# Four hurdles insurers can navigate to improve user experience

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Building a better working world

Today's consumers have come to expect personalized product recommendations, one-click purchases, same-day delivery, real-time product tracking, and hassle-free returns – in person or from their watch, phone, tablet or laptop.

Most insurers understand that customer experience expectations are quickly evolving, and they are addressing those expectations through in-flight initiatives. However, many carriers remain stuck working with legacy organizational structures, processes and technologies that hinder quick and measurable progress. While the insurance industry overall has invested in improving user experiences, carriers must further improve delivery speed, quality and efficiency of enhancements in order to attract and retain customers while lowering interaction costs.

Our work with carriers across industry segments shows that investments have not led to the promised improvements, and organizations are unable to:

▸ Deliver necessary experience improvements fast enough to keep up with market changes

▸ Connect parts of the organization in a way that drives success by delivering business outcomes (i.e., being outcome-focused) rather than merely conducting agile ceremonies (i.e., being process-focused)

▸ Keep pace with producer and customer expectations

▸ Acquire skilled experience design resources at the scale and cost required to support quality experience improvement within constrained budgets

Typically, experience improvement delivery lacks connection to a cohesive operating model that harmonizes various competencies, enabled by technology and scalable resourcing.

# Right ingredients, but what's the recipe?

We believe carriers must invest and evolve to deliver improved user experiences with quality and speed. This includes:

**1**

Defining a design-to-code operating model that harmonizes product management, Agile and design thinking

**2**

Creating a product management engagement model that connects to the business and drives outcomes

**3**

Building and maintaining a design system that leads to reuse, quality, speed, and lower design and development costs

**4**

Collaborating with an external design firm that can bring "outside-in" thinking, as well as research and design capacity onshore and offshore

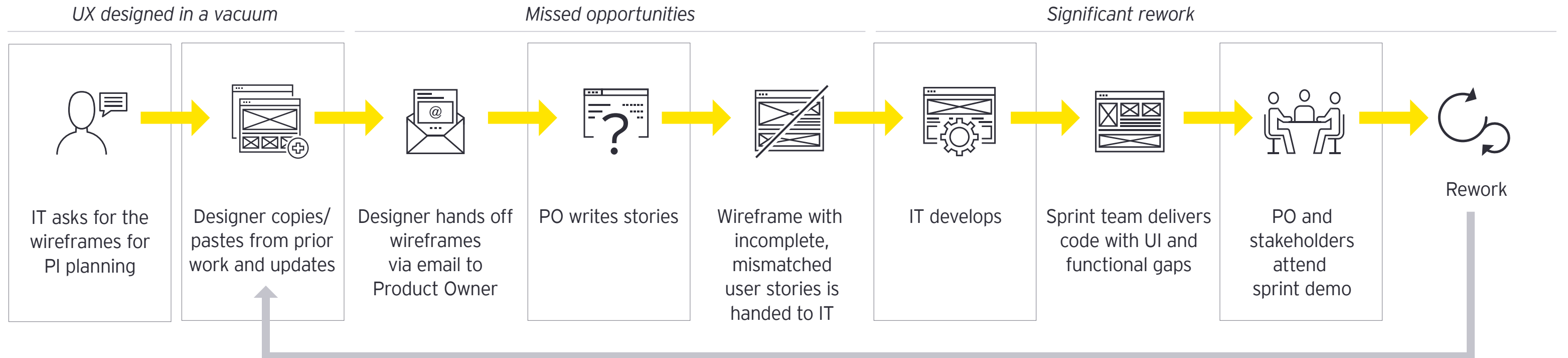## Where the operating model typically falls short

The industry has struggled to deliver user experience (UX) improvements at the speed and scale expected by producers and customers.

Typically, carriers have invested in product management, Agile and design thinking in silos – but haven't created a design-to-code operating model. A design-to-code operating model brings these three practices together in a way that reduces friction and accelerates the delivery of quality experience improvements.

Companies need an approach that enables designers to "work ahead" and yet still collaborate iteratively with business and technology so that prototypes retain design fidelity. Technology specialists also need to be engaged and accountable earlier in "Discovery" to better understand the business needs and surface opportunities to reuse existing tech components to meet these needs. When this collaboration opportunity is missed, advanced features proposed by the business may not be understood or may go unused, which could otherwise drive higher business value and greater technology return on investment. Today, carriers have repeated handoffs and missed opportunities to create truly exceptional experiences (see Figure 1).

