

Zycus powers procurement performance  
for **Insurance** industry

**ZYCUS**<sup>™</sup>  
PROCURE PERFORMANCE



# Make procurement **the key element** of business performance

Global market conditions for insurance companies could not be more demanding. But if the challenges are numerous, so are the opportunities for procurement and supply management teams to affect business performance in positive ways. Zycus is here to help. We offer customized solutions that are highly attuned to the insurance industry's unique requirements and challenges.

## PROCUREMENT PERFORMANCE IMPACT

360-degree spend visibility and intelligent sourcing gives insurance industry procurement teams enormous power to maintain cost competitiveness, increase profitability, accelerate cash flow and source more globally in support of both innovation and new-market penetration opportunities. The solutions deliver:

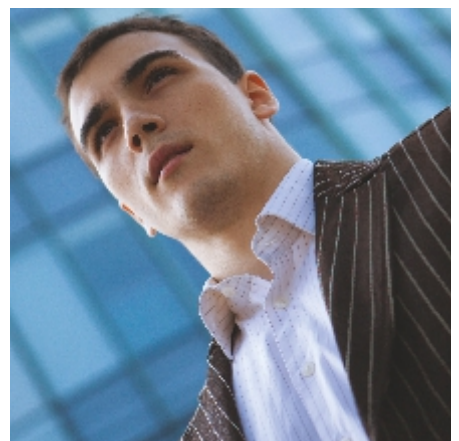
- Frequent, detailed and accurate classification of all spend transactions
- Abilities to manipulate and view spending from a wide variety of angles and across costly operational processes such as claims processing
- Tools for mining spend data for opportunities that can influence everything from prices paid to consumption and cash flow
- Rapid acquisition and synthesis of information from global supply markets
- Abilities to conduct sourcing events with multiple suppliers in short periods of time

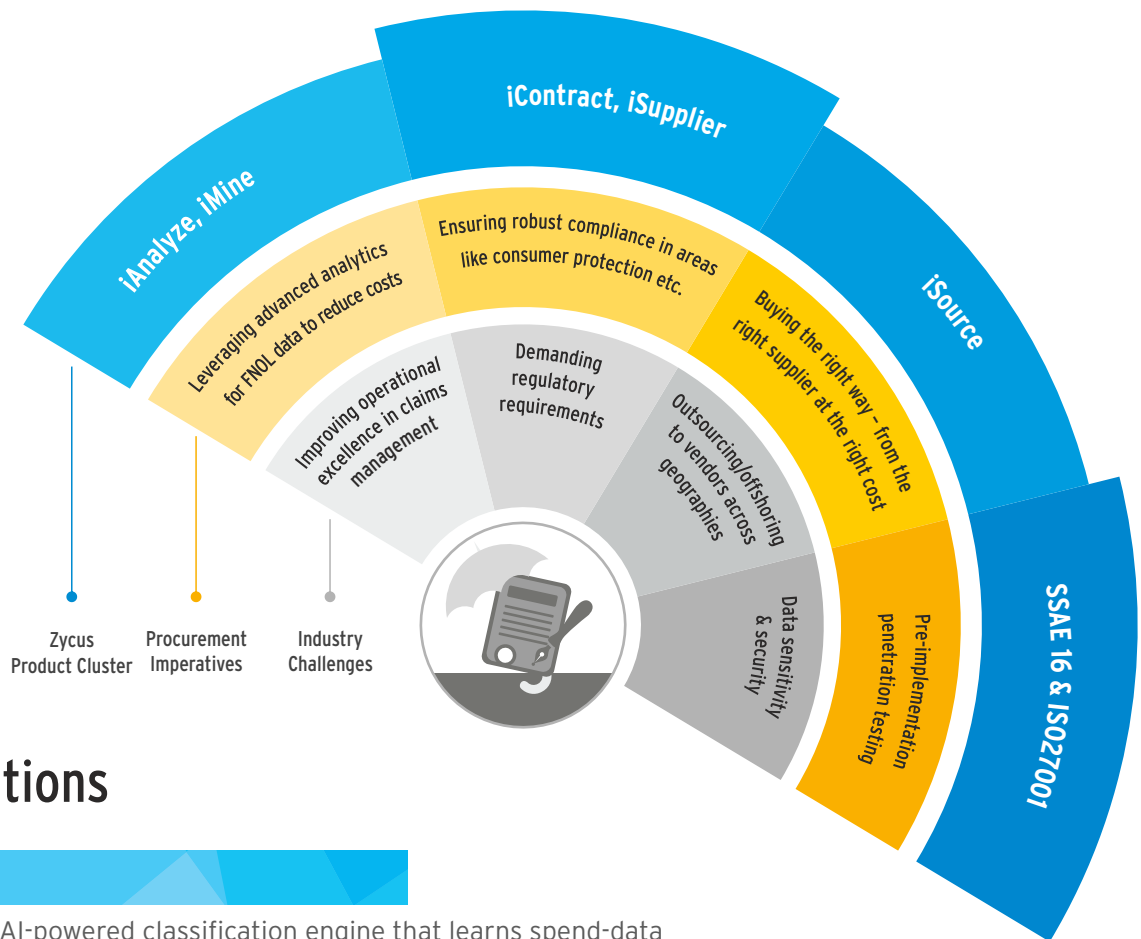
Disciplined and thorough contract and supplier management ensure that insurance firms source from the best suppliers and outsourced services partners at the right costs while maximizing compliance and minimizing risks. The solutions enable:

- Thorough vetting and rapid onboarding of new suppliers and outsourced service providers
- Consistent, risk-conscious establishment and ongoing management of performance, contract and regulatory compliance among suppliers and service providers

## INDUSTRY CHALLENGES

- Downward pressure on premiums compounded by weak investment income is eroding profitability and intensifying competition
- Saturation and sluggish growth in advanced economies is driving market expansion into riskier geographies and less familiar product and service offerings
- Government scrutiny and regulation is increasing dramatically and focusing on everything from capital & risk management to tax compliance, from internal governance & reporting to knowledge management around customers and suppliers
- Consumers are demanding greater technological innovation and higher service levels in policy administration and claims processing
- There are greater demands for ironclad data and systems security, information privacy and protection.





## Zycus Solutions

### Spend Analysis

With its patented AI-powered classification engine that learns spend-data idiosyncrasies for entire industries such as insurance, Zycus offers both standard and custom spend taxonomies that can be leveraged to accelerate analysis and drive classification accuracy across all categories to 90% and beyond. The Zycus Spend Analysis solution (iAnalyze & iMine) empowers insurance companies to:

- Perform powerful multidimensional spend reporting in support of rigorous financial reporting and compliance requirements
- Gain greater control over noncompliant spending and identify more opportunities for placing services and other categories under management by procurement
- Automatically generate strategic opportunities for supply base rationalization, contract compliance improvement, demand aggregation and payment terms rationalization in such critical spending categories as IT software, services and hardware, management advisory, legal, business law, audit, administrative, marketing, travel, utilities, human resources and cleaning services
- Understand how spending rolls up by product lines and costly operational processes such as claims processing and intake of First Notice of Loss (FNOL) data. (With up to 80% of each earned premium dollar being 'claimed by claims', such capabilities can lead to significant operational cost savings.)

### eSourcing

The Zycus e-Sourcing solution (iSource) offers RFx templates that are specific to the financial services domain and also configurable for virtually any item or service being sourced, including complex business processes and services outsourcing. The solution enables insurance companies to:

- Quickly build sourcing events and solicit supplier bids from anywhere in the world
- Analyze complex inputs from suppliers and award business both promptly and optimally

# Zycus Solutions

## Contract Management

The Zycus Contract Management solution (iContract) minimizes risk exposure in contracts and empowers procurement organizations to:

- Ensure use of proper standard clauses for a wide variety of purchase types (for example network providers in the case of health insurers and claims management outsourcing in the case of casualty insurers)
- Match transactions to contracts to assure utilization and compliance to pricing and other performance terms
- Make sure that contracts are never automatically renewed without proper due diligence
- Ensure that supplier service level agreements (SLAs) are part of contracts to minimize risk in outsourcing relationships

## Supplier Management

With its unique blend of supplier information management (iSupplier), performance management and collaborative performance improvement capabilities (iPerform), the Zycus Supplier Management solution enables insurance-industry procurement teams to:

- Obtain and maintain accurate and timely information around supplier credentials and certifications
- Manage risks associated with supplier compliance to laws and regulations (SOX, GLBA, BSA, FCPA, FSA)
- Employ KPIs (credit capacities, payment policies, support capabilities etc.) customized for insurance supplier categories
- Collaborate with suppliers to enhance supplier development programs

## ABOUT ZYCUS

At Zycus we are 100% dedicated to positioning procurement at the heart of business performance. With our spirit of innovation and a passion to help procurement create even greater business advantages, we have evolved our portfolio to a full suite of Procurement Performance Solutions - Spend Analysis, eSourcing, Contract Management, Supplier Management, Financial Savings Management, and Procure-to-Pay.

We believe our deep, detailed procurement expertise and a sharp focus on being responsive to our customers has reflected in us being positioned as a 'Leader' in the '2013 Gartner Magic Quadrant' for Strategic Sourcing Application Suites. We continue to see each customer as a partner in innovation and no client is too small to deserve our attention.

We are a 600+ company with a physical presence in virtually every major region of the globe. With more than 200 solution deployments among Global 1000 clients, we search the world continually for procurement practices proven to drive competitive business performance. We incorporate these practices into easy-to-use solutions that give procurement teams the power to get moving quickly - from any point of departure - and to continue innovating and pushing business and procurement performance to new heights.

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