PANORAMA 360

THE INSURANCE AND WEALTH MANAGEMENT

ENTERPRISE BUSINESS ARCHITECTURE FRAMEWORK

Version 4.0

Preface by
President and Chief Operating Officer of an Insurance Company
Chief Architect of an Insurance Company
Chair of OMG's BPMN MIWG
Retired Senior Director, Oracle Insurance Business Unit

Insurance Frameworks

THE DEFINITIVE REFERENCE FOR MANAGING ORGANIZATIONS, BUSINESS PROCESSES AND TECHNOLOGY IN INSURANCE AND WEALTH MANAGEMENT.

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PREFACE

"Panorama 360 is a reference framework that has been integrated at La Capitale General Insurance and its subsidiaries for over 8 years, both in our projects, architectural approaches and various analyses.

Whether it is used to organize and analyze business processes, prepare projects, perform requirements modeling or for our ROI activities, this reference framework provides a reliable source of information. When accessing the 75 major insurance business functions, which are skillfully identified and concisely described, we obtain a clear scope definition of the targeted business domains, highlighting the context and therefore facilitating decisions. The richness found in Panorama 360 is based on the fact that the 500 documented business functions are focused on the insurance industry.

Now integrated into our business activities, the Panorama 360 insurance reference framework ensures greater velocity and more particularly in validating that all business areas and services in our companies are addressed. Used in concert with our official project management, architecture and business analysis methodologies, Panorama 360 ensures consistency in our practices, offering a value proposition centered on business."

Constance Lemieux, C.Dir., President and Chief Operating Officer
Property and Casualty Insurance Sector of La Capitale

"Panorama 360 has given us a jumpstart for capacity based planning, the next level in our architecture modeling ambition and the management of the strategic changes and project portfolio."

Kees Tuijnman, Enterprise Architect at Vivat Verzekeringen

"Panorama 360 Insurance and Wealth Management creates a common language and information structure for organizations to capture and communicate their business process architecture. This comprehensive framework acts as catalyst and accelerator for visualizing, innovating, transforming and/or improving how things get done within an organization."

Denis Gagné, Chair of OMG's BPMN MIWG and CEO & CTO Trisotech

"Panorama 360 represents a comprehensive and easy to use reference architecture model for the insurance and wealth management industry. From new product introduction to process re-engineering, these end-to-end models can be used to accelerate change often required to survive in a highly competitive environment."

Paul Dolbec, Retired Senior Director, Oracle Insurance Business Unit

Panorama 360 Insurance and Wealth Management Enterprise Business Architecture Framework is an extensive and comprehensive reference model for managing organizations including planning designing, developing and implementing business processes and technology. Panorama 360 was developed over several years by senior insurance business and IT executives who have worked globally with more than 100 insurance and wealth management companies.

Panorama 360 Enterprise Business Architecture Framework is used as an accelerator by insurance and wealth management organizations throughout the world including banks. This 4th version of Panorama 360 includes:

- Three tier decomposition of all business functions
- Three tier decomposition of information components
- Business functions and information intersections
- How to build business processes with Panorama 360

The Panorama 360 Enterprise Business Architecture Framework has been successfully used in several situations such as but not limited to:

- Organizational planning
- Digital transformation
- Business and IT architectures
- Business process definitions
- Process improvements
- Business requirements
- Software evaluations
- Information management
- Mergers and acquisitions

Whether you are an insurance company or a wealth management organization, a consulting company, an independent consultant or a technology vendor, you will find in Panorama 360 Enterprise Business Architecture Framework a key asset to create value, reduce project costs while increasing quality and speed.

Pierre Gagné, Panorama 360 Co-creator
President, Insurance Frameworks Inc.
President, Northview Knowledge Corporation