### Figure 1: Siloed team pitfalls

Scenario: The product owner (PO) needs to rapidly develop a new product feature



*UX designed in a vacuum*    *Missed opportunities*    *Significant rework*

IT asks for the wireframes for PI planning → Designer copies/pastes from prior work and updates → Designer hands off wireframes via email to Product Owner → PO writes stories → Wireframe with incomplete, mismatched user stories is handed to IT → IT develops → Sprint team delivers code with UI and functional gaps → PO and stakeholders attend sprint demo → Rework
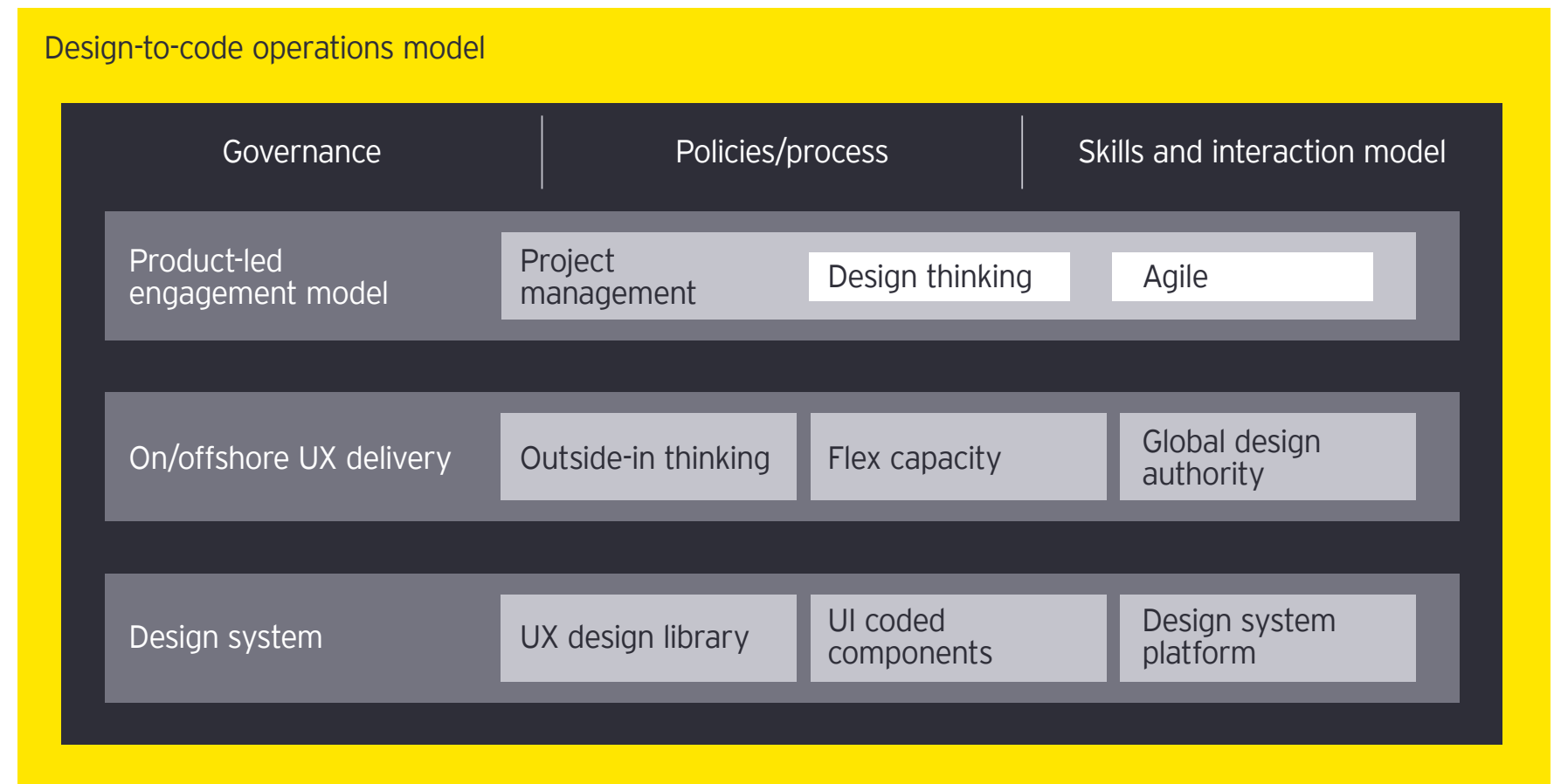
# Connecting the dots: the design-to-code operating model

