition and commission/bonus calculation for different types of channels such as Tied Agency, Bancassurance, Corporate Agencies, Insurance Brokers, Independent Financial Advisors (IFA's), Direct Marketing and Franchisees. It supports commission/bonus calculation for a variety of product lines such as Traditional Life, Annuities, Unit Linked Protection, Pensions, Healthcare, and Credit Life.

Majesco's Distribution Management was implemented in 2 phases,

Phase 1: Agency Hierarchy and Recruitment

Phase 2: Commissions, KPIs, Incentives

The implementation began in November 2011 and Phase 1 went live within 3 months in February 2012, and Phase 2 in April 2012.

Key Highlights

- End-to-End implementation within 5 months of project commencement
- 2 channels including Agency and Telemarketing with operations over 3 zones, 3 regions and 15 branches
- 60 rules including commissions and variable compensations
- Multilingual feature for key screens
- 70 performance KPIs
- Post April 2012, the client launched third channel - Banca and it continues to use Majesco's Distribution Management with minimal support from Majesco

Business Impact

- **Faster time to market:** Quick introduction of newer channels resulted in faster time to market
- **Increase in operational efficiency:** A single system for distribution hierarchy and compensation management led to effective and accurate compensation processing, thus immediately increasing operational efficiency

About Majesco

Majesco is a provider of core insurance technology software and IT services to insurance carriers worldwide. For over two decades, we have combined our leading products, people, and processes to drive business impact and competitive advantage. By truly collaborating with clients, we gain a deep understanding of their business goals and challenges. We envision, design and deliver tailored business IT solutions that stand apart for their effectiveness, reliability and fit.

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- **Increased accuracy in commission calculation:** Automation across the entire business process led to increased accuracy in commission calculation and processing
- **Reduced costs:** Majesco's Distribution Management not only reduced manual intervention, but also consolidated and replaced the multiple compensation systems to a single channel-centric, componentized system. This brought down the cost of maintaining multiple systems
- **Flexible business rule setup:** Majesco's Distribution Management uses internal rule engine to manage business rule and is independent of the system process. This enabled the client to define complex compensation structures changing over time, on the fly without making any changes in the code
- **Minimal post-production support:** The client was empowered to use Majesco's Distribution Management with minimal support from Majesco since its implementation