INTRODUCTION

The following framework represents a conceptual view of what any insurance and wealth management company is comprised of and what aspects they need to focus on. The remaining sections of this document describe the enterprise business architecture of insurance and wealth management institutions plus how they are structured from a functional and from an information perspective.
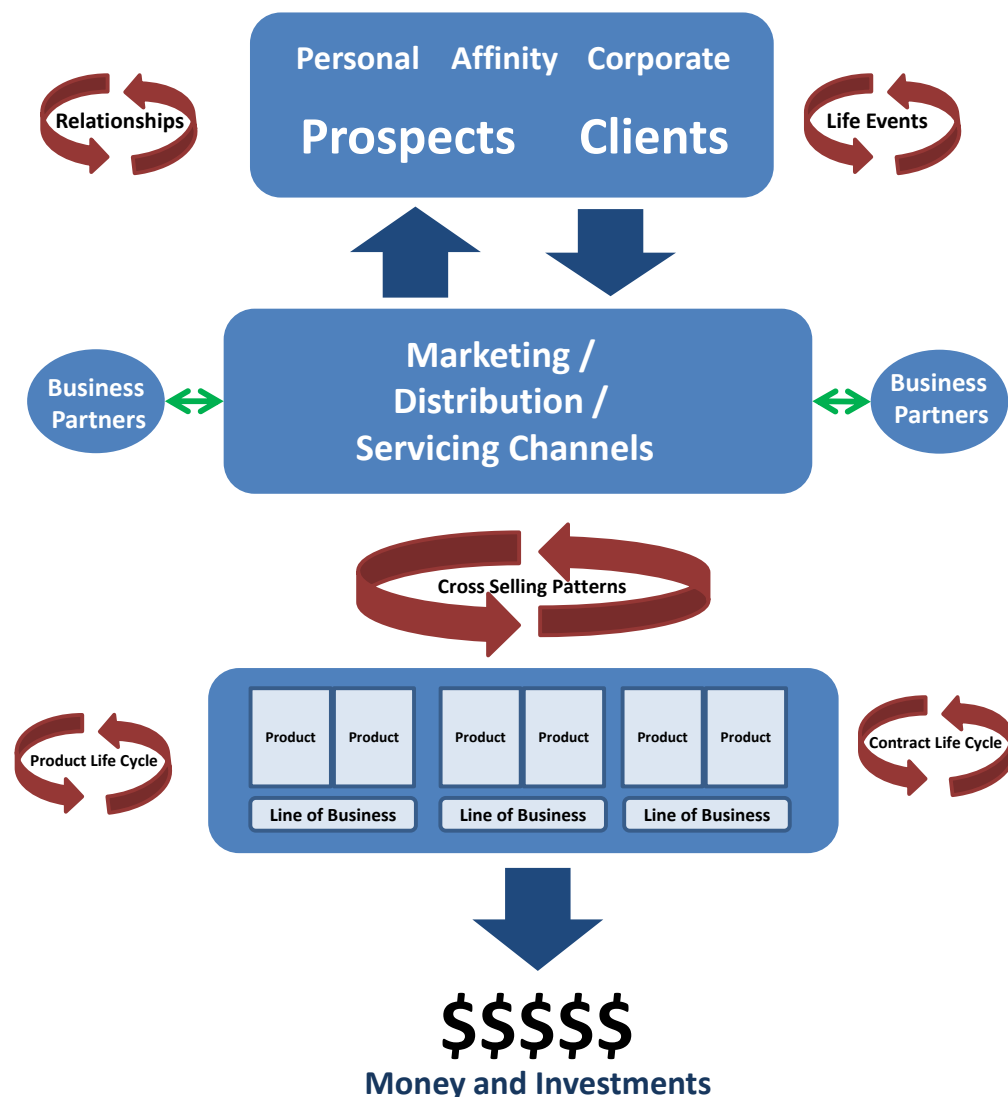
ENTERPRISE ARCHITECTURE

What is an enterprise model?

An enterprise model is like a box of interlocking plastic bricks where one can find components that could be assembled and connected to become part of a structure. Such a box would have a number of small parts that when assembled together can represent buildings or any objects that can be made with these bricks.

An enterprise architecture acts in the same way. They are the functional and data components that can be found in an organization, just like interlocking brinks or parts of a puzzle.

This document contains all the business functions that can be found in an insurance or wealth management company. It represents all the functions and all the information components that can be found to operate in this industry.

To make things easy, the functions found in this model can also be called "capabilities". It means that each business function in this model is an individual business capability and portrays an engineered view of the industry. The words "function" and "business capability" will be used interchangeably in this document.

Business Capabilities (Functional Capabilities)

The characteristics found in Business Capabilities are:

- o They are the fundamental building blocks of the business
- o They have to be done well to deliver the required products and services to chosen markets in a profitable way
- o Each of them produce a complete and valuable business output
- o They are comprised of well-defined business functions and their related information
- o There is a strong affinity between function and data

- o They exist independently of organization
- o They exist independently of jobs
- o They exist independently of geography
- o They exist independently of information technology
- o They can be deployed flexibly across organization by:
  - Geography
  - Product line
  - Accountability
- o They can be outsourced or in-sourced
- o They can be centralized or decentralized
- o They can be adapted to different market, product, jurisdictional, or management needs
- o They can be linked to form business processes

One word of caution: do not violate the function boundaries.

Core Panorama 360 Concepts

The Panorama 360 enterprise model includes the following concepts:

- o Extended insurance and wealth management enterprise
- o Infrastructure excellence
- o Business functions or capabilities
- o Product structure definition
- o Customer intimacy
- o Life cycle management
- o Money and invested asset management
- o Measurement discipline
- o Management planning & stewardship

Not included in the Panorama 360 model is what varies from one company to another. Companies in this industry differentiate themselves from their competition in four different ways:

- o The forms that they use
- o The rules they apply to processes and information
- o The way processes are sequenced
- o Their company culture

These are the only four aspects that make companies in this industry different. This is why the Panorama 360 model does not contain the above mentioned aspects as they vary from company to company. Since they are different in each company, they are collected when processes and systems are developed categorizing them with each business function they related to.