Businesses hoping to avoid these obstacles can adopt a design-to-code operating model, which:

‣ Puts product management in the driver's seat

‣ Leverages scalable delivery though onshore/offshore collaboration

‣ Gains consistency through standards and coded user interface (UI) componentry in a design system

This cohesive execution operating model addresses issues that inhibit experience improvement (see Figure 2).

## Figure 2: Design-to-code operating model

Design-to-code operations model

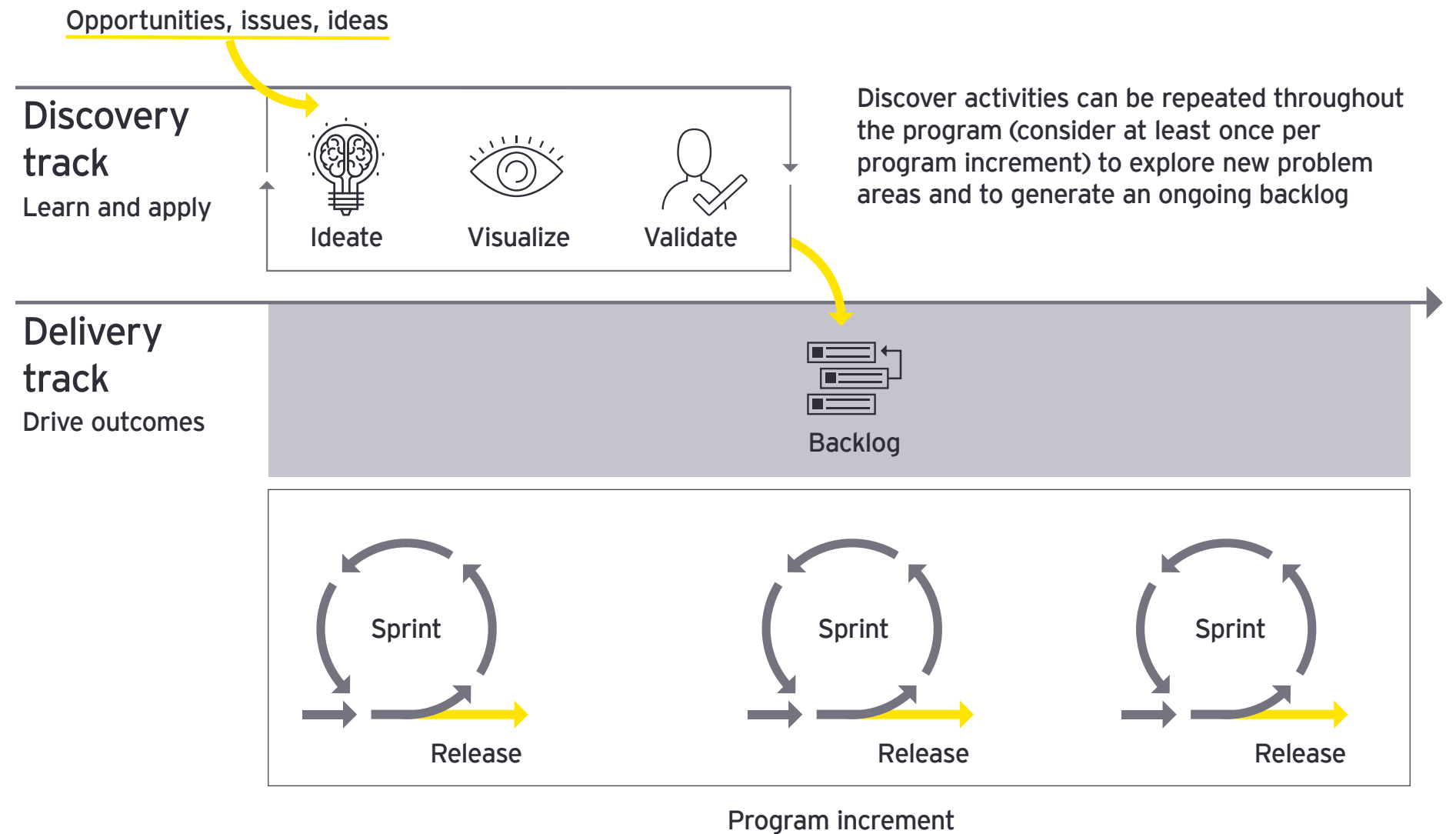| Governance | Policies/process | | Skills and interaction model | |
|---|---|---|---|---|
| Product-led engagement model | Project management | Design thinking | Agile | |
| On/offshore UX delivery | Outside-in thinking | Flex capacity | Global design authority | |
| Design system | UX design library | UI coded components | Design system platform | |

