



Mo.net

Customer Case Studies

Faster | Flexible | Controlled | Integrated



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The service-oriented financial modelling platform for scalable, integrated and controlled end-to-end insurance calculations

Introduction

One of the cornerstones of the Mo.net product philosophy has always been to provide an open & extensible platform for clients to develop robust & efficient solutions appropriate to their own needs, free from the shackles inherent in other proprietary technologies.

This collection of customer case studies brings together a wide variety of business challenges and demonstrates how our clients have leveraged the flexibility, power and integration potential of Mo.net to deliver fit for purpose solutions.

Guy Shepherd, CEO



Lowering the Barrier to Productivity

A leading risk consultancy based in the Middle East harnessed the intuitive flexibility of the Mo.net platform to accelerate model development

Customer:

Consulting Firm

Customer Size:

100 employees

Country:

Israel

Software & Services:

- Mo.net Model Development Studio
- Mo.net Excel Reporting Add-in
- Mo.net Documentation Service

Business Challenge

In order to differentiate themselves in a crowded marketplace, this specialist consultancy firm had a strategic objective to provide financial modelling expertise to their existing and potential customers.

Rather than rely on legacy modelling technology, the firm were looking for a more modern, flexible and accessible platform that consultants would quickly get to grips with, and be in a position to deliver customer projects efficiently and effectively.

Mo.net Solution

The consulting firm quickly established a solid level of platform expertise by developing Mo.net versions of some existing models written in other technologies with limited guidance from Software Alliance.

By referencing some of the built-in sample projects and templates, the team were then able to develop a suite of reusable modelling components for client projects.

The firm was then in a position to quickly respond to client modelling assignments and deliver working solutions within days rather than weeks. The inherent transparency of the platform also allowed the clients to understand exactly how the results had been derived, and see the impact of changes to assumptions and logic in real-time.

Finally, the consultants have been able to provide run-time only versions of models to their customers, which can be controlled directly from Microsoft Excel.

Realtime Customer Illustrations

One of the UK's largest mutual insurers selected Mo.net to revolutionise the speed & efficiency of back-office servicing calculations

Partner:

Sapiens

Customer:

Large UK Mutual Life Insurer

Customer Size:

1,200 employees

Country:

UK

Software & Services:

- Mo.net Model Development Studio
- Mo.net Quotations Service
- Excel Service Adapter for Mo.net

Business Challenge

As part of an initiative to transform their back-office policy administration systems, Sapiens were engaged to migrate existing business from a UK-based insurer's legacy platform onto the Consolidation Master (ClosedBooks) platform. During the design phase of the project, it became clear that a number of the calculations required to support legacy policy servicing were being done "off-platform" in spreadsheets and other end-user applications. As a consequence, the overall calculation process was rather fragmented, slow and relied on the knowledge of specific members of staff.

Mo.net Solution

Existing spreadsheet-based solutions were used as a basis for the migration activity and migrated into Mo.net. Once the primary set of legacy calculations had been refactored & tested in the Mo.net Model Development Studio, these were deployed to the Mo.net Quotations Service, allowing them to be consumed on-demand and in real time from the Consolidation Master platform. The next step was simply to include an additional flag in Consolidation Master indicating which servicing calculations should be done internally within the administration system, and which should be done off-platform within Mo.net.

The final stage involved wiring-up the interfaces between Consolidation Master, the Mo.net Quotations Service, and the assumptions data store being used to hold tables of rates and other volatile run-time parameters.

The most significant benefit for the insurer was simply to allow them to complete their migration to Consolidation Master on schedule and with negligible impact on the overall programme budget.

