



INSURANCE & TECHNOLOGY

PART OF THE **InformationWeek** MEDIA NETWORK

CURRENT ISSUE

NEWSLETTER

SEARCH

NEWS

TOOLS

RESOURCES

EV

October 2005 September 2005 August 2005

Swimming-Not Drowning-In Enterprise Data: Step 1 - An Enterprise-Wide Information Inventory

By John Lucker, Deloitte Consulting LLP.
[Insurance & Technology](#)
 October 19, 2005

Insurance companies gather and generate a lot of data -- some would say they're drowning in it. If data is one of an insurer's most valuable assets, then why don't more companies holistically manage data like they do their investments, their real estate, human resources and the like? Where is the data management office? Who is the chief data management officer? Is there more of a focus on delivering data with technology than there is on delivering business intelligence? Business Intelligence should not be all about technology.

With some aspects of an insurance cycle that is either soft or softening, there should be a greater sense of urgency around the formulation and execution of a true enterprisewide information plan so that any market advantage, however slight, can be exploited. It is essential for insurers to truly understand the availability and breadth of data contained within the enterprise -- data that can take on all forms -- from electronic media to paper records. And don't underestimate the value of data on paper because if the data is valuable enough, the effort and cost to convert manual data to electronic data can be a high ROI initiative.

Information Inventory

To begin to get one's organizational arms around this, an information inventory must be performed. This effort is non-trivial and should be structured carefully to investigate the areas deemed to best match up with strategic and tactical objectives. For example, today's market dynamic requires most companies to be better underwriters or better claim handlers and to grow profitably. Precision pricing, customer retention, claims fraud detection, product cross-selling, producer recruitment and other activities must be performed in new and better ways to beat the competition. All of these challenges require more intelligent use of information but none can be achieved if the information isn't readily available. Every company should match these objectives with the information required to perform them and then devise a plan to find, gather and expeditiously aggregate and organize the necessary data spanning a number of years.

You might say, "We can do this already!" But can you? Do you have a rich array of data readily available for the past 10-20 years of policies, claims,

COMPLIMENTARY FORUM
 NOVEMBER 2nd - HARTFORD, CT

How To Create
 A Platform For
 The 21st Century
 Insurance Firm

REGISTER NOW

RELATED STORIES

[Intelligent Decision-Making: Resolving the Monty Hall Problem](#)

[Critical Data: Supporting ERM Through ACORD Standards](#)

[Bob \(Wilkes\) the Builder](#)

[Piehler Plans Retirement](#)

[Chu Continues Transformation](#)

CHECK THIS



At Insuran
 7th Annua
 taking plac
 2005, at th
 Quinta Re
 join with a
 your indus

premium billing payments, agent/producer sales, underwriting variables, D&B data, MVR and CLUE reports, quotes/hits/misses, call center records, regulatory/compliance data, bureau information, competitor data, customer survey data, etc. If so, where is the data and in what form? Can it be used for statistical analysis, data mining and predictive modeling? Is there a plan in place to continue to grow this repository with ongoing business data?

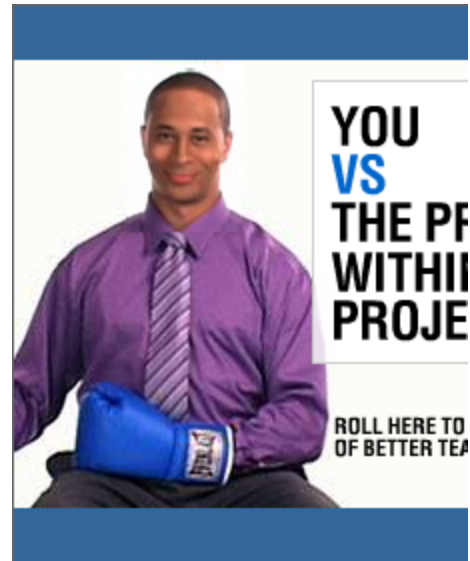
Companies are also drowning in external data, but often they don't know it. Once internal data is understood, a detailed review of available external vendor data should be conducted. It is common for different pockets of the business to purchase data for a variety of special projects and ongoing applications and it is often unusual for there to be a solid understanding of all the vendor data available throughout the company and how it can or cannot be used. This is data that companies already pay for so it seems only logical to understand more broadly how it can provide greater organizational value.

The focus of any enterprise information inventory should be on simplicity, practicality, and usability rather than elegance -- the value is on finding the data, organizing it and using it for high ROI projects that can help fund other more complex projects. Don't wait until the data is perfectly clean and organized because that is rarely achieved. Most data is fine for typical analytics and business intelligence and data in many forms can be put to good use -- whether for data mining or predictive modeling. The more people that can obtain value from the use of company data, the better. Think of this process as the creation of an investment portfolio by starting with small "sure thing" projects that will generate returns for use by the overall business intelligence effort. As each of these small projects earn a return and organizational credibility, bigger and bigger projects can be undertaken, all financed by the benefits realized from prior projects. The company can then declare that it is swimming, not drowning, in its data.

