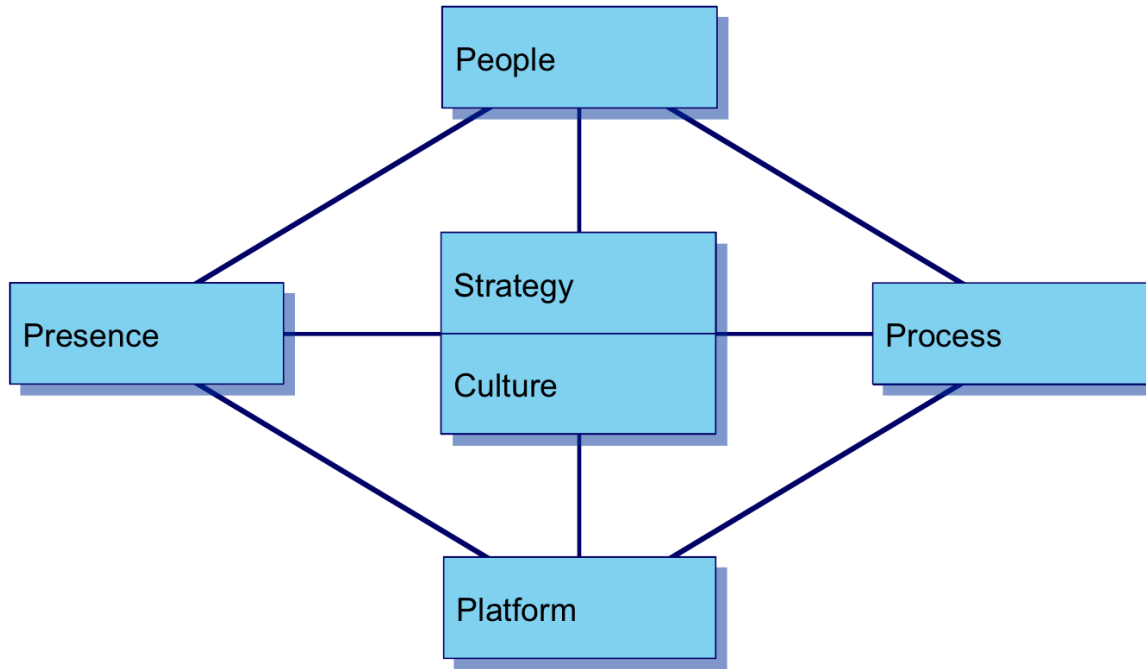


Product Agility Diamond Framework Part 2

By Kathy Woodliff



Insurers have a desire to grow, improve profits and provide additional value to their customers. Product Agility is a strategic capability that enables insurers to rapidly generate value.

The Product Agility Diamond is similar to an enterprise or business agility approach, in that each has core components that are integrated and concurrently managed for successful operational transformation. Even though this article lays out an integrated framework, implementing any component of the framework can derive value.

Rather than talk about the framework from a theoretical perspective, I will use a personal example. I'm a cycling enthusiast and several years ago I wanted to buy a new bike. When I went to the dealer, I found a bike with some of the features I was looking for and another model with other features I was interested in, but there wasn't one model that had all the features that I desired. When I went back the following year, I found a model that combined the features of the previous two models, but it still did not represent all the features I wanted.

It reminds me of how insurers build products. They build a set of products that meet most of the needs of a group of customers, but they can't build their products and pricing approach to meet the customized needs of their customers without spending a lot of money. At the end of the day, they still have a slow development process and a generic product offering.

Imagine the value insurers could realize if they were able to quickly and cost effectively mass customize products that would meet their customer's individualized needs. The bike manufacturer I mentioned can now provide mass customization so that customers can build their dream bike. That's what gets me excited in my consulting practice, because I have built a framework that enables insurers to do the same thing.

In the last article I briefly described the framework. In this article I will focus on one component – the Platform. The Platform can serve as the launching pad for companies who want to quickly add value to customers and experience some immediate benefits. The Platform streamlines the development and rollout processes, while enabling insurers to mass customize their products.

There are two main aspects to this: technology and architecture.

First, technology. It's critical to have the right tools and software to externalize product rules so that it's easy to configure products. This is what streamlines the processes.

The second is product architecture. This enables insurers to build products with reusable components to capture data at more granular levels, which leads to greater pricing sophistication.

In addition to meeting customer needs, this approach accelerates speed to market. The first to market has driven profitability at leading financial services companies over the past two decades. It leads to less direct competition and above average market penetration. Insurers also realize a reduction in long-term development costs. It eliminates re-inventing the wheel and duplication each time a new product is developed, and leads to faster cycle time.

If you are interested in knowing more about how your company can leverage the Product Agility Diamond to add value to your customers and generate additional growth and profit within your organization, feel free to contact Kathy at 1.800.813.2155 or kathy@woodliffglobal.com.

Kathy founded Woodliff Global in 2009 to focus on Product Management Consulting in the Services Sector with an initial focus on Insurance Companies. She works with companies to diagnose how customer needs are identified and how to design, develop and deliver products to meet those needs. She has a proven track record of success in launching new initiatives and taking a consultative approach when working with different business units within a company.

If you missed part 1 of the Product Agility Diamond Framework, [click here](#).