Market-Driven Pricing Agility

The insurance arm of a multinational bank selected Mo.net to enable intraday changes to new business pricing

Partner:

Tier 1 Multinational Bank

Partner Size:

2,000 employees

Country:

UK

Software & Services:

- Mo.net Model Development Studio
- TFS Git Source Control Connector
- Mo.net Enterprise Service Manager
- Mo.net Quotations Service
- Mo.net Documentation Service
- Mo.net Excel Service Adapter
- Mo.net Command Line Compiler

Business Challenge

The bank was interested in developing a new front-office illustration & quotation capability for their annuity proposition. The solution would allow the pricing team to change the parameters behind external-facing calculations several times per day, in a well-controlled manner in response to changes in market conditions.

Any solution was also required to support tens of thousands of individual illustrations & quotations per day on a near real-time response basis. Furthermore, the technology needed to provide service-oriented integration points via the Origo messaging format with their existing enterprise service bus (ESB).

Mo.net Solution

We supported the bank in the development of a flexible retirement annuity model which allowed key pricing assumptions to be separated from core model logic and held in a database. The pricing team were therefore in a position to change assumptions & parameters without having to change the model itself.

Once the model was finalised, it was published to the Mo.net Quotations Service which hooked into the ESB allowing calculations to be triggered via Origo messages from any client application on the bus – public-facing website, internal desktop applications, etc.

A separate assumptions management process was then established allowing model parameters to be updated intra-day without diluting the overall governance process.

Finally, the pricing team was able to consume the same Mo.net model & assumption sets from a dedicated client spreadsheet, allowing them to test the implications of potential changes.

Supporting Product Innovation

A market-leading provider of niche insurance products picked Mo.net to provide game-changing modelling flexibility

Customer:

Friendly Society

Customer Size:

300 employees

Country:

UK

Software & Services:

- Mo.net Model Development Studio
- Mo.net Quotations Service
- Mo.net Enterprise Service Manager

Business Challenge

A UK provider of specialist insurance products was looking for ways to increase their speed to market after losing out to competitor insurers with more modern & flexible pricing and administration technology.

The client was keen to leverage their existing Mo.net-based models, but with the ability to “pick and mix” additional product features without having to create a range of completely new models.

Furthermore, the client had a desire to use the same extended models as part of their back-office servicing solution, to provide consistency between pricing and administration calculations, and reduce reconciliation effort considerably,

Mo.net Solution

With limited support from Software Alliance, the client was able to restructure their existing Mo.net solutions to include dynamic sub-model functionality. This allowed the composition of any model run to depend on the individual features of each policy, with an almost unlimited number of combinations.

The same model was then deployed into the back-office administration environment providing the same level of flexibility in the policy servicing arena, and with the added benefit of automatic reconciliation back to the original new business illustration.

The client was also able to use the best-in-class audit & debugging functionality available in Mo.net to analyse and validate the calculation logic used in specific live quotations.

Responding to Regulatory Change

A specialist in the UK retirement income market harnessed the flexibility & power of Mo.net to understand the implications of IFRS17 on their business

Partner:

Specialist in the retirement annuity space

Partner Size:

100 employees

Country:

UK

Software & Services:

- Mo.net Model Development Studio
- TFS Git Source Control Connector

Business Challenge

IFRS17 represents the next wave of regulatory challenge for the insurance industry. As a result, most insurers are in the process of understanding the specific implications of the regulations on their business.

While some insurers are considering significant programmes of change to meet the needs of IFRS17, others are taking a more considered approach and leveraging existing technology assets to implement equally effective solutions.

This particular client was looking for a low cost, low impact solution for IFRS17 having already dismissed the need for any large-scale technology change. They were keen to extend their existing Mo.net models to provide the additional metrics required for IFRS17, while at the same time simplifying their existing operational modelling universe.

Mo.net Solution

One of our primary delivery partners was engaged by the client to extend the functionality of their existing Mo.net models allowing coordinated step changes to assumptions. The models were further enhanced to include top model functionality for the calculation of IFRS17 components, such as CSM and RA with no impact on the underlying valuation models & logic.

The client was then able to use the enterprise integration features of Mo.net to provide an interface between their models and the finance consolidation platform. This in turn provided complete transparency & consistency of numbers from both the actuarial and finance perspectives.

