



Decision Management

**How Avola helps to optimize your
business decisions**

Introduction

Toyota founder Sakichi Toyoda never built a single car. He was an inventor, revolutionizing the Japanese textile industry in the early twentieth century. He was known for his business mentality, or, as the Japanese call it, kaizen. It means as much as 'striving for permanent improvement'. Nowadays, we would call it 'optimization'.

Toyoda's method became known as 'The Toyota Way', the business philosophy his family is still implementing in all of their businesses. Actually, every business should be constantly searching for ways to improve efficiencies, reduce waste and optimize resources as part of their business strategy. Business optimization works best when driven internally and supported by decision management software that helps executives determine which of the many possible business optimization strategies offers the best return.

Optimization is a commonly used term in most businesses, what does it actually mean? Most managers would define optimization as 'make as perfect as possible', or 'most effective'. Business optimization is the process of identifying and implementing new methods that will make your business more efficient and cost effective. Automation of repetitive tasks, for example, is a great way to optimize your business.

To really benefit from business optimization, you need to measure productivity and performance, identify areas for improvement, introduce new methods and compare results. It is important to repeat this cycle, making business optimization a perpetuum mobile, improving every day.

Avola Decision has addressed the importance of optimization. We know how to discover, analyze and model your business decisions, but actually that's only the start of your business processes. Constantly improving your decisions by analyzing data will define the difference between mediocre and winning businesses.

The business case of De Goudse verzekeringen will show you how they optimized some of their key business processes. Learn how the company decreased processing times and improved flexibility by optimizing the business processes. Optimization is all about diving into your data. Avola Decision will show you the way to benefit from it.

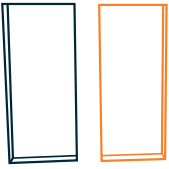
Marc Gelissen

CEO and founder Avola Decision



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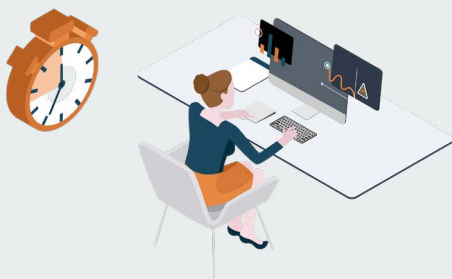
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3 benefits of optimizing your business with Avola Decision

First, the bad news: Your company can do much better! Thankfully, if you keep that in mind when you look at the processes in your organization, the good news will follow. Efficient and well-organized processes bring more value and enable you to seize opportunities. But it's never perfect. Because your company, customers and third parties are constantly moving, you will always have to monitor if your processes are still optimal. Is there a way to do things better? Optimizing processes provides several benefits:

- **Business processes become more efficient**
By eliminating unnecessary steps and automating steps in the process to save time, reduce errors and avoid duplicate work. Especially with frequent decisions, the ones that take place every day, the increased efficiency through optimization can be of great benefit.
- **Customer satisfaction improves**
By optimizing decision management, you will become more effective as an organization. You can act faster and you become more flexible regarding customer needs.
- **Business improvement and growth keep on coming**
Processes that are strictly organized and carefully documented are the foundation for continuous improvement. In a well-organized work environment, innovation and new ideas are stimulated.



Time to tweak and experiment

Optimizing your business decisions can only start once Avola Decision has automated your business decisions. After that, everyone should be able to have insight by clicking a button. Before automating these decisions, an organization has to go through a decision sprint;

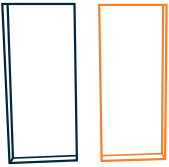
1. Decision discovery; as we've worked with organizations seeking to improve their decision making before, we've found that the simple first step towards better decision making is raising awareness about the difference between decisions and business processes, and discovering which operational decisions you are making on a daily basis.

2. Decision Analysis; after identifying the operational decisions within the organization during the decision discovery, the next step in the decision sprint is determining the value of those decisions made across your organization. The value is determined by analyzing the risks and opportunities of these decisions.

3. Decision Modeling; once the decision value has been established, the next crucial step is to determine how these decisions are made and to build decision models. Via these models it is verified if these operational decisions consist of unambiguous decision objects that can be automated or need to be divided into sub decisions first.

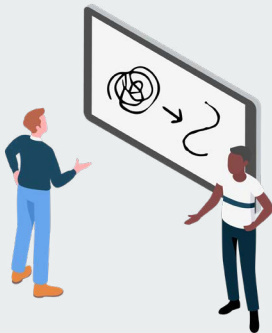
Learn more about the decision sprint? Click here to download our white paper 'How organizations can stay ahead of the pack with operational decision management'

[DOWNLOAD](#) 



Optimization never ends

After automating your decisions, it's time for the last step, a stage that will never end: optimization. In this stage the data generated by Avola Decision are leveraged to improve decision making in your organization. Because valuable operational decisions are now captured and stored in a structured form, an analysis can be performed. The Avola Insights module, for instance, shows which business decisions are frequently used and which ones are redundant.