What is Panorama 360?

Panorama 360 is a knowledge framework for planning and design of organizations, processes, and technology – a repository containing business function definitions, information requirements, and organizational aspects covering the full breadth of business managed in a Wealth Management and Insurance enterprise. It is a practical reference model for use in business process, management information, and information technology planning, design, development, implementation, including on-going management.

Panorama 360 can be tailored to a particular organization or project requirement and permits the enterprise to capture and leverage its own process and organization knowledge.

Panorama 360's knowledge base is a result of more than 50 years of industry related expertise, 10 years of direct modeling effort, and represents the best practice approaches found in 9 different countries. Panorama 360 encompasses such concepts as: segmenting target markets, improving product development process, managing customer relationships, cross-selling products, maximizing distribution channel effectiveness, measuring business success, and supporting business functions with appropriate technology.

The models have been successfully applied in several projects in the Life, Health, Wealth, and Property & Casualty industries.

The models in this document represent the first three levels of functional decomposition. The first three levels are:

- Business Domains (11 domains)
- Major Functions (70+ major functions)
- Business Functions (500+ business functions) or capabilities

BUSINESS CONTEXT

The following diagram represents the major external entities that have a role to play in any insurance and wealth management company. Depending on the line of business that is being addressed, the external parties may vary. This is not meant to be an exhaustive list.

Business Context
(External Business Partners)

Distributor	Customer	Customer Intermediary	Benefit Claimant	Party with Interest	Servicing Channel
Investor					Employee
Rating Agency					Media
Bank		**Insurance and Wealth Management**			Supplier
Industry Association					Sales Promotion Agency
Reinsurers					Competitor
	Stakeholders	Regulator	Government	Auditor	The Market
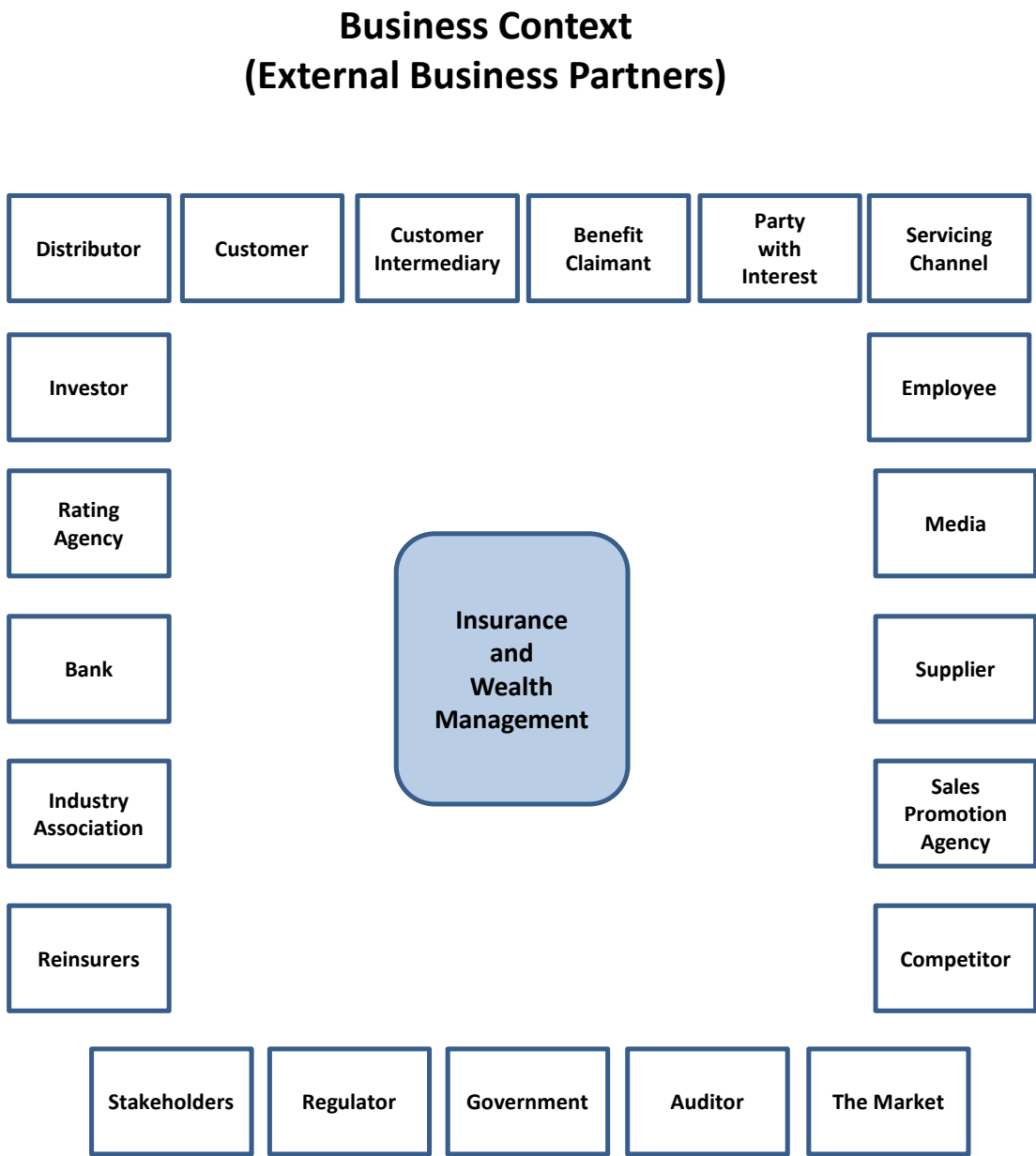
FUNCTIONAL DECOMPOSITION