Under the design-to-code operating model, product managers serve as "mini-CEOs," connected to the business and to functions throughout the organization. A good product manager:

▸ Brings business, design and technology together to articulate and realize the vision

▸ Champions a Dual-track Agile approach that includes discovery phases to contribute new/innovative features to the backlog that precede ongoing Sprint delivery

▸ Implements a "Sprint+1" approach that enables the design team to work ahead (while the scrum team finalizes testing), and create visuals for the team to react to and innovate from, leading to lower requirements rework/churn

▸ Avoids the UX/UI "death by a thousand cuts" that happens when bits of design get dropped by constant artifact handoffs from design vision to execution

The product manager leads the delivery team to realize business outcomes by working with cross-functional teams to work creatively to solve problems and deliver solutions that gain adoption.

The Dual-track Agile approach recognizes that delivery must include points in time where larger problems and opportunities can be explored and validated before and during the development process (see Figure 3).

## Figure 3: Dual-Track Agile



Opportunities, issues, ideas

**Discovery track**
Learn and apply

Ideate    Visualize    Validate

Discover activities can be repeated throughout the program (consider at least once per program increment) to explore new problem areas and to generate an ongoing backlog

**Delivery track**
Drive outcomes

Backlog

Sprint    Sprint    Sprint

Release    Release    Release

Program increment
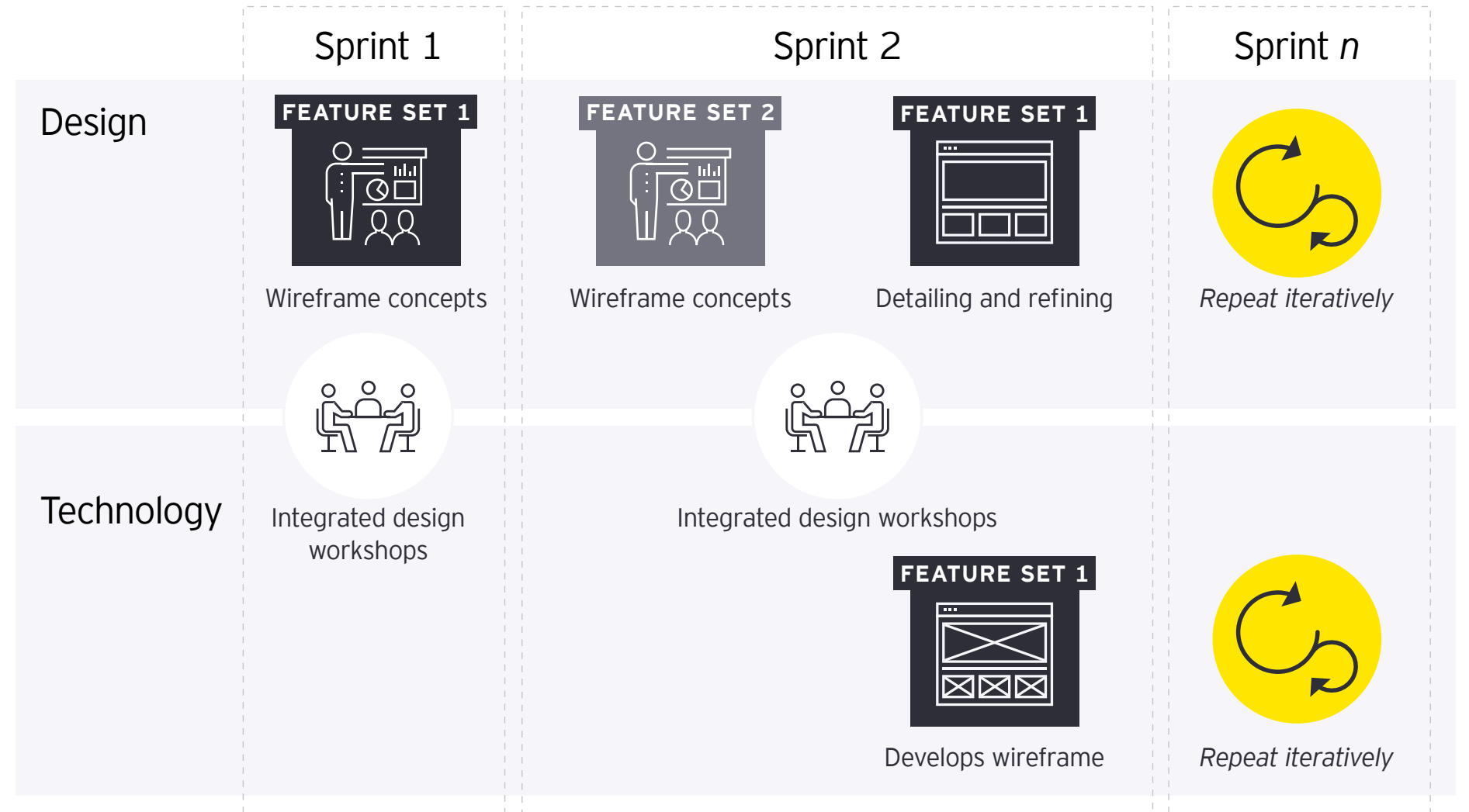
Within the delivery track, teams should implement a "Sprint + 1" model. Sprint +1 Agile delivery enables the UX design team to get a head start creating wireframe drafts that Design, Business And Technology take into cross-functional (integrated) design workshops. This approach accelerates the design process by providing draft materials that the team can react to/refine from and eliminates handoffs. Design and Technology continuously collaborate to establish that designs are technically feasible, and that design integrity is maintained (see Figure 4).