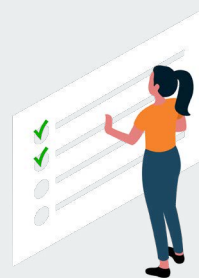
This is the stage to experiment with and tweak your business decisions. Perhaps much used business decisions can be defined in more detail. Analysis may show that other business decisions are never used, allowing you to leave them out of your decision process, and simplify the customer journey. This process will continuously be iterated resulting in improved decision making in your organization.

To improve your decisions, Avola offers 'Insights'. This module provides the possibility to continuously monitor and analyze your decisions. Using your data - Avola will save all decisions - you will be able to make confident, informed decisions for optimization and change at strategic level.

Don't be afraid to change tactics when necessary - it's the nature of this level of business that the ideal solution changes frequently, without undermining efforts at

the strategic or operational levels. Insights offers the opportunity to experiment. You can, for example, analyze last month's decisions and simulate a change in the logic behind it. This way you will find out the impact of the change on your customers; would you attract new or other customers by simplifying business decisions? Are all defined business decisions really necessary?

The Avola Decision platform offers easy insight into the impact of changes in business decisions based on historical data. This also enables organizations to simulate changes to your decisions before they even occur and because all past decisions are now captured and tracked. Each individual decision now becomes traceable. These analyses can be called up at the touch of a button.



Avola also offers you the possibility to perform a BI-export, by downloading the requested data in a csv-file, allowing you to analyze your decisions in any given Business Intelligence tool. Comprehensive analysis by your own data analyst team through our API's is also offered.

Case: Goudse Verzekeringen improves business agility

Now discover how Goudse Verzekeringen optimized several business processes. Avola Decision gave the company the flexibility to easily adapt new and changing business rules.



Case

How Goudse Verzekerings optimized several business processes with Avola Decision.

Goudse Verzekerings is a medium sized insurance company in the Netherlands that was founded almost one hundred years ago. The insurer targets small and medium sized companies in the Netherlands and is working via intermediaries. Acumen, a consultancy company specialized in improving business processes assisted Goudse Verzekerings with optimizing their business agility. They leveraged Avola Decision to automate decision making for two of their business processes, one for dealing with premium requests and one for verifying changes in employee records in their employer portal. Deploying Avola Decision optimized their business processes, resulting in decreased processing times, significant cost savings and improved flexibility.

Challenge

Optimize efficiency and decrease costs

To increase efficiency and save costs Goudse Verzekeringen started a digital transformation process five years ago. The main purpose was to automate key business processes in the organization. As Goudse Verzekeringen wanted to improve support for their intermediaries, processing premium requests faster was one of the goals they wanted to achieve. Besides that, intermediaries had to be enabled to execute more processes themselves.

Before working with Avola Decision Goudse Verzekeringen faced the challenge that manually processing premium requests made by the intermediaries was a time consuming task. To decide whether to accept or reject a premium request, underwriters from the Goudse Verzekeringen had to check many complex business rules and regulations. This resulted in inconsistencies and long processing times of premium requests.

Another complicating factor was that some of these complex business rules had to be applied in

different applications. For instance a business rule for determining the employee participation on the coverage applied again later when an applicant had been accepted and their record was added to a different application.

Goudse Verzekeringen asked Acumen to assist them with this challenge. Together they selected Avola Decision. The main reason for this decision was that Goudse Verzekeringen wanted to speed up their processing time and be more in control of these premium requests. Avola Decision enables organizations to do just that.

Other important factors were that it connects easily with the Mendix low-code-platform that Goudse Verzekeringen uses to develop front-end applications and the fact that it is a SaaS-service. So the time spent on implementation and configuration could be minimized and updates of Avola Decision would automatically become available. Business rules also don't need to be written in code and could easily be added, saving Goudse Verzekeringen a lot of costs and effort.



Solution

Implementing complex business rules at speed

Together with Acumen, Goudse Verzekeringen put all the complex rules and policies into a decision model. Goudse Verzekeringen had already captured their business rules in Excel-files, making it relatively easy for Acumen to model the decisions in Avola and thereby directly automate the decision making.

The next step was to optimize the business rules engine. Depending on the risk appetite of the Goudse Verzekeringen the business rules in Avola Decision were adapted until an optimum was found between premium requests that qualified for Straight Through Processing (STP) and premium requests that should be handled manually. The complete implementation of the business rules took less than 3 months, including the fine tuning process and the time to integrate the solution in the intermediary portal.

When an intermediary applies for insurance nowadays the business rule engine automatically determines

the underwriting risk. Based on this assessment the application of the intermediary automatically gets accepted, rejected or the request is sent to an underwriter of Goudse Verzekeringen. The risk-decision made by Avola Decision is based on an extensive set of rules regarding for instance the sector the client is working in, or company names that refer to high risk industries such as arms trade. For the underwriters at Goudse Verzekeringen this means they now only have to verify deviant cases manually, speeding up the premium requests verification process significantly.

