



Area of Assistance. Development of overall service provision for MAPFRE Seguros Generales

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“Various departments which managed claims and service provision have been brought together within a single area, the Area of Assistance. This area encompasses insurance and non-insurance services, offering services to policyholders and other customers, enabling the strengthening of new lines of business.”

Conventionally, the name of the department handling assistance within an insurance company is the claims [“siniestros” in Spanish] department. At MAPFRE Seguros Generales it is the Area of Assistance which manages this function.

A preliminary note

The dictionary of the Spanish Royal Academy establishes the following meanings of the word “siniestro”:

1. *adj.* Referring to a part or a place:
Which is on the left-hand side.
2. *adj.* Malicious or spiteful.
3. *adj.* Unfortunate, disastrous or tragic.
4. *m.* Tendency or inclination towards evil;
bad habit, vice or wrongdoing by man or beast.

Thus far insurance companies do not appear. Certainly the definition of “siniestro” so far is nothing to be proud of, only at the end does the dictionary also reveal that it also has the sense of:

5. *m.* Any degree of damage which may be compensated by an insurance company.
6. *m.* Law. In insurance contracts, specification of the risk covered in the aforementioned contract and which determines the assistance given by the insurance company.

In any case, the word “siniestro” has unfortunate connotations and a markedly pejorative meaning.

A little bit of history

In August 2003 the management of MAPFRE Seguros Generales was presented with a document proposing a grass-roots reorganisation of the hitherto claims area, with the intention of:

1. Working with foresight, taking on the challenges posed by growth and the size of the industry in the medium to long term.
2. Overhauling the organisation's management and service capacity, giving it a major boost. Developing a wide range of services which have been clearly evaluated and assessed.

All of this under the auspices of a department specialised in the provision of services within the Unit. There are various justifications for this new perspective.

Up until 2003, the then General Insurance Unit had a single “claims department” which handled those claims made by individuals and companies.

After the handling of industrial claims was spun off in 2004, MAPFRE Seguros Generales claims



department was to concentrate on its customers. Homeowners' insurance, business premises and small business cover, owners' associations, personal accident and burial. These are known as "Individual" risks or "Basic Risks", but are very home and family oriented at their heart.

"There is a continuation in the improvement of the technical aspects of claims, but improved quality of service is also promoted, and to this aim the appropriate parameters are sought. This leads to closer ties with the customer and the criteria valued by him or her."

Change in philosophy

Now geared towards individual customers, the MAPFRE Seguros Generales claims department

became much more customer-focused. With a narrower field, it could now concentrate its management more. It changed the "siniestro" notion, with its negative connotations, to "quality assistance", with positive connotations.

It had mastered the "technical" management variables, but the majority of these are not visible or necessarily appreciated by customers. Effectiveness in collection, monitoring of changes in reserves, a good average cost control policy, appropriate measures against fraud and similar functions are non-priority issues for customers, who above all expect streamlining in decisions and fulfilment of their expectations.

Provision of services as against compensation

In order to facilitate the settlement of claims, since the late 80s MAPFRE has promoted the use of providers who

have taken the provision of service beyond merely compensation. To this end, it has set up a network of professionals and companies involved in different fields, which today includes a well-defined and qualified network of repair, health, legal aid services, etc.

These professionals and companies represent MAPFRE and are as much part of the company as the actual sales network. This integration is very important and therefore loyalty schemes are being developed, so that wherever possible, and dependent on the policy holder's acceptance, a professional or company resolves the economic outcome of the claim by means of providing the service required by the cover. Thus, for a broken window, kitchen unit repair, medical treatment for an injury or legal aid, there are good professionals on hand who, for an agreed price and with a standard of quality determined by MAPFRE, deal with the customers.

What areas of assistance?

Since 1998 the creation of a MAPFRE Seguros Generales subsidiary: MULTISERVICIOS MAPFRE-MULTIMAP has been added to its insurance services. The purpose of this company, among others, is the provision of services to third parties in managing repairs, renovations, management of documents and telephone assistance. The idea takes advantage of the telephone assistance structure, management and supplier networks to provide services to third parties. As an example, when a customer wishes to carry out a home renovation or tackle a repair, there is no need to search for a tradesperson in the telephone directory; MULTIMAP provides this tradesperson by means of a 24-telephone helpline.

This company had started out independently, setting up telephone and management structures separate from other areas.

The foundations

From this starting point, a reorganisation of the company's departments and areas of service provision were proposed in order to create something different, since the aim was to close the management circle regarding our customers to form a single area of management. Therefore MAPFRE Seguros Generales Assistance was set up as an area of management for all assistance provided by the company, both as an insurance company and in the provision of other services.

“The provider network is strengthened, creating a more complete and long-term relationship, seeking to obtain true benefits by working with the organisation. Efforts are made to gain young professionals, women and immigrants. Loyalty schemes are used as a method of producing closer ties. MAPFRE regards the after-sales network as being as important as the sales network.”

Functional development

The Area of Assistance is made up of a Central Area and a Regional Area.

Central Area

The Central Area provides the driving force behind the management of the assistance benefits provided by the company in two directions:

- ▶ As a central integrating area regarding new strategic focus, administration and information systems, results analyses, development of quality improvement initiatives, monitoring of management and training, clearly geared to branch offices, which represent the point of contact with the customer.
- ▶ With direct control over management departments, giving a single perspective and management to all departments and boosting the service-oriented nature, by means of the bringing of added value to each

management area and ensuring on a permanent basis that the whole structure is focused on better serving the customer.