In Figure 4, during Sprint 1, the Design team works on wireframe concepts and connects with Technology through integrated design workshops to confirm technical feasibility and input. Then, in Sprint 2, the Technology team will begin developing wireframes for the first feature set while the Design team starts design on Feature Set 2. They meet again in a workshop for the Technology team to share their progress on Feature Set 1 and Design to discuss the concepts for Feature Set 2.

Figure 4: Sprint + 1 Agile Delivery



| | Sprint 1 | Sprint 2 | | Sprint *n* |
|---|---|---|---|---|
| **Design** | FEATURE SET 1 — Wireframe concepts | FEATURE SET 2 — Wireframe concepts | FEATURE SET 1 — Detailing and refining | *Repeat iteratively* |
| | Integrated design workshops | Integrated design workshops | | |
| **Technology** | | | FEATURE SET 1 — Develops wireframe | *Repeat iteratively* |

# How ineffective team engagement exacerbates the disconnect

Efficient feature development requires the interplay of several aspects: Agile, UX design and development. In addition, product management has emerged as a critical capability for driving outcomes through iterative, Agile delivery.

While many carriers have established product management practices and designated leaders, we see several struggles:

▸ Project managers or business analysts are often repurposed as product managers even if they lack the business acumen and mindset to operate as "mini-CEOs."

▸ The product engagement model does not truly connect to the broader organization.

▸ Product managers often overly rely on their past relationships and are not engaging at the broader level required to optimize outcomes.

▸ The definition of "product management" and the expectations of product managers are inconsistent across stakeholders.

▸ Where to place product management as an enterprise competency and how to continually train and develop resources are challenging, given traditional operating models.

As a result, the right resources are not allocated to the right teams at the right time, or in the right mix.