Industrial-Strength Operational Modelling

A multinational insurer streamlined their monthly valuation processes by utilising the flexibility, performance, and control of the Mo.net platform

Customer:

Tier 2 Insurance Group

Customer Size:

800 employees

Country:

UK & Europe

Software & Services:

- Mo.net Model Development Studio
- Mo.net Operational Modelling Centre
- Mo.net Identity Service
- Mo.net Worker Service

Business Challenge

This long-standing existing client was seeking to streamline & accelerate their monthly & quarterly reporting cycle and improve the audit & control of the process using vendor delivered & supported tools.

In addition, the client was hoping to use less skilled resources to perform any tasks that couldn't be automated, allowing actuarial staff to focus on more value-adding activities.

Finally, there was a strong desire to provide better governance around assumptions and data in order to provide confidence to senior management regarding the provenance of results.

Mo.net Solution

The client was keen to be an early-adopter of the Operational Modelling Centre and worked closely with the Software Alliance product development team to ensure their specific requirements were met by the platform.

The deployment included the upgrade of their existing models to the latest version of the Mo.net platform, and relatively minor changes to their existing data & assumption management processes to align with the OMC's governance approach.

The client integrated OMC with their existing SQL Server-based database environment to handle source data, assumptions and results. They also integrated the Mo.net Identity Service with their existing Active Directory to provide segregation of duties and seamless control over user access, permissions and audit.

Finally, the browser-based nature of the OMC has allowed users to manage runs remotely on a variety of devices, including tablets and phones. This has delivered a step-change in operational agility & flexibility for the client.

End-to-End Model Governance

A leading multinational insurer extended their existing Mo.net environment to provide evidence of their complete modelling journey

Customer:

UK Health Plan Provider

Customer Size:

100 employees

Country:

UK

Software & Services:

- Mo.net Model Development Studio
- TFS Git Source Control Connector

Business Challenge

The introduction of Solvency II across the EU has increased the complexity of the various calculations required by the regulators, as well as demanding evidence of end-to-end governance & controls around the calculations.

As a health plan provider, the client has their own specific reporting & governance requirements, but they still need to comply with more general obligations appropriate for any insurance undertaking.

The Solvency II calculations were far more complex than anything they had experienced before, which required external support in creating a system to deliver a Solvency II standard model solution.

Mo.net Solution

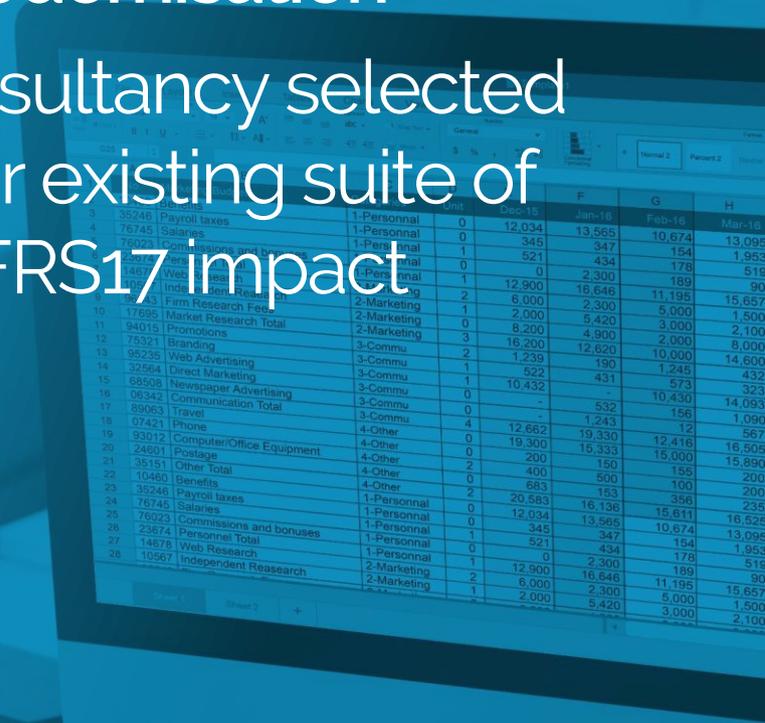
Following a phase of collaboration between the client SMEs and the Software Alliance implementation team, a model was built that was able to provide the results required to satisfy the general and specific regulatory requirements. The model was developed under a strict change management framework, with all changes to model structure, source code and assumptions managed using TFS-Git source control.

