



WEBINAR

The evolution of finance in insurance

Why finance-as-a-service is a game changer
for insurance CFOs

Moderator

Scott Van Valkenburgh

Global Alliances and Channels
Lead, Genpact

Matt Schwenderman

Deloitte Workday Finance Lead,
Deloitte Consulting LLP

Vivek Saxena

F&A Service Line Leader, Genpact

Andy Davidson

Global Head, Financial Services,
Go-to-Market Workday

John Bax

Chief Financial Officer,
OneSource Virtual

Artificial intelligence (AI) has ascended from its speculative origins to become a legitimate C-suite and boardroom topic. Today, robots are working alongside their human counterparts to build cars, deliver packages, design computers, and make electricity. Blockchain is being used to track goods across supply chains. And smart devices have moved into our homes and vehicles as well as into our workplaces and institutions. What does this have to do with the future of finance in the insurance industry? As suggested in the recent Deloitte publication, *Crunch Time V: Finance 2025*, the answer may well be “everything.”¹

1. *Crunch Time V: Finance 2025*, Deloitte Consulting, LLP, September 2018.

During a recent webcast, leaders from Genpact, Deloitte, Workday, and OneSource Virtual shared their views on where the insurance industry stands today in terms of technology-enabled transformation of the finance function and what insurance CFOs can do to accelerate the uptake of digital technologies within their organizations. Moderator Scott Van Valkenburgh, global alliances and channels lead for Genpact, kicked off the discussion by inviting Matt Schwenderman, the finance lead for Deloitte's Workday practice, to present the main findings of the Crunch Time: Finance 2025 report, which examines how technology enablement will likely affect the finance function over the next five years:

1. The finance factory. Transactions may be touchless as automation and blockchain reach deeper into finance operations
2. The role of finance. The relevance of the finance organization will be determined by its ability to provide business insights and service. New skills will be required of finance professionals
3. Finance cycles. Finance goes real time. Periodic reporting will no longer drive operations and decisions; on-demand becomes more prevalent
4. Self-service. Self-service will likely become the norm. Activities ranging from budget queries to report production and more will be automated
5. Operating models. New service-delivery models may emerge as robots and standardization combine with a more diverse finance workforce
6. Enterprise resource planning (ERP). Finance applications, use of the cloud, and microservices challenge traditional ERP
7. Data. New systems as well as robotics and AI will likely drive data standardization
8. Workforce and workplace. Employees may be doing new things in new ways; all moving away from transaction entry

Mr. Schwenderman explained that these predictions were formulated with input from some of Deloitte's marquee clients, business associates, and principals and partners in the finance function. Although greater detail is provided in the report, Mr. Schwenderman emphasized that these

predictions collectively speak to what finance will be doing, who will be doing it, and what leaders will need to do differently in order to meet business' changing expectations for the finance function. The crux of the matter is that the role of finance is shifting from recording transactions to providing business insights and service.

These rising expectations are perhaps even more pronounced in the insurance sector, which is rife with transactional data. "Being able to analyze those transactions across myriad dimensions would really drive the engine of growth forward," said Mr. Schwenderman. With that in mind, he asserted that a new approach is needed to jump-start analytical capabilities by converging several digital technologies and services into a single offering. This could help insurance CFOs to break free of the technology debt that has been holding them back. It could also put them on track toward mining data and providing valuable business insights while simultaneously helping them to envision very different ways of operating.

Insight desired, action required

Mr. Saxena, F&A service line leader for Genpact, concurred with Mr. Schwenderman that a new approach is needed to help insurance CFOs cope with the new demands being placed upon them. According to a Genpact research report entitled Finance and Accounting: Unleashing Transformation, the finance organization is increasingly expected to provide improved forecasting, enhanced cost-effectiveness and productivity, and the ability to drive organizational change.² The Genpact research further indicates that few, if any, organizations are meeting these expectations to a significant extent. For instance, 28% of finance executives in insurance have a structured approach to delivering predictive insights but still cannot accommodate varying business needs, and only 43% are confident in their ability to adopt and embed digital technologies within the finance function.³