John Lucker is principal, Deloitte Consulting LLP, Practice Leader -- Advanced Quantitative Services (Data Mining & Predictive Modeling). He can be reached at jlucker@deloitte.com, 860-543-7322.

On The Net

www.deloitte.com



WHITEPAPERS

[The Specialty System Replaces a Home Provides a Better Fit](#)

Fiserv gives German Mutual the flexibility years ago when German Mutual's growth computer system, they saw an opportunity way they handled all of that business as

[Speed and Accuracy in a 'Risky' Business](#)

Kiln is an international insurance and reinsurance underwriting group that specializes in con risk. Kiln plc is listed on the London Stock

[Solving the Complexities of Intelligent Email Management for Today's Insurance](#)

As the insurance industry has grown, so management issues that most insurance Learn how FileNet Records Manager help regulatory compliance and record management as HIPAA and Sarbanes-Oxley.

[DB2 Content Management Workflow - Agency Example](#)

See how JK Insurance uses IBM DB2 content information collection and workflow management capabilities to efficiently handle an accident

CURRENT ISSUE



[Past Issues](#)
[Subscribe](#)
[E-Mail News](#)

[PRINT THIS ARTICLE](#)

[E-MAIL THIS ARTICLE](#)

QUICK LINKS

A listing of the most popular areas of our site

[Our Buyers' Guide](#) is a must-have list full of vendor and product details for vendors in insurance administration, enterprise applications/services, financial management, and hardware. Shouldn't you be browsing the Buyers' Guide before you make that decision? Shouldn't your company and its

**E
S
T
2
B**

Insurance & Technology Marketplace (sponsored links)

[Intuit Help Desk & Network Monitoring Software](#)

Intuit provides Track-It! and Network Monitor - the leading help desk and network management solutions for call tracking, IT asset management, patch management, electronic software distribution, and network performance monitoring. Free demo & trial

[Try WebEx Web Conferencing Free](#)

WebEx online meetings and web conferencing solutions: Meet colleagues online, host web events, train your staff, provide live support. Try it out free now.

[Backup, Archive and Recovery products from Quantum](#)

Best practices to protect your company's data. Drives, Autoloaders, Libraries and disk-based backup from Quantum. Get free white papers and tools to make your job easier.

[Windows Web Server IPS - \\$99.](#)

ThreatSentry Host Intrusion Prevention Software defends IIS against new and progressive attack techniques, protects network weak points and blocks system misuse. Version 2 now available. \$99 per server. Free 30-day trial.

[Way better than backup! - Continuous Protection](#)

Free White Paper. TimeSpring's CDP software for Windows automatically captures all changes in REAL TIME so you can recover from data loss, corruption or security breaches in minutes. Analyze, report and test data anytime without impacting operations.

[Buy a Link Now](#)

[A monthly newsletter for global-sourcing managers. \(Subscribe today!\)](#)

[How does your pay rate? Check the InformationWeek Salary Survey](#)

[Mobilized Solutions Guide: Find and compare solutions for your business](#)

[Top Requested White Paper Categories from TechWeb White paper Library](#)

[Top ten search terms from the TechWeb TechEncyclopedia](#)

product be in the guide? It's FREE.

**WE TOOK ALL WE KNOW ABOUT MAXIMIZING I.T. ASSETS,
AND PUT IT INTO STORAGE.**

[Ed Cals](#) | [Contact Us](#) | [Reprints](#) | [Ad Info](#) | [Media Kit](#) | [Send Us Your Comments](#) | [RSS](#)

[InformationWeek](#) | [InternetWeek](#) | [Network Computing](#) | [Network Magazine](#) | [Optimize Magazine](#) | [Financial Technology](#)
[Wall Street & Technology](#) | [Bank Systems & Technology](#) | [Insurance & Technology](#) | [CommWeb](#) | [IT Pro Downloads](#) | [Intelli](#)
[Secure Enterprise](#) | [Advanced IP Pipeline](#) | [Business Intelligence Pipeline](#) | [Compliance Pipeline](#) | [Database Pipeline](#) | [Des](#)
[Developer Pipeline](#) | [Enterprise Applications Pipeline](#) | [IT Utility Pipeline](#) | [Linux Pipeline](#) | [Messaging Pipeline](#) | [Mobile](#)
[Networking Pipeline](#) | [Outsourcing Pipeline](#) | [Personal Tech Pipeline](#) | [Security Pipeline](#) | [Server Pipeline](#) | [Small Busine](#)
[Storage Pipeline](#) | [Systems Management Pipeline](#) | [Web Services Pipeline](#)

[Terms of Service](#) | [Privacy Statement](#) | [Your California Privacy rights](#) | [Copyright © 2005 CMP Media LLC](#)