A runtime version of the final model was then integrated with a custom spreadsheet-based tool, in order to provide an intuitive and accessible interface for less experienced users, and to remove the possibility of the model logic or key assumptions being changed by accident.

The client was able to deliver a fully operational Solvency II standard model solution appropriate for their specific reporting & governance needs on time and on budget. It has also provided a foundation for further development as their business has evolved.

Legacy Modelling Modernisation

A global actuarial consultancy selected Mo.net to replace their existing suite of spreadsheet-based IFRS1/impact assessment tools



				Dec-15	Jan-16	Feb-16	Mar-16
3	35246	Payroll taxes	1-Personal	0	12,034		
4	76745	Salaries	1-Personal	0	345	13,565	13,095
						347	154
5	76023	Commissions and bonuses	1-Personal	1	521	434	1,953
6	14678	Web Research	1-Personal	0	0	2,300	178
7	10567	Independent Research	2-Marketing	1	12,900	16,646	189
8	14678	Web Research	2-Marketing	2	6,000	2,300	5,000
9	10567	Independent Research	2-Marketing	1	2,000	5,420	3,000
10	17895	Market Research Total	2-Marketing	0	8,200	4,900	2,000
11	94015	Promotions	2-Marketing	0	8,200	4,900	2,000
12	75321	Branding	3-Commu	3	16,200	12,620	10,000
13	95235	Web Advertising	3-Commu	2	1,235	190	1,246
14	32564	Direct Marketing	3-Commu	1	522	431	573
15	68508	Newspaper Advertising	3-Commu	1	10,432	-	-
16	68342	Communication Total	3-Commu	0	-	532	10,430
17	89953	Travel	3-Commu	0	-	1,243	156
18	07421	Phone	4-Other	4	0	1,243	12
19	93012	Computer/Office Equipment	4-Other	0	12,662	19,330	12,416
20	24601	Postage	4-Other	0	19,300	16,333	15,000
21	35151	Other Total	4-Other	2	200	160	155
22	10460	Benefits	4-Other	0	683	500	100
23	35246	Payroll taxes	1-Personal	2	20,583	153	356
24	76745	Salaries	1-Personal	0	12,034	18,136	235
25	76023	Commissions and bonuses	1-Personal	1	345	13,565	10,674
26	23674	Personnel Total	1-Personal	1	521	347	1,611
27	14678	Web Research	1-Personal	0	0	2,300	178
28	10567	Independent Research	2-Marketing	1	12,900	16,646	189
29			2-Marketing	2	6,000	2,300	5,000
			2-Marketing	1	2,000	5,420	3,000
							2,100

Partner:

Specialist Global Actuarial
Consultancy

Partner Size:

100 employees

Country:

UK, Asia and South Africa

Software & Services:

- Mo.net Model Development Studio
- TFS Git Source Control Connector
- Mo.net Excel Model Adapter
- Mo.net Quotations Service

Business Challenge

Our client, a specialist risk consultancy firm, was looking to migrate their well-regarded Excel-based IFRS 17 impact assessment tool across to Mo.net in order to provide a scalable platform for operational IFRS 17 analysis and reporting.

The existing tool included all the necessary logic and functionality to allow clients to assess the implications of the IFRS 17 regulations on their specific business, and most of the metrics required for ongoing reporting. However, the Excel-based solution did not provide the necessary levels of performance or governance required for an operational platform.