The functional models represented in this section are conceptual in nature and are intended to illustrate the main functions that are performed across the enterprise. The functions have been identified without regard to current jobs, procedures, or organization in order to reserve, for management, the flexibility for placement and assignment of the functions as business needs evolve.

The purpose of the models is to support the management of business engineering and technology development planning and the level of detail and rigour is commensurate with this purpose.

Eleven business domains have been identified that taken together accomplish the management and operational activities that are required to achieve the business vision.

- Marketing
- Product Development and Management
- Distribution and Sales
- Service Channel Management
- Customer Care
- Sold Product Services and Management
- Money Management
- Asset Management
- Business Management
- Infrastructure Development
- Organization Management

The models have been developed by performing 2 levels of decomposition in each of the 11 major Business Domains (a total of 3 levels). Meaningful descriptions of each Major Function as well as each Business Function (Capabilities) are provided.

The following graphic represents the 11 business domains found in Panorama 360.

Enterprise Business Model

1.0 Marketing	**2.0 Product Development and Management**	**3.0 Distribution and Sales**
4.0 Service Channel Management	**5.0 Customer Care**	**6.0 Sold Product Services and Management**
7.0 Money Management	**8.0 Asset Management**	**9.0 Business Management**
	10.0 Infrastructure Development and Management	**11.0 Organization Management**

Panorama 360 - Major Capabilities Map

Business Management

Business Planning	Business Portfolio Mgmt	Risks Mgmt	Taxation Mgmt	Business Event Accntng	Books of Account Mgmt	Perfor-Mance Assessmt	Solvency Assessmt	Business Auditing	Perfor-rmance Reporting

Marketing

- Markets Researching
- Market Development
- Buying Behaviour Development
- Customer Service Strategy Definition
- Promotional Campaign Mgmt
- Public Relations Mgmt
- Corporate Communication Mgmt

Customer Care

- Customer Prospecting
- Customer Information Mgmt
- Customer Needs Identification
- Customer Service Mgmt
- Customer Relationship Mgmt

Distribution and Sales

- Distribution Channel Development
- Distributor Mgmt
- Distributor Compensation Mgmt
- Distribution Channel Servicing
- Sales Campaign Mgmt
- Sales Performing

Sold Products Services and Management

- Excess Risk Alleviation
- Contract Issuance
- Sold Contract Life Cycle Mgmt
- Contract Benefit Administration
- Benefit Settlement Administration

Product Development and Management

Product Opportunity Assessment	Products and Services Concept Engineering	Products and Services Component Engineering	Products and Services Support	Products and Services Development	Products and Services Support Development	Operations of Products and Services Mgmt

Service Channel Management

Service Channel Development	Service Channel Mgmt	Service Channel Compensation Mgmt	Service Channel Operations Mgmt

Money Management

Billing Account Maintenance	Monies Due Collection	Banking Mgmt	Accounts Receivable Maintenance	Monies Disbursement	Accounts Payable Mgmt	Money Market Mgmt	Corporate Cash Flow Mgmt

Asset Management

Investment Policy/Strategy Planning	Asset/Liability Spread Mgmt	Portfolio Performance Mgmt	Hedging Mgmt	Investment Portfolio Mgmt	Security Instrument Trading Mgmt	Security Issue Profiles Mgmt	Asset Inventory Mgmt	Income Producing Real Estate Mgmt

Organization Management

Organization Development	Payroll Processing	Travel and Expense Mgmt	Premise Maintenance	Supply Mgmt	Office Services Providing

Infrastructure development and Management

Business Rules Mgmt	Corporate Body of Knowledge Mgmt	Business Engineering	Workflow Mgmt	Document Mgmt	Projects and Portfolios Mgmt	Information Technology Mgmt

1.0 Marketing

1.0 Marketing

1.1 **Research Markets**	**1.2** **Develop Markets**	**1.3** **Develop Buying Behaviour**
1.4 **Define Customer Service Strategy**	**1.5** **Manage Promotional Campaigns**	**1.6** **Manage Public Relations**
	1.7 **Manage Corporate Communications**	

1.1 Research Markets

From many sources, on different subject matters, and from various angles, gather information about markets which are the target of the organization. With this information on hand, assess the viability and macro-opportunities offered by the observed environments.