Three areas are set up as functional areas:

▶ **Area of Property Assistance.** This takes on responsibility for claims involving cover for material damage, both repairable and where compensation is due, the provision of services related to trades or repairpersons, the MULTIMAP line of business and tracking of the repairperson network and the network of loss assessors.

▶ **Area of Personal Assistance.** On the one hand, claims regarding Personal Accidents, Burial and associated cover of any insurance. On the other, management of any product or service geared towards people. It includes monitoring of the medical, healthcare and funeral network.

▶ **Area of Legal Aid.** It manages claims involving Third Party Liability, Defence and Legal-related cover. In addition, the provision of legal services which may be marketed as a line of business supplementary to the insurance company.

Areas of functional area support:

▶ **Area of Technical Monitoring, Training and Quality management.** This area drafts the technical criteria common to all areas; it coordinates and drives technical monitoring of the functional areas, carrying out generalised technical monitoring of departments. It drives training in the Area, promoting training courses common to them and develops a process quality management system.



Objectives of the Assistance Area

The creation of the Area of Assistance has involved the following objectives:



- ▶ **STRUCTURE.** To have an adequate structure in the management of services taking on the corporate challenges facing the company both as an insurance company and in the provision of other types of services, to grow substantially as a line of business. Likewise, to improve the current response capacity of the company in providing services, bringing together areas, departments and associated partner networks. Thus a more streamlined and flexible structure is set up.



- ▶ **REGIONAL REALITY.** Starting with the regional development of MAPFRE, it went on to refocus and delegate centralised and decentralised functions at different levels to enable more effective and productive management. The structure is open to possible amendments depending on the actual needs of the area and future corporate strategy.



- ▶ **QUALITY MANAGEMENT.** This response capacity is not measured solely by technical and economic parameters, but also in terms of quality perceived by policyholders and customers in general.



- ▶ **OPTIMISING RESOURCES.** The creation of this area enables the use of all available resources in managing assistance, avoiding irregularities and improving productivity. Likewise, the development of the various management structures enables economies of scale within specialised procedures and always in search of optimum efficiency. In addition, we converted some sources of cost into sources of income.



- ▶ **PROVIDER LOYALTY.** Commitments taken on regarding the provision of services necessitate the development of loyalty channels not based exclusively on invoicing. In this way a win-win type of relationship is sought with providers, carrying out various actions which bring added value to the relationship. Currently they enjoy discounts on MAPFRE insurance and services, acquisition of mobile phones and telephone lines, on purchasing of vans for trade use, they have an annual convention and are included in campaigns with results-based incentives. The selection criteria were based on scoring by customers with regard to quality of the service received.



- ▶ **ATLAS PROJECT.** The importance of gaining professionals has formed the basis of this new project. It consists of creating a stable system for gaining them and bringing them into the provider network by means of institutional agreements with teaching institutions providing the necessary means for their incorporation.



- ▶ **MULTISERVICIOS PROJECT.** With the amassed experience, there has been a shift towards a new form of corporate management, to channel the services which the Area of Assistance can provide as another line of business, marketing supplementary services to insurers in the areas of family, sport and repair and maintenance professions.

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► **Management and Information Systems.** There are three main aspects

here: firstly the handling of information, improvement plans, ranking, statistics for the various factors relating to assistance, as well as the drafting of data for analysis by the various areas of the department. Secondly, managing the administration of the department, the drafting of budgets, monitoring and balancing of accounts, invoicing of given tradespersons nationally, tracking, monitoring and checking of closures, the relationship with the accounts department and the treasury, etc. Thirdly, coordination and supervision of area relationships with the Data Processing Department, acting as functional administrators

of applications and motivating new tools.

Regional Area

One of the strengths of the current management model is the existence of a powerful structure with regional links. This enables, on the one hand, the availability of experienced, highly specialised claims handling teams, and on the other, it favours improved identification of requirements and specific issues regarding each regional area, closer to our policyholders, customers, sales network and external partners. ■

Summary

The “siniestro” associated image has been shed, since it carried pejorative connotations, and now services are sold which customers understand and value, which is very positive.

Various departments which managed claims and service provision have been brought together within a single area, the Area of Assistance. This area encompasses insurance and non-insurance services, offering services to policyholders and other customers, enabling the strengthening of new lines of business.

Regarding descriptions of departments relating to cover (Property Damage, Third Party Liability, Personal Accident

departments, etc.) there are three functions which may arise in the future and which all services will take on, classified according to each case:

- Assistance regarding Property.
- Assistance regarding Persons.
- Legal aid.

There is a central and regional structure. There is support and balance among structures. Cases will be handled where it is most beneficial to do so.

There is a continuation in the improvement of the technical aspects of

claims, but improved quality of service is also promoted, and to this aim the appropriate parameters are sought. This leads to closer ties with the customer and the criteria valued by him or her.

The provider network is strengthened, creating a more complete and long-term relationship, seeking to obtain true benefits by working with the organisation. Efforts are made to gain young professionals, women and immigrants. Loyalty schemes are used as a method of producing closer ties. MAPFRE regards the after-sales network as being as important as the sales network.



Relationship with the operations-CIS area and structure of the area of assistance