The client was also keen to reuse their existing PowerBI analysis & reporting solution rather than developing anything new.

Mo.net Solution

To accelerate the process of moving model functionality from Excel to Mo.net without having to convert each function by hand, we used the Mo.net Excel Model Adapter to help with the heavy lifting. The benefit of using this tool was that existing Excel column and range names were preserved in the target Mo.net solution, which made the process of reconciliation far more efficient.

Once the model had been converted to Mo.net, a second phase of activity was carried out to optimise the model within the Mo.net environment and provide a solid basis for operational reporting.

The final phase was to integrate the resulting Mo.net model with the existing PowerBI analytics solution. This provided existing users of the Excel-based tool with a familiar user interface, albeit one which provided significantly more power and performance than the original tool.

Providing Partner Access to Models

A niche actuarial consultancy based in Asia harnessed the integration potential of Mo.net to allow their own clients to run models & calculations remotely

Customer:

Consulting Firm

Customer Size:

100 employees

Region:

Asia Pacific

Software & Services:

- Mo.net Model Development Studio
- Mo.net Quotations Service
- Mo.net Enterprise Service Manager

Business Challenge

Our client, a leader in the Takaful insurance space based in Asia, had a desire to make available their internally developed Mo.net-based modelling solutions to their own customers. The idea was to allow their customers to benefit from a rich and flexible model and save them the trouble of having to develop their own solutions from scratch.

The existing model provided functionality across the entire insurance product lifecycle, from pricing & illustrations, through to valuation & reporting, but was also being extended to keep pace with local regulatory challenges, as well as those presented by IFRS 17.

The challenge was making something available to a range of customers in several countries, some of whom didn't have much in the way of technical infrastructure.

Mo.net Solution

The client was able to enhance their existing Mo.net models to operate "as a service" from either Excel or the web / mobile-based clients using the Mo.net Quotations Service or using a runtime version of the Mo.net Model Development Studio. This development was performed without any specific support from Software Alliance.

Once deployed, the client's own customers were able to use the model for their own calculations & analysis with a minimal level of support from the client.

Furthermore, the client was able to update the core models from a central location, with updates automatically dispatched to the customers so that they were always on the most up to date version.

Delivering Actuarial and Risk Intelligence

A major UK insurer selected Mo.net to power their next generation, self-service business intelligence ecosystem

Partner:

UK Mutual Insurer

Partner Size:

250 employees

Country:

UK

Software & Services:

- Mo.net Model Development Studio
- Mo.net Enterprise Service Manager
- Mo.net Quotations Service
- Mo.net Cloud Modelling Portal

Business Challenge

This client was interested in replacing their aging and proprietary on-premise modelling & quotations capability with a cloud-based solution that provided better performance, scalability and support.

In addition, the client was looking for a partner to help monitor regulatory or market changes and make sure the models & public-facing calculations were updated accordingly.

Finally, the client had a need for the same models to be used internally, via Qlik or PowerBI, to support other business processes, while ensuring results were consistent with the externally facing service.

Mo.net Solution

The first step was for us to help the client upgrade their existing internal Mo.net platform allowing their models to be published as-a-service. This was a relatively painless exercise and allowed some of the redundant logic to be removed.

The next stage was to publish the model to an instance of the Mo.net Quotations Service running on the Mo.net Cloud Services platform. This was then connected to their existing customer portal allowing illustrations and calculations to be generated on demand.

The same service was also connected to both Qlik and PowerBI platforms running on the client infrastructure. This allowed the same models to be shared internally and externally.

Finally, one of our model delivery partners took ownership for monitoring market guidance & regulatory requirements and became responsible for making updates to the model & assumptions, using a cloud-based instance of the Mo.net Model Development Studio.

Further Information

For more information regarding the Mo.net Financial Modelling Platform and to discuss your specific modelling requirements, please contact us.

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