Among the functions that would be included under this, are consolidations of consumer profiles, gathering of external consumer data, and assessment of the political environment.

1.1 Research Markets

1.1.1 Identify Potential Markets	**1.1.2 Consolidate Internal Consumer Profile**	**1.1.3 Integrate External Consumer Data**
1.1.4 Assess Political Environment	**1.1.5 Assess Social Environment**	**1.1.6 Assess Business Climate**
1.1.7 Determine Customer Value Chain	**1.1.8 Determine Sales Cycle**	**1.1.9 Analyze Market Information**

1.1.1 Identify Potential Markets

Gather relevant information about the various markets which may be of interest in order to expand the organization. The information related to these markets could be high level impressions based on trends, population growth, evolution of economy and perceived readiness to do business.

1.1.2 Consolidate Internal Consumer Profile

Gather relevant information, available internally, on customer profiles, purchasing behaviour, complaint profiles, consumes requests, previous focus groups, customer satisfaction surveys, profitability assessments which could be useful to perform the research of potential new markets in line with the corporate objectives and directions.

1.1.3 Integrate External Consumer Data

Gather relevant information, available through external sources, on consumer needs, consumer purchasing behaviour based on consumer profiles by revenue, by regions, by distribution channels, etc... , current sales volumes and profitability, which will provide indicators as to where the market is, where it seems to be going, how and where it is growing, and what consumers expect.

1.1.4 Assess Political Environment

Gather information on the political environment, how supportive the government is towards certain products or ways of doing business, how the government s to legislate certain fiscal aspects as well as social benefits, and what is the likelihood that this may change in the future. Assess the existing regulatory environment and how it supports the products and services that are part of the offering.

1.1.5 Assess Social Environment

Gather information on the social fibre of the market, how prepared is the population to accept new products and services or variations of products, new or improved ways of doing business, what is the openness to savings and investment as opposed to insurance/protection, what others initiatives have been attempted in the past and how well received were they.

1.1.6 Assess Business Climate

Gather information on how current businesses operate in the market, what is the penetration level, what taxation aspects do they have to face, who are the potential competitors, how is the climate expected to change or to stay similar. Identify potential and non-traditional competitors as well as substitute or alternate products.

1.1.7 Determine Customer Value Chain

Based on what is known of the targeted markets, identify the full spectrum of financial services that will meet consumer expectations and the network of distribution and service delivery that will be required. Which stages of the customer value chain will tend to pull the attention and stimulate the needs?

1.1.8 Determine Sales Cycle

Based on the markets that are targeted, determine the sales cycle that will be required to develop prospects and book new business. Depending on the culture or other social aspects and the products and services, the sales cycle will be longer or shorter, through local associates or direct, easy or difficult, emotional or analytical, pull or push, etc…

1.1.9 Analyze Market Information

Based on the above-mentioned information, generate analyses, models, simulations and profiles to paint a picture relative to the potential markets, new or enhanced products, population segments, in order to form a base to decide which areas or markets the organization could develop.

This is just a sample of the functional decomposition. There are 523 other functions described in the book as per the table of content.

INFORMATION ARCHITECTURE

This information model has multiple relationships but for sake of simplicity, these are not shown here. A brief description of each information component is provided in the following sections.

As different project initiatives develop more detailed views of the information, they can be mapped into this highest information model.

This model will support both the operational information and types of management and customer information that is required to support organizations.

The information model is three tiers decomposition of the information being managed in an insurance and wealth management organization. There is a one to one mapping of the functional model with the three levels of the information model. The information model is sub-divided into three levels.

- Information Domains
- Information Subject
- Information Topics

At the Topic level, you will find a definition for each of the Topics. The following graphic represents the 13 information domains.

