

# Volumes will drive wider e-endorsement adoption

**It has been almost a year since London's electronic endorsements marine pilot launched. With the wider e-endorsement rollout progressing, has this initiative gained the traction that was hoped for? Steve Spicer, head of business change at Miller Insurance Services, talks about the broker's experience of working with the new system so far.**

THE ELECTRONIC endorsements programme represents a significant step forward in the London market's modernisation programme and Miller Insurance Services has been involved in it from the start.

Indeed, as of the end of June, the broker claims to be a market leader in terms of volume, sending close to 30% of all endorsement messages processed electronically in the London market. Miller has been processing more than 100 endorsement requests a week, with a large percentage of all the endorsements in its marine department being handled electronically.

Direct marine hull, cargo, war and liability were the business classes selected for the pilot, an ideal starting point for Miller, where almost 70% of all endorsements are from within the marine classes, the broker's head of business change, Steve Spicer, says. He adds: "There are two sides to this equation: the underwriters are looking for volume, which gives them the reason to invest in process change and integrating their systems, while what the broker wants from the scheme is enhanced, reliable service."

Turnaround times slip The pilot agreed for endorsements delivered electronically, brokers could expect a response within a day. Spicer admits after the initial enthusiasm, one-day turnaround has slipped. However, he adds the various project teams have been working behind the scenes to address this. And he says Miller has benefitted from its technology platform using its internal system, provided

by Trace Isys, to integrate e-endorsements operations.

"The technology has certainly helped and clearly the fact the system is fully integrated has enhanced our ability to deliver the volumes we have been able to achieve," he says. "Technology may be one crucial element needed to make this happen; however, the buy-in and commitment of the staff is another.

Our initial briefing with the marine team was hosted by the business unit head and we had the chief executive in the audience to fully emphasise the benefit to the business and our clients."

He continues: "We changed the way in which we approached endorsements, giving the technicians who create the endorsement on the system the additional responsibility of ensuring delivery and response, rather than the brokers.

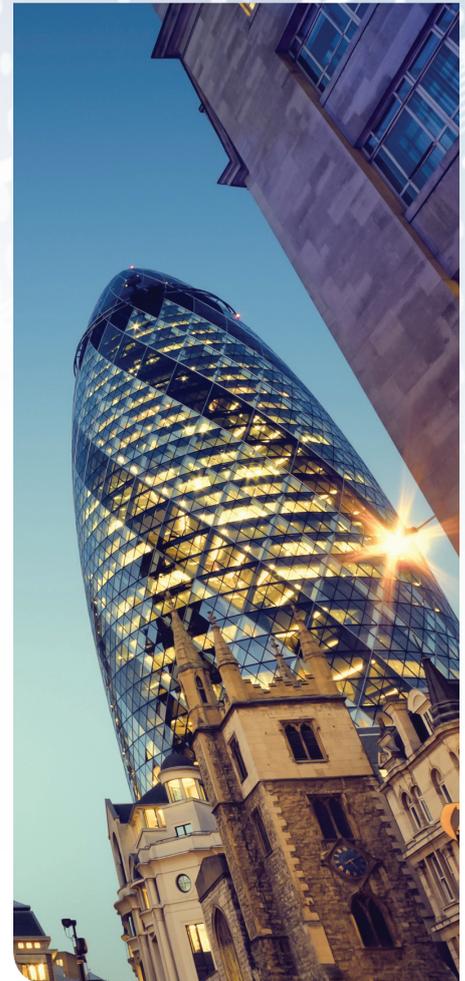
"It has left the brokers free to negotiate on behalf of the client when necessary and it has given the technicians a new role, which brings them closer to the underwriters while delivering an enhanced service to the client."

No need for negotiation Spicer adds the majority of the endorsement changes in the marine class are straightforward and therefore require no negotiation with the underwriter.

"A lot of this is quite frankly administration and the brokers really do not need to be queuing up at the box to ask the underwriter to agree to these changes. There will always be some that need negotiation owing to their complexity and those the broker will still take to the box, but on the whole, the majority can now be handed electronically," he says.

The market is now rolling out new classes within the initiative and Spicer hopes these will help deliver the volumes that will prompt the underwriters to embrace more integrated systems in support of better service.

"For me, the point where electronic



endorsements will be seen as business as usual for the market is when underwriters tell brokers who arrive at the box with straightforward paper endorsements they want to see them electronically and brokers are happy to do so because they know they will get the service," he concludes.

"This is the point we and the other various project teams want to reach."

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