Case Study

Risk Intelligence: Accelerating Innovation in Catastrophe Risk Management

Company: HX, part of Howden Group

Headquarters: London, UK

Industry: (Re)Insurance

Working with RMS: 3 years

RMS Products: Intelligent Risk Platform™, Risk Modeler™, SiteIQ™
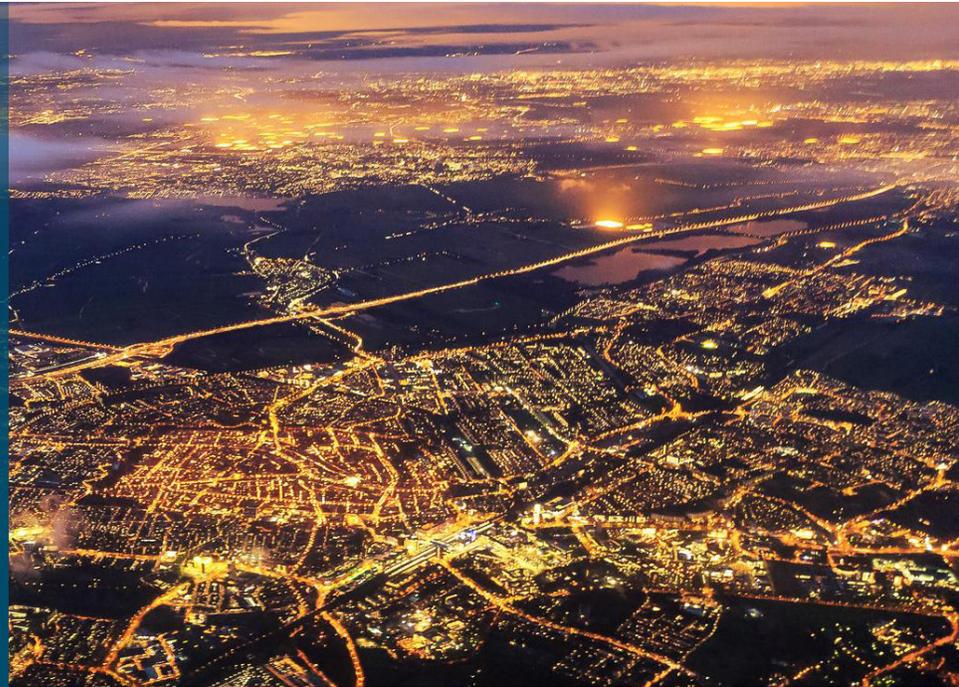
The Goal – To Improve the Risk Transaction

Howden is a leading international insurance group that includes Howden Broking, a global (re)insurance and specialty broker, and DUAL the world's largest international underwriting agency. It provides insurance broking, risk management and claims consulting services worldwide.

By applying broad industry expertise, highly advanced data, technology and analytics capabilities, Howden is constantly unlocking new opportunities for its clients. A core component of this is HX Analytics (HX), an arm devoted exclusively to generating superior data insights and focused on developing innovative ways to transact risk more efficiently and effectively.

The Objective – Maintaining a Market-Leading Insurance Analytics Platform

HX has created a rich data environment which feeds a range of client-focused analytical solutions. Delivered via its Nova platform and connected to its Accelerator broking data engine, ReThink software and xTrade marketplace, it synchs proprietary data with comprehensive third-party information to generate global market intelligence.

As part of the evolution of this ecosystem, HX selected RMS's cloud-based Intelligent Risk Platform, accessing the firm's leading models via the platform to provide best-in-class catastrophe modeling analytics. Its open and modular framework allows HX to seamlessly integrate and automate core modeling workflows, enhancing the level of actionable insights generated for Howden and its clients. Intelligent Risk Platform can also support HX's broader vision of providing the world's clearest window into the global insurance markets and enabling smarter decision making for its clients.

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> If you use a tennis analogy, HX is creating the best data court in the industry, and we are inviting those market players who can truly perform for our clients to play on it — RMS is one.
>
> David Flandro, Managing Director, HX Analytics

The Solution – Risk Modeler on Intelligent Risk Platform

Risk Modeler, part of the Intelligent Risk Platform, is a highly flexible and scalable modeling application. It runs the global suite of RMS's market-leading catastrophe models, including its innovative North America Wildfire and Global Flood peril models.

Outcome Summary

Full automation of multiple cat modeling data processes

Seamless integration into existing infrastructure via API

Shift from on-premise platform to cloud environment

Greater focus on high-value analysis rather than IT maintenance
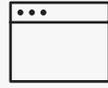
Modular RI platform provides instant access to suite of RMS models and applications

Flexibility and scalability to expand in tandem with Howden's strategic vision

The application streamlines and automates modeling workflows through an API-first development methodology and suite of developer resources. HX values its open, modular, secure, and scalable architecture as it supports the company's plan for further innovation with minimal operational burden and reduced resource requirements.

The Process – Close Collaboration at All Stages

HX's catastrophe modelers and developers worked directly with RMS developers during an eight-week preview program. This two-way, customer-focused interaction was highly productive and ensured RMS had a granular understanding of the client's requirements.

HX conducted a detailed assessment of Risk Modeler's capabilities against core business objectives, while RMS gained valuable insight from testing critical software components with active workflows and experienced data users. HX also tested Risk Modeler's comprehensive suite of APIs to assess the ability to automate workflows and integrate with existing infrastructure, including its extensive range of market, client and internal applications spanning multiple product groups and business lines.

The collaboration continued with RMS working closely with HX from preview through to onboarding to provide a seamless experience. Transitioning to the cloud was made easy by leveraging Data Bridge, providing HX the flexibility to transition existing RiskLink processes at its own pace, whilst working on workflow automation projects.

The Outcome – A Seamless Integration into HX's Data Environment

Risk Modeler on Intelligent Risk Platform is now a fully integrated component of HX's data architecture. It functions as a central microservice within the company's multi-application ecosystem, enabling the delivery of catastrophe risk insights that support innovative and effective risk transfer solutions.

Intelligent Risk Platform supports all of Howden's broking platforms and capabilities, facilitating the flow of catastrophe risk insights both internally and externally to clients. The company has removed its on-premise cat modeling system and currently operates exclusively through the cloud-native risk platform. It has reduced total cost of ownership by transferring the onerous and costly maintenance and update requirements entirely to the RMS team.

Operating on Intelligent Risk Platform also provides Howden with the flexibility and scalability to respond to expanding business opportunities and shifting client demand. The SaaS architecture means new HD models – including HD models – and analytics capabilities can be embedded into existing infrastructure almost instantaneously. HX is currently conducting trials of RMS's location risk assessment application, SiteIQ, as well as pricing analytics and portfolio monitoring tool, TreatyIQ.

By mapping RMS's development roadmap to HX's business goals, the two organizations have been able to create a truly differentiating capability for Howden. Working in genuine partnership, they have built a data framework to underpin the existing ecosystem which will support not only current strategic ambitions but also the vision for the future – and RMS will continue to help deliver on that vision.

HX is Howden Group's data, digital and analytics arm, formed in 2019 with the aim to digitally transform and accelerate the growth of Howden and DUAL through the effective use of data, analytics and technology. HX comprises over 150 employees working across four business areas. HX Data, HX Markets, HX Analytics and x Trade Digital Marketplace. HX manages Howden Group Holdings' third party insurtech investments, as well as incubating its own start up ventures. It also houses the Group's capital markets advisory business Howden Capital Markets.