Conceptual Information Model
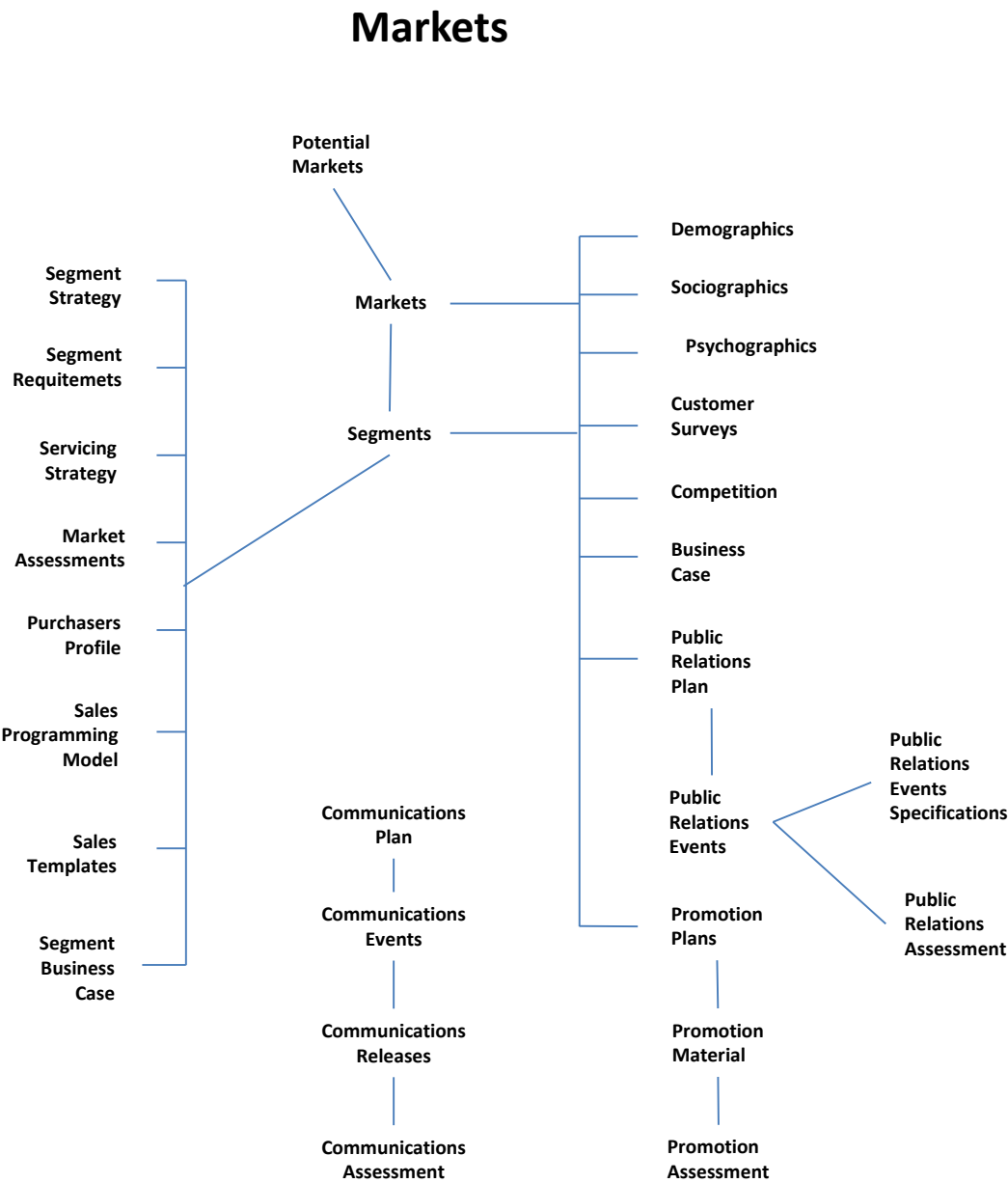
Information Domains
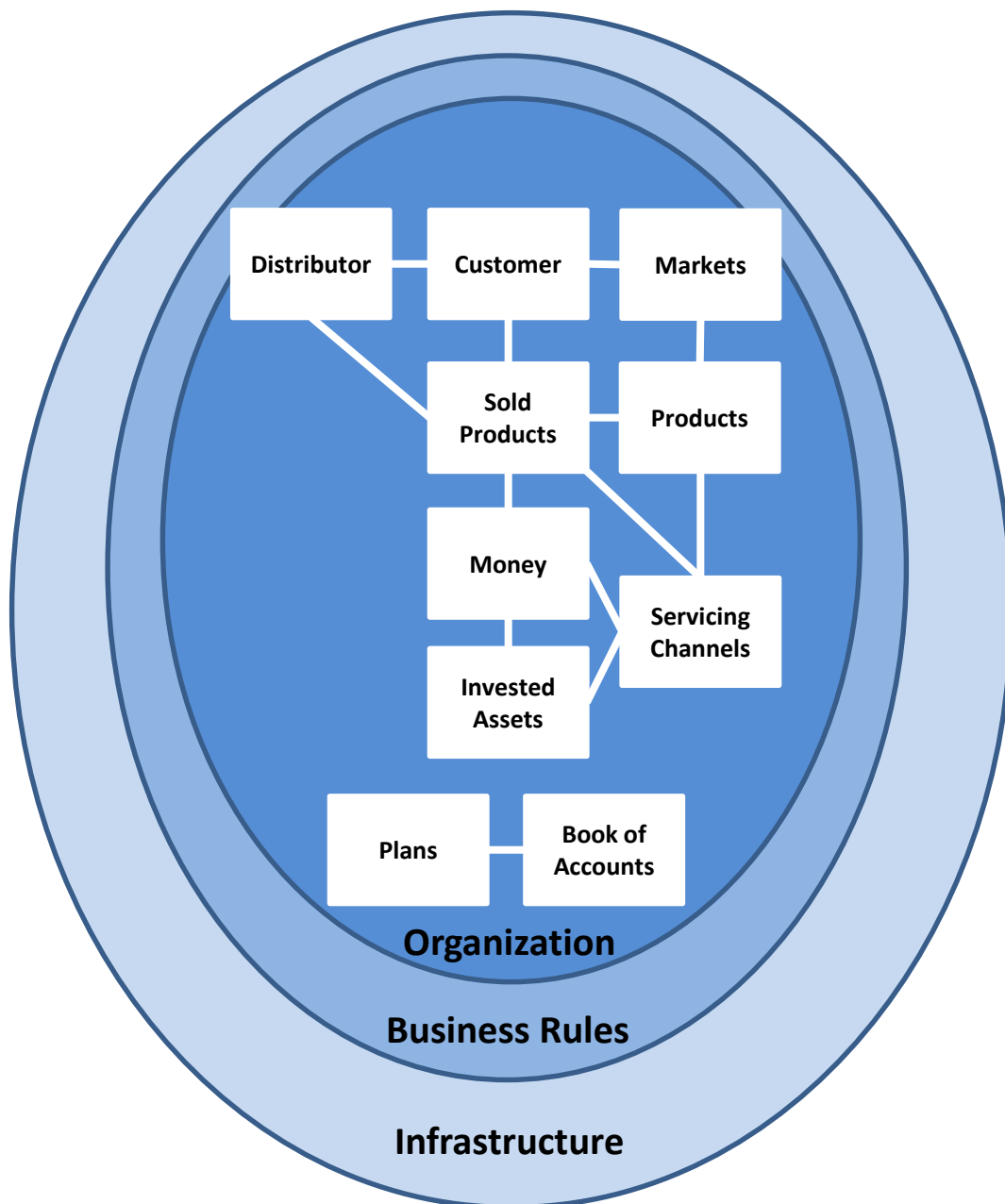
Market Information Model