## Using a product management engagement model to facilitate connected teaming

Many carriers focus the product manager role too narrowly to mediate only between the business, IT and UX teams – missing critical connection points to other components of the organization. In our view, the product manager must operate at the "center" to establish and align stakeholders more broadly across the organization (e.g., Finance, HR, Service) so that the target objectives and key results are delivered (see Figure 5).
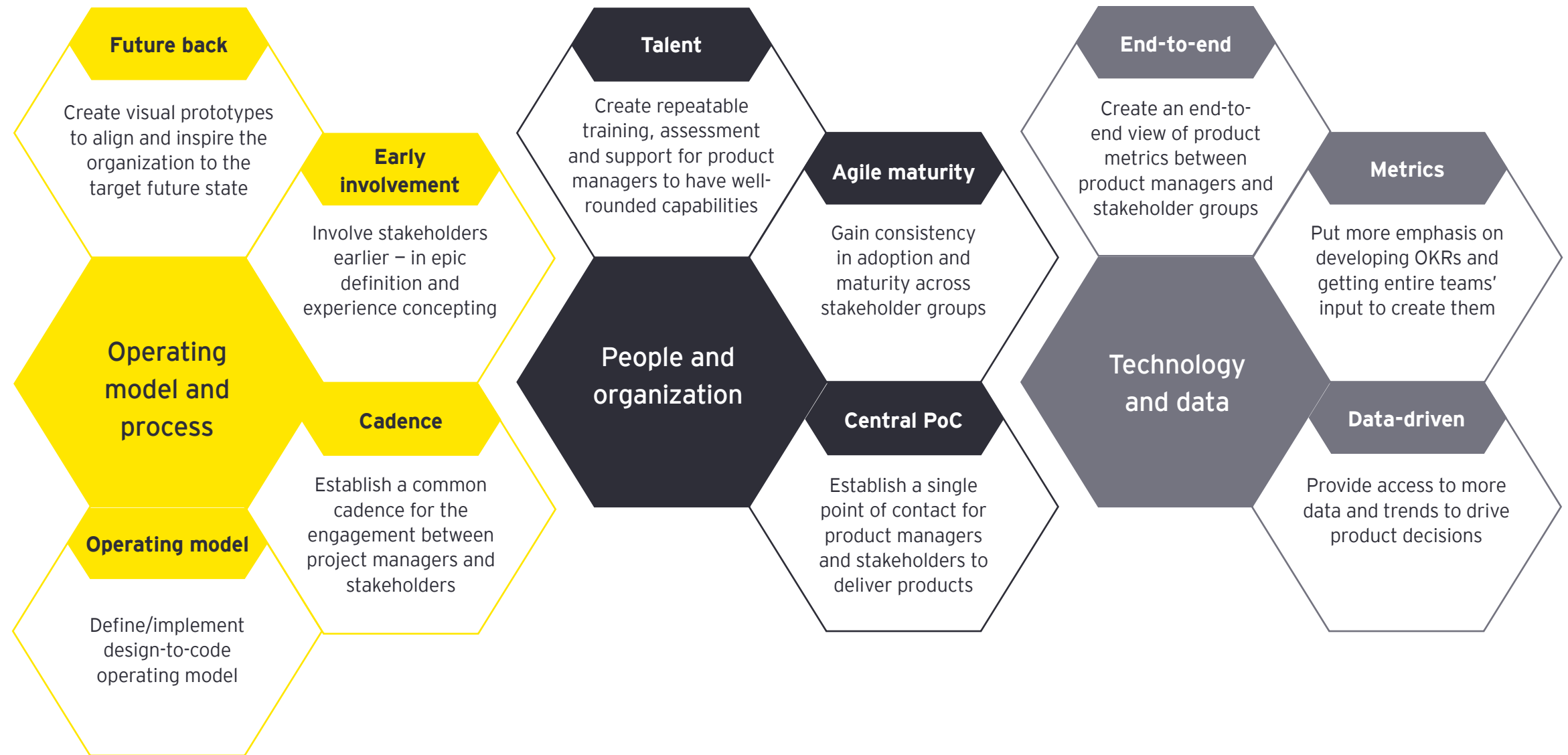
## Figure 5: Product management engagement model

The role of the product manager:



**6. Marketing and insights**
Analyzes the market landscape and target customer base with Marketing and Insights to understand customers' pain points and deliver insights on product features and improvements. Collaborates with marketing and insights to define and deliver marketing plans for developed products and features.

**5. UX design**
Sets the intial vision and directon and collaborates with the UX design team to realize the vision.

**Stakeholders for input**

Works with Leadership to identify and manage key stakeholders across the organization, including:

- Finance and pricing
- Legal
- Compliance and audit
- Risk management
- Information technology
- Data and analytics
- Sales
- Service and operations
- Human resources

**External stakeholders for input**
Engages end-users (producers, partners, policyholders and employees) who use the digital products through research with a focus on adoption and value realization.