Against this backdrop, Mr. Saxena contended that the insurance industry has to act now or risk losing its relevance. It must close gaps in protection, innovations, data, and trust, which are widening as the market is disrupted - and it must do so amid painfully low interest

rates and the emergence of new business models such as usage-based micro-insurance and insurtech competitors. He further asserted that high-quality, integrated data is the key to progress. Beyond affecting closing and reporting speed, access to high-quality data also determines the finance organization's ability to leverage analytics for better forecasting as well as to generate actionable insights for the wider business aimed at enhancing the customer experience, driving revenue growth, and improving cash flow. "The winners will have the shortest data-to-insights-to-actions journey," said Saxena. "Though many are making progress, finance organizations in the insurance industry presently lag those in other sectors in shifting their focus toward real-time, more predictive insights."

Finance-as-a-service gives freedom to focus

Mr. Davidson, Workday's global head of financial services, go-to-market, observed that cloud-based finance is rapidly gaining traction in the insurance industry. This trend is largely driven by the need for finance to be a better business partner, margin pressures from increased competition, a low-interest-rate environment, and the increased complexity and impact of regulations on core business models. He further noted that the insurance sector has been a prime mover for Workday, especially in cloud-based finance, with several insurance companies having used the platform to standardize and simplify worldwide processes, introduce agility into their operating models, and gain new insights to improve their processes and reduce their cost structures via real-time, drill-down capabilities in finance and HR data. Despite these early successes, he thinks that many insurance CFOs are still unsure about how to move forward on the cloud; they remain mired in complexity and technology debt; or they're looking to ramp up fast with limited upfront investment. Finance organizations searching for their next steps could likely benefit from the emerging concept of finance-as-a-service (FaaS), which bundles best-in-class operations with leading cloud-based technology to create a more complete, turnkey solution.

Building upon the software-as-a-service value proposition, FaaS delivers benefits across six main dimensions:

- Speed-to-value
- Limited upfront investment
- Lower cost of finance
- Flexibility and agility
- Continuous innovation
- Reduced operational risk

In summarizing these benefits, Mr. Davidson asserted that the main advantage of FaaS is the freedom to focus on what matters. "With FaaS, the service partners manage and continuously update a core set of business processes so that the finance organization has more time to improve high value activities and to innovate in areas that are uniquely important to the business," he commented.

Enter GenOne™

Within the insurance sector, nearly every finance organization is looking for connected systems, faster information access, and a consumer-grade experience. The dilemma has been figuring out how to get there. Speakers pointed out that many large insurance firms have grown through acquisition, leaving them with a patchwork of disparate legacy platforms. This technology debt obscures the path forward in their digital journeys and makes it difficult for them to compete with insurtech companies that were born in the cloud.

The response to these challenges is GenOne, a new FaaS offering powered by Workday, run by Genpact, deployed and supported by Deloitte, and enabled and enhanced by OneSource Virtual. Backed by the reputations of these four leading providers, GenOne offers a path forward for insurance CFOs, regardless of their legacy technology landscapes. With GenOne, they can get moving on their digital journeys by quickly obtaining best-in-class process design, a scalable platform, continuous innovation, 24/7 auditability, better business analytics, an enhanced user experience, and a faster close - all with little change to the source system.

“With the agility the finance organization needs today and the amount of change it has to absorb, CFOs shouldn’t have to worry about whether or not they have best-in-class technology and infrastructure components and if their processes are right,” said Mr. Van Valkenburgh. “GenOne largely takes those worries away,” he added.