Employer portal 'mijn personeel'

Another business process that Acumen automated with Avola Decision was the verification of changes in employee records in 'mijn personeel,' a portal for employers that Goudse Verzekeringen has built for clients. The Avola Decision engine verifies alterations in for instance salaries to validate the coverage of the employee.



Advantages

Consistent decisions and operational excellence

Goudse Verzekeringen has experienced several advantages from deploying Avola Decision. First of all intermediaries no longer have to know all the complex rules about whether to accept or reject an applicant by heart. Secondly, operational decisions are now always consistent and reliable, improving the satisfaction level of the intermediaries about Goudse Verzekeringen.

Thirdly, because many of the premium requests are dealt with automatically underwriters can spend more time on cases where their high level of expertise is required. This allows Goudse Verzekeringen to accomplish a higher level of operational excellence and customer satisfaction as underwriters can concentrate on the tasks that add value for their customers.

Also the flexibility of Goudse Verzekeringen has increased because business rules can easily be adapted.

If changes occur they can now immediately be added to Avola Decision enabling the insurer to 'go live' with a new business rule within a day without having to involve IT staff to make changes in software code. The Avola Business Decision engine can also be shared among various applications. So if one business rule applies for one application, it can also be applied later when the data of an applicant has been moved to another application, but the same rules in Avola Decision still apply.

Transparency

The decision-making process regarding the acceptance of insurance applications of Goudse Verzekeringen has now become fully transparent and consistent. By defining business decisions in Avola Decision all business rules are now centralized allowing auditors of governing institutions that need to monitor compliance to easily verify the business rules.

The screenshot displays the Avola Decision interface. The top navigation bar includes 'avola', 'DASHBOARD', 'DOMAINS', 'PROJECT', 'DECISIONS', 'TEXT', and 'INSIGHTS'. The main content area is divided into two sections: 'BUSINESS DATA' and 'TRAVEL DESTINATION COVERAGE'.

BUSINESS DATA

Left sidebar: TRAVEL CLAIM AUTOMATION

- 18 Business data name
- 23 Business trip coverage option
- 50 Cash coverage option
- 47 Claim object amount
- 48 Claim Object Coverage
- 46 Claim object category
- 44 Damage precautions
- 53 Deductible own risk
- 9 End date of the trip
- 11 Extended travel period option
- 41 Forward entry signs on storage location
- 35 Insured person activities during luggage incident
- 27 Insured persons liability for damage

Right sidebar: New Business data

- Name *
- Technical value
- Description
- Question
- Business coverage *
- Business rule type *
- List data

Data type info:

- (Business trip coverage, No business trip coverage)
- (Cash covered, Cash not covered)
- (EUR, dec: 2)
- (Covered, Not covered)
- (Phone, Clothing, Laptop, ...)
- (Sufficient precautions, Insufficient precautions)
- (EUR, dec: 0)

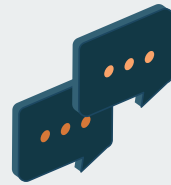
TRAVEL DESTINATION COVERAGE

Analysis period: 27/01/2021 - 28/01/2021

AC	Travel destination region	Travel destination circumstances	Worldwide coverage option	Travel destination coverage
1	Worldwide	Good travel circumstances	Worldwide coverage, No worldwide coverage	Covered
2	Worldwide	Bad travel circumstances	Worldwide coverage, No worldwide coverage	Not covered
3	Europe	Good travel circumstances	Worldwide coverage, No worldwide coverage	Covered
4	World	Good travel circumstances	Worldwide coverage, No worldwide coverage	Covered
5	World	Good travel circumstances	No worldwide coverage	Not covered

TRAVEL DESTINATION REGION

AC	Travel destination type	Travel destination country	Travel destination
AC	EUROPE (domestic, international)	LIST (Algeria, Algeria, Argentina, ...)	LIST (World, Europe, PE)



“ With Avola Decision we need less underwriters to process more premium requests, so deploying this solution has resulted in significant cost savings and it has improved our efficiency considerably. Our underwriters save valuable time on whether to accept applicants or not and can focus on cases that require their expertise resulting in improved operational excellence of Goudse Verzekeringen. ”

*Willem Wierikx, Team manager ICT DevOps,
Goudse verzekeringen*

“ By breaking down complex organisational decisions into business rules in Avola Decision, Goudse Verzekeringen can now implement any required change in a fast and controlled way. They can act quickly and they can easily adapt their policy to market changes without having to develop, test and go live with a software solution first. This significantly improved their business agility. Take the COVID-19 crisis for instance. Within two days after the crisis started, Goudse Verzekeringen adapted their business rules in such a way that the system took COVID-19 into account when determining underwriting risk. This speed and flexibility is unprecedented. ”

Paul Veerkamp, Managing Partner at Acumen



Perform a decision sprint

Are you ready to gain more control of your business with operational decision management? Perform a decision sprint to determine if your company can benefit from operational decision management.

Contact us through:

📍 Nieuweweg 25
6301 ES Valkenburg (LB)
Netherlands

✉ info@avola-decision.com
🌐 www.avola-decision.com
☎ +31 (0)43 311 05 70