Markets

Potential Markets

Markets
- Demographics
- Sociographics
- Psychographics
- Customer Surveys
- Competition
- Business Case

Segments
- Public Relations Plan
- Public Relations Events
  - Public Relations Events Specifications
  - Public Relations Assessment
- Promotion Plans
- Promotion Material
- Promotion Assessment

Segment Strategy

Segment Requitemets

Servicing Strategy

Market Assessments

Purchasers Profile

Sales Programming Model

Sales Templates

Segment Business Case

Communications Plan

Communications Events

Communications Releases

Communications Assessment

Market Domain

Market Subject

Market

Defines the market places chosen to sell products and services.

Demographics

Defines demographic data of current and potential customers.

Sociographics

Defines the wants and desires of current and potential customers.

Psychographics

Defines customer behaviours in purchasing.

Competition

Defines the competitors in current and potential markets.

Share of Market

Defines the current market share of the various companies.

Consumer Survey

Defines the current and potential answers and reactions to surveys.

Potential Markets

Defines the potential markets to go for.

Market Business Case

Defines the business cases presented to enter new markets or avoid certain markets.

Segment Subject

Segment

Defines a market segment in terms of demographics, psychographics, social values and political factors.

Segment Requirements

Defines central information about the market place needs including, customer product needs, service requirements and distribution needs.

Market Assessments

Defines the results of assessing the appropriateness of market segments.

Segment Strategy

Defines the strategy for selected market segments which respond customer needs.

Segment Business Case

Defines the business case for entering a certain market segment.

Buying Subject

Purchasers Profile

Defines the profile of a purchaser of products and services. This information includes buying customer's relationship profile, life cycle profiles, etc...

Sales Programming Model

Defines how and when products should be sold to customers. This information includes information that identifies opportunities for the offer and purchase of products and services.

Sales Template

Defines templates for selling each product and services. This information provides for triggering events and product affinity when looking for opportunities.

Buying Assessment

Defines how buying products takes place. This information includes the opportunities for offering and purchasing of products and services, price elasticity and preference to access modes.

Servicing Strategy Subject

Servicing Strategy

Defines how and what service will be provided to customers. This information includes what types of resources, technology, processes and servicing networks are required to provide the expected service levels.

An information structure plus definitions for all the 13 Domains, 73 Subjects and approximately 600 Topics are being provided in the book.

FUNCTIONS AND INFORMATION INTERSECTION

The following section shows a breakdown of the business functions with the information that each function manages.