**1. Leadership**
Engages leadership to understand the business strategy and vision and connect products to organizational objectives and key results (OKRs).

**2. Business owners**
Collaborates with business owners to define the product roadmap and funding plan that is aligned to the strategy and that contributes to bottom line results.

**3. Agile team**
Provides inspiration and business direction to Product Owners and Agile teams as they iteratively design, build and tests the solution to create the digital product.

**4. Product owner**
Directs the product owner as they manage the team backlog and make the team's work visible through demos.

# Figure 6: Future state themes and recommendations for product management

## The path forward for product management

Based on our work across the industry, we see the following 10 themes as critical for carriers to mature product management as a discipline (see Figure 6):

**Future back**

Create visual prototypes to align and inspire the organization to the target future state

**Early involvement**

Involve stakeholders earlier – in epic definition and experience concepting

**Operating model and process**

**Cadence**

Establish a common cadence for the engagement between project managers and stakeholders

**Operating model**

Define/implement design-to-code operating model

**Talent**

Create repeatable training, assessment and support for product managers to have well-rounded capabilities

**Agile maturity**

Gain consistency in adoption and maturity across stakeholder groups

**People and organization**

**Central PoC**

Establish a single point of contact for product managers and stakeholders to deliver products

**End-to-end**

Create an end-to-end view of product metrics between product managers and stakeholder groups

**Metrics**

Put more emphasis on developing OKRs and getting entire teams' input to create them

**Technology and data**

**Data-driven**

Provide access to more data and trends to drive product decisions

## Numerous technology systems, creating experience fragmentation

For many insurance carriers, a lack of standardized and centralized UX and UI technologies translates into less efficient design and development. When these tech components are inconsistent, teams cannot benefit from lessons learned or achieve speed through reuse; this leads to an overabundance of components with minor variations and high delivery and maintenance costs.

As a result, technology execution fails to reflect the intended design vision for everything from minor visual aesthetics to significant product interaction features. Ultimately, the overall brand suffers because of the fragmented, inconsistent user experiences.centralized design system and treat it as a product.

## A design system as a product for products

In tandem with re-evaluating the operating model, organizational mindset and processes, insurers must have a centralized design system and treat it as a product.

Companies can centralize and standardize the design system, and make sure that the design and technical components stay relevant, by treating it like a product. The design system should be assigned a corresponding product team, governance structure and processes. This means adherence to a defined tool set, process and taxonomy for system updates and maintenance, as well as onboarding new Agile teams. Leaders should consider the following categories of tools when setting up their processes: documentation, design, file management and prototyping.

The governance team will need to plan for any major updates or proposed changes to the system from the Agile teams, as the Agile teams will likely vary in maturity from team to team.

## A design capacity model for innovation at scale

Scaling the design team to address organizational demands for features in a cost-effective way is paramount to ongoing program delivery. Leveraging integrated onshore/offshore design talent allows teams to work more effectively and cost-efficiently for carriers, allowing the teams to accelerate the process and make the most effective use of design resources.

Ideally, distributed onshore and offshore design teams will work in similar ways to programs operating under a Scaled Agile Framework. Specifically, more senior, centralized resources onshore and offshore oversee the work conducted by design team members sitting in Agile teams and help enable communication across the program. A centralized design system helps teams monitor that established patterns and repeatable methods are employed in the design of new features, while daily cross-location stand-ups and weekly program-design critique sessions help teams achieve overall design cohesion (see Figure 7).

Ultimately, maintaining a consistent presence across geographies that work together in a cohesive team helps drive great results for carriers and the programs they support.