The speakers agreed that FaaS solutions like GenOne will likely shape the future of finance, as they are changing the dialogue around the level of effort and investment needed to transform. Though it will be unique for each organization, the GenOne business case often includes:

- Ability to deploy 2-3x faster than a traditional migration from a legacy ERP to a new cloud ERP
- Lower upfront financial commitment, freeing cash flow for other business priorities
- Predictable costs that eliminate the need to ask the board for a capital upgrade every 3-7 years
- Built-in, industry-specific leading practices requiring minimal configuration
- Embedded robotic process automation (RPA) and AI tools that reduce the need to purchase add-ons to the powerful Workday platform

- Ability to stay current on risk and security controls, compliance, analytics, and other rapidly evolving areas in a cost-effective way
- Flexibility to meet changing business needs, including M&A and carve-out scenarios
- Scalability to accommodate rapid growth without having to hire dozens of people
- A single source of truth that accelerates the cycle of insight-to-action
- A faster close by integrating premium, claims, and underwriting processes with core finance processes

Mr. Bax, CFO, OneSource Virtual, stressed that FaaS solutions like GenOne are changing the game for CFOs who are open to a completely different way of tackling modernization, digital transformation, and agile, scalable operations. He emphasized that companies don’t become great because they have the best-looking invoices or because they know how to pay people better than anybody else. “With all due respect, the value we add as a finance organization comes through analytics and insight - measuring ROI, knowing the customer, and recommending how to allocate resources and capital,” said Mr. Bax. “The rote, mundane tasks should almost always be outsourced.”

 Best-in-class finance operations	 Improved financial insight	 Simple contracting	 Accelerated deployment timeframe	 Potential for faster ROI	 Full life cycle support
---	---	---	---	---	--

	In-house resources	Traditional managed services	GenOne
 Upfront investment	High	Medium to high	Limited
 Deployment speed	Long ROI measured in years if feasible	Medium to long ROI measured in a couple of years	Fast ROI measured in months to a year
 Business processes to govern transactions	Bespoke highly fragmented	Bespoke Fragmented, legacy moved to outsourcer	Standardized leading practice
 Digital enablement (e.g., RPA, Machine Learning)	None to very targeted Limited by internal resource availability and capability	Limited to provider Measured against bespoke process ability to adapt	Out of the box Best-in-class

Looking forward

Finance will not look the same in five years' time. CFOs will be asked to be more strategic in growing and protecting the business. In this environment, patch-fixing or ripping and replacing infrastructure in a piecemeal fashion isn't going to work. FaaS solutions like GenOne give CIOs and CFOs a new way to modernize while taking the guesswork out of how to scale and operate with agility. By having their finance services managed by a world-class partnership, insurance CFOs can focus on what matters most: providing business insights and services that drive growth and support new revenue models.

Key takeaways from this webcast include:

-  The insurance industry has to act now or risk losing its relevance. It must close gaps in protection,

innovation, data, and trust, which are widening as the market is disrupted

-  The role of finance is dramatically changing. CFOs are increasingly being expected to drive new growth engines and revenue models
-  Older technologies and processes are too difficult to fix and replace piecemeal. The concept of FaaS changes the game by giving CFOs a way to throw off the shackles of technology debt, outsource mundane processes, and focus on what matters most - actionable insights and strategic decision-making
-  GenOne offers a new path to modernization, digital transformation, and agile, scalable operations. It is a future- focused service delivery model that combines managed services with data and process standardization, while leveraging advanced technologies such as Workday Cloud, ERP, AI, and RPA

To learn more, watch the [evolution of finance in insurance webinar](#).

<https://www2.deloitte.com/content/dam/Deloitte/us/Documents/finance-transformation/us-ft-crunch-time-V-finance-2025.pdf> 2 Finance and Accounting: Transformation Unleashed, Genpact, December 2019.

<https://www.genpact.com/lp/finance-and-accounting-unleashing-transformation3> Finance and Accounting: Transformation Unleashed, Genpact, December 2019.

<https://www.genpact.com/lp/finance-and-accounting-unleashing-transformation>

About Genpact

Genpact (NYSE: G) is a global professional services firm that makes business transformation real. We drive digital-led innovation and digitally-enabled intelligent operations for our clients, guided by our experience running thousands of processes primarily for Global Fortune 500 companies. From New York to New Delhi and more than 25 countries in between, we connect every dot, reimagine every process, and reinvent companies' ways of working. [Transformation happens here.](#)

For additional information visit, <https://www.genpact.com/finance-accounting/genone-finance-as-a-service>

Get to know us at [Genpact.com](#) and on [LinkedIn](#), [Twitter](#), [YouTube](#), and [Facebook](#).