1.0 Marketing

1.1 Research Markets

Encapsulated Business Functions:

1. Identify Potential Markets
2. Consolidate Internal Consumer Profile
3. Integrate External Consumer Data
4. Assess Political Environment
5. Assess Social Environment
6. Assess Business Climate
7. Determine Consumer Value Chain
8. Determine Sales Cycle
9. Analyze Market Information

Encapsulated Information:

- Demographics
- Sociographics
- Psychographics
- Competition
- Share of Market
- Consumer Survey
- Potential Market

1.2 Develop Markets

Encapsulated Business Functions:

1. Perform Market Segmentation
2. Identify Segment Needs

3. Identify Segment Product Needs
4. Identify Segment Service Needs
5. Identify Distribution Needs
6. Determine Target Segment Value Proposition
7. Identify Entry/Exit Barriers
8. Define Market Segment Initiatives
9. Define Monitoring Requirements
10. Perform Competitive Analysis
11. Define Market Segment Strategy
12. Prepare Segment Business Case

Encapsulated Information:

- Segment
- Segment Requirements
- Market Assessments
- Segment Strategy
- Segment Business Case

BUSINESS PROCESS ASSEMBLY FROM BUSINESS FUNCTIONS

The businesses of any Financial Institutions are accomplished through various processes such as the Customer Service process, or the Product Development process, or the Strategic Planning process.

These processes tend to change significantly over time as they respond to different marketplace, profitability, or technology forces. The processes are always being tuned and improved in terms of geography, timeliness, and accountability. However, while the processes themselves change, the fundamental functions performed and the information used by the processes tends to be stable.

The business functions presented in this document represent the functional and information stability and affinity of the organizational building blocks.

The following examples demonstrate how the business functions are used to develop the required business processes.

Business Architecture

Information technology provides the optimal business enhancements when its design and deployment are closely aligned with the business functions that it supports, enables, or enhances. It also needs to be readily and flexibly reconfigured to accommodate changed deployment of the supported business functions.

The Enterprise Architecture is a conceptual representation of a business vision in terms of functions, information, technology and how the organization could take advantage of the potential flexibility. This global business representation is primarily guided by the strategies of an organization, and will sometimes address some high level tactical concerns but will always shy away from any operational considerations.

The Enterprise Architecture identifies a number of high level business functions including their critical interfaces across the entire business, points to functions that have high leverage potential through commonality and strategic fit plus recommend information technology structures and initiatives that align with the business.

The business capabilities represent a description of a number of business functions an organization must manage well in order to achieve the vision and the objectives. They are considered as the fundamental blocks of a business.

Business Functions

The business functions are defined and described completely independent of organizational structures, job definitions, geographic differences, market segments, lines of business products, customer profiles and information technology. Business capabilities are well defined business functions with the related information they manage and use.

The business functions are comparable to the interlocking bricks of an organization. As with interlocking plastic bricks, one can make all kinds of meaningful objects with the same set of bricks. The same is true of business functions.

They can be grouped and assembled to perform various business processes which are meaningful to the organization. They can also be ungrouped, regrouped differently and re-assembled to respond to different or changing organizational structures, job descriptions, cultures, lines of business, etc...
In short, business functions can be:

- deployed flexibly across organizations for any geographic area, lines of business, products, accountability
- outsourced or in-sourced depending of the need
- can be centralized or decentralized
- can be adapted to different market, product, jurisdictional or management needs

And most importantly, can be linked together flexibly to form business processes meaningful to the organization.

An example of business functions are:

- 6.4.1 Record Benefit Request
- 6.5.3 Negotiate Benefit Disbursement

Both of them could be part of a major business process which could be called for some parts of the organization "Benefit Management".

This describes the business functions which need to be accomplished if a customer has made a benefit request.

Regardless of the type of contract or purchased product, these functions would apply. It also shows which areas of information would be managed under these business functions.

Administer Benefit Settlement

Encapsulated Business Functions

1. Investigate Circumstances
2. Control Benefit Abuse
3. Negotiate Benefit Disbursement
4. Manage Litigation
5. Manage Subrogation
6. Manage Salvage
7. Settle Request
8. Settle Expenses
9. Audit Customer Benefit Process

Business Function Interface

Encapsulated Data

- Evidence
- Investigation Reports
- Settlement
- Litigation Events
- Subrogation Items
- Salvage Items
- Benefit Audit Reports

Assembling Business Functions (Capabilities)

Depending on how an organization is structured, the product they sell and the strategies they have adopted, systems will be deployed differently. However, the systems building blocks should be the same but will be assembled differently.

An example of function assembly is the process a business must go through when a sale is made through a referral provided by someone else.

Other process examples are also being provided.

Whether you are an insurance company or a wealth management organization, a consulting company, an independent consultant or a technology vendor, you will find in Panorama 360 Enterprise Business Architecture Framework a key asset to create value, reduce project costs while increasing quality and speed.