Figure 7: Collaboration window



Collaboration window

AM - OFFSHORE - PM

AM - ONSHORE - PM

Design critique
Stand-up
Restrospective
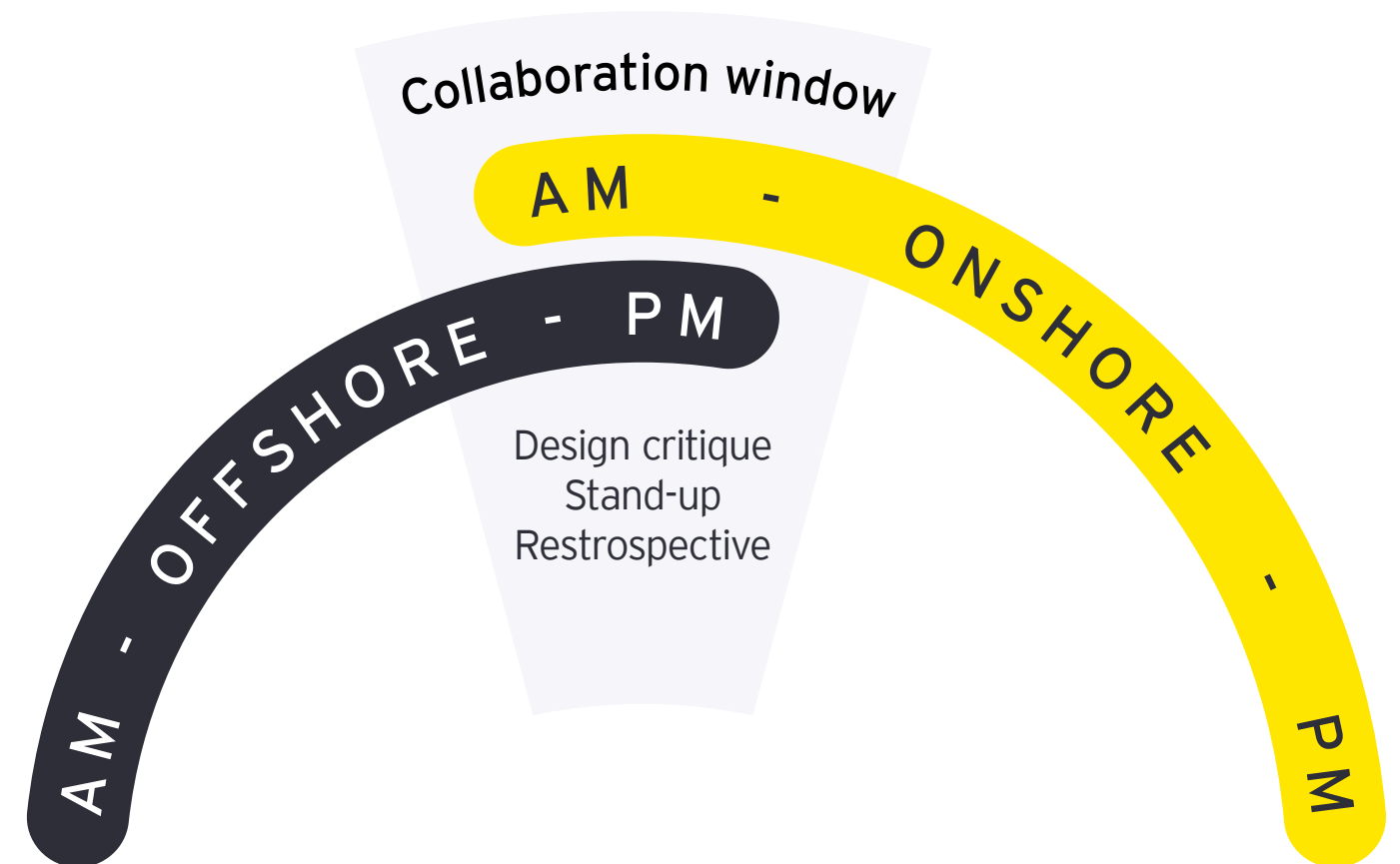
# Summary

A lack of centralized, standardized technology, as well as unsuitable organizational mindsets and inefficient operating models, has insurance carriers struggling to deliver UX improvements at the necessary speed, scale and consistency. Carriers can, and should, improve their design-to-code competency by committing to real change within their organization. Ultimately, carriers can benefit from these shifts, which strengthen their brands, delight their customers and realize their digital transformation agendas.

## Four key shifts will elevate the quality and speed to market of carriers' applications:

**1**
Instituting a Dual-track Agile approach, taking into account discovery phases, as well as a Sprint + 1 model, with design working ahead of technology

**2**
Using a product management engagement model to facilitate connected teaming

**3**
Treating the design system as a product with corresponding people, processes, and governance

**4**
Leveraging a hybrid resource sourcing model for design (e.g., onshore and offshore)

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