

How tech strategy empowered revenue returns

Narrator

Welcome to Grant Thornton's Tech Transformation series, where our knowledgeable team discusses ways organizations can use technology transformation to improve efficiencies, drive better business decisions and ultimately greater financial success. In this episode, you will learn how Grant Thornton is helping a midsize insurance broker develop a technology strategy to expand its customer base and grow its revenues fivefold over the next three years. You'll hear first from Nauman Afzal, a managing director in Grant Thornton's Business Advisory Services practice, followed by Supreet Singh, senior manager in Business Advisory Services.

Nauman Afzal

This company is a midsize insurance broker and they were struggling and were looking for guidance on how to best improve, grow, automate and innovate their business. There is disruption that's happened across financial services with fintech and insurance. You can say the insurance providers have had disruption, but there hasn't been too much disruption that's happened in the insurance brokerage space. And they looked at it as the white space for them to come in and take advantage of that opportunity in the market. Their aspirations were to grow from about 150 million in revenue to about a billion within the three-year period. So you know, data is essential to companies trying to grow their business by finding customers to sell insurance products too. They were having challenges managing that data. So that's the problem statement that they came to us with and then said, "Hey. we need your help." Actually, they didn't have an enterprise or business strategy that was clearly defined, which was preventing them to actually being able to create a technology strategy that was aligned to the business needs and have an enterprise operating model, let alone an IT operating model to support that enterprise operating model. And they themselves recognized the fact that their technology stack is lacking. So our approach was, it's going to take 18 months. Here's an 18 month road map. We're going to be spending \$25 million over the course of this 18 months. How much increased revenue will you be generating as a result of this. And our return on that 25 million was around 8 or 10x of that. So you can imagine 200 million to about 250 million in

increased revenue as a result of investing 25 million over the 18 month period. And as they scale out the business and they are able to attract more agents, then you're able to increase and expand on that 200 to 250 million and get closer and closer to that \$1 billion aspiration revenue aspiration as a company over a multi-year period.

Supreet Singh

Nauman mentioned the different systems. So when we look at employee or associate satisfaction, their associates are the agents. They can: A. purchase a lead that they know is not stale and close on it, right? Everybody wants to make money. The way they're going to do that is through a consolidated system, right, not a lead system, a commission system, a closed system — not having to go through these disparate systems. They are a smaller organization. They have folks that are wearing multiple hats. This is a smaller startup mentality. Folks are working on multiple tasks, so we were able to tailor our team to match their team and then in terms of the solution itself, we they started with a strategy, then we came into design of a kind of a one view. We were able to look at those “low-hanging fruits,” those revenue engines, to get to large revenue amounts quicker. So it was a tailored solution for their system. And it's the solution, but I think it's also the partnership.

Narrator

Thanks for listening. For more about how Grant Thornton helps put technology into the hands of every business professional, visit gt.com.