Create: Business Architecture Case Study

Aabhas Maru

College of Professional Studies, Northeastern University

PJM6620: Project Business Analysis: Needs Assessment

Dr. Wael (Lilo) Altali

July 1, 2023

1. Scope the business architecture work and determine the need of the newly merged organization

As per the information provided by Priya Sharma, below are the stakeholders involved in the Project Business Architecture:

NAME	POSITION
Priya Sharma	Project Head
James Lexi	Senior Manager (Green Lizard)
Mikhal Malak	Senior Manager (Global Promise)
Sheila Morgan	VP of Human Resources
Sarah Jacks	VP of Innovations
Liam Alexander	VP of Operations

Before scoping the structure, I want you to Develop a shared vision and mission statement that reflects the combined strengths and goals of the two companies. This will guide the strategic direction and culture of the merged entity.

As per the information provided by Priya Sharma, the newly merged organization is a bit disorganized. I am providing you with 2 option for Scoping the Claims department by **Value Chain**

VALUE CHAIN:

PRIMARY ACTIVITIES:

1. Inbound Logistics:
a. Claims Intake (Policy Review)
b. Document Management (Data Entry)
c. Initial Assessment (Data Cleaning, Data Analysis)

2. Operations:
a. Claims Evaluation (Data Visualization, Data Science)
b. Investigation and Verification
c. Damage Assessment (Auto, Motorcycle, Boat)
d. Decision Making

3. Outbound Logistics:
a. Claims Settlement (Payment Processing)
b. Communication
c. Documentation and Reporting

4. Marketing and Sales:
a. Customer Communication
b. Customer Relationship Management
c. Promoting Claims Services

5. Services:
a. Customer Support
b. Resolution of Issues
c. Continuous Improvement

SUPPORT ACTIVITIES:

1. Firm Infrastructure:
a. Accounting
b. Strategic Planning
c. Financial Management
d. Quality Control
e. Regulatory Compliance
f. Risk Management
g. Asset Under Management
h. Cyber Security

2. Human Resource Management:
a. Workforce Planning
b. Recruitment and Selection
c. Training and Development
d. Performance Management
e. Employee Engagement

3. Technology Development:
a. Claims Processing System
b. Innovation and Research
c. Data Security and Privacy
d. Technology Infrastructure

4. Procurement:
a. Supplier Management
b. Contract Management
c. Inventory Management (equipment; stationary)
d. Cost Management

2. Provide a plan to develop the process architecture for claims processing.

    A.   Current Processes:

- Conduct a **brainstorming** session with the stakeholders and perform activities like **brainwriting** or **How Might We…..**
- Use tool **Root Cause Analysis (5 Why's or Cause & Effect Diagram)** to identify the main problem.
- Use **Divergent (What problem are we solving) and convergent (Best successful solution would be)** technique to identify the best quality claims process.
- Create **Current Journey Map** to understand the expectations and pain points in the current process
- Priya this will help you to visualize the stakeholders pain points and goals.

    B.   Future State Vision:

- After meeting with stakeholders conduct a small **survey** to gather more information
- Use **Relationship Map,** as two teams are now merged to work together this tool will help to identify the output of your team.
- Use **ADKAR Model (Change Management),** as senior manager are resisting towards change. This tool will help you in defining the importance of change to the team.
- Based on all the information create **Future Journey Map** for the best claim processing method.
- Use **Context Diagram** to see if the system fits into the environment.
- These tools will help you to visualize and prepare a solution for pain points and prepare for constraints that could possibly arise.

    C.   Process Requirements:

- Use **Gap Analysis** to understand the difference between the current processes and the desired future state.
- Use Volere Requirement Matrix to write the requirements.
- You can do **Requirement Elicitation, Requirement Analysis and Solution Evaluation** with stakeholders to get the clear and comprehensive understanding of needs.
- You can also use Volere Prioritization Matrix to know which requirement to focus on first.

    D.   Designing Process Architecture:

- You can use tools like: Job to be Done; 360 Empathy; Persona Map; User Context; Mind Mapping; and Storytelling.
- This will help in ensuring the goals are in accordance with the Value Chain that has been established.

All the tools mentioned above will help you to visualize the stakeholders pain points, requirements and goals and will help you in planning and implementing one system.

3. Provide a plan to develop the capability map for claims processing.

Once you are done designing the Process Architecture you can use that information in generating the Capability needed for operations. (Exhibit F).

By utilizing the below provided table, Priya you can identify the customer journey and establish the necessary customer and business processes. Engage the Senior Managers from both companies in meetings to tap into their expertise and brainstorm the available capabilities. This collaborative approach will help determine the existing and required capabilities to achieve the desired future state. By connecting the customer journey, processes, and stakeholder insights, you can develop a comprehensive plan for seamless claims processing.

Customer Journey	Customer Process	Business Process	State
Decides to file insurance claim for the damages for the insured vehicle	Files claim for the insured vehicle	Claim validation	Claim validation received
Claim Rejection: Policy Invalidity	-----	Customers data	----
		Policy Validation	----
		Notification system	----
Claim Reject: Damage out of insured risk	----	….	----
Claim Approved	Waits for payment	Automatic Transfer of Payment (Payment Processing)	Payment Accepted

4. Provide a plan to measure business performance as it relates to claims processing.

- The one approach to measure business performance is defining **KPI's,** based on the defined KPI's you have to measure whether the plan that put into action is meeting the KPI or not.
- Another tool you can use to measure business performance is **Balance Score Card**

KPI Tracking Example: This table can be used for defining performance for departments like Claims Department

KPI	Description	Measurement Method
Claim Processing Time	Average time taken to process a claim	Time Tracking
Claim Accuracy	Percentage of claims processed without errors	Error Tracking
Customers Satisfaction	Rating or feedback from customers on claim experience	Surveys
Claims Settlement Ratio	Percentage of claims settled successfully	Settlement data
Claims Escalation Rate	Percentage of claims escalated for further review	Escalation data

Balance Score Card: This table can be used organization wide

Perspective	KPI	Objective	Target
Financial Perspective	Cost per claim	Achieve cost efficiency	Reduce Cost per claim by 10%
	Claim settlement ratio	Increase successful claim settlement	Achieve a settlement ratio of 95%
Customer Perspective	Customer Satisfaction Rating	Enhance Customer experience	Achieve a rating of 90% of higher
	Claim escalation rate	Minimize claim escalations	Maintain escalation rate below 5%
………	……………	…………..	…………..

The above two tools will help you to measure the business performance.

Priya feel free to reach out to me within the next 2 working days, if you are not able to understand any of the tools and how to implement them.