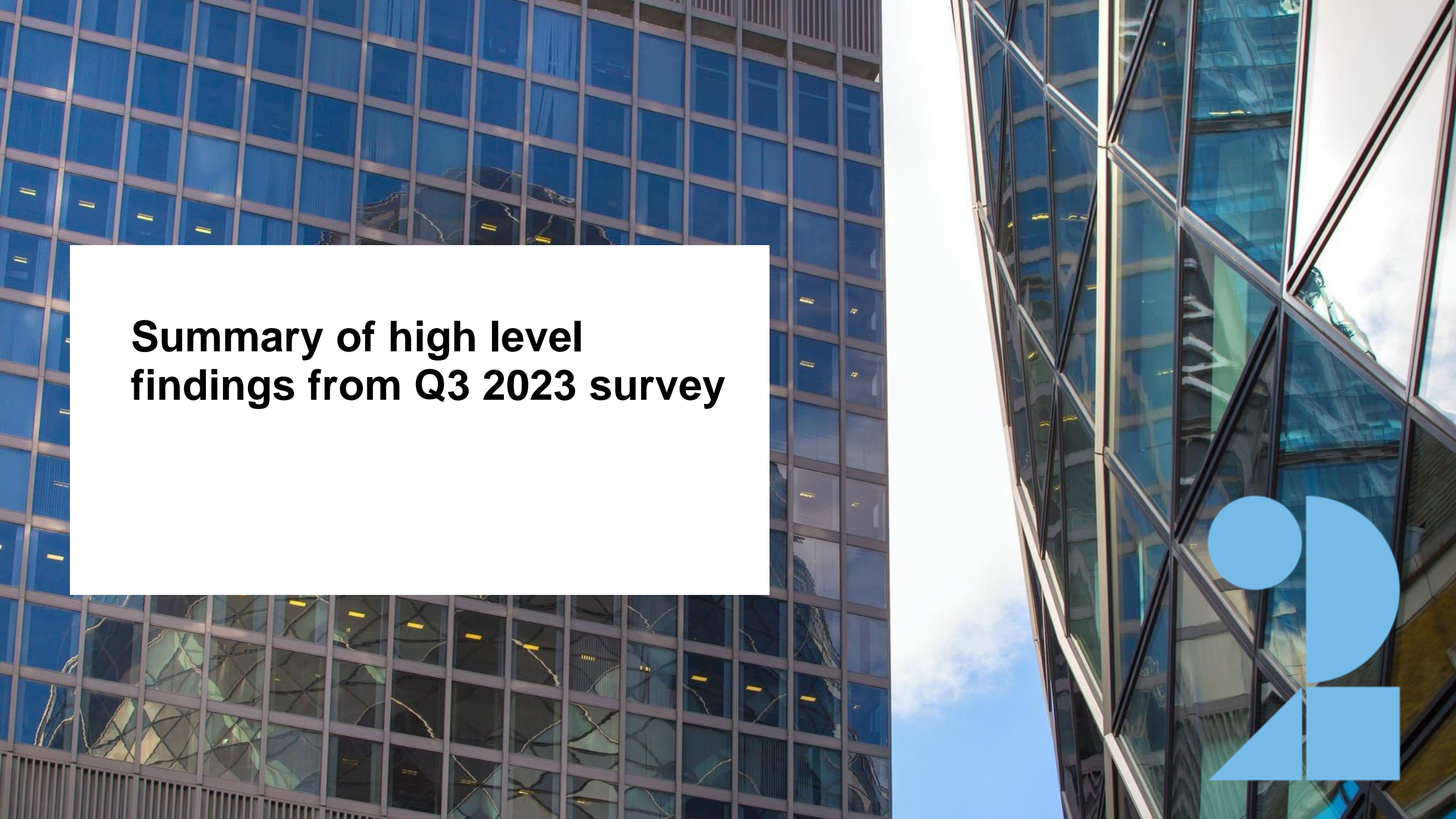


Blueprint Two market survey

September 2023





**Summary of high level
findings from Q3 2023 survey**



Background

- This is the third survey that focuses on the market's perceived understanding of, and readiness for, the adoption and transition to the new digital services. These surveys provide insight into the action being taken by the market and will allow adjustment of both the engagement strategy and help inform delivery timelines if needed.
- The survey was sent to the top 24 brokers (by GWP) and 82 carriers in July and August of 2023 asking nine questions (the full question set is included at the back of the pack).
- The questions in this survey are primarily focused on change management readiness and levels of support within firms, as well as asking for opinions on the main areas of concern that are at the forefront of the market's mind.

Executive Summary

- Overall, the level of progression on change management activities was above the medium levels, with a good level of familiarity on the MRCv3 and CDR. This is positive and shows the regular 1-2-1 engagement with firms and group market events are beneficial.
- However, while the impact of the change seems to be clearer to firms, some still need to complete their internal stakeholder analysis and change plans to be in a good position to adopt the solutions in time. In many cases the right resources have been allocated, although budgets to cover the change still need to be confirmed, especially for brokers. Engagement partners will be working with firms over the next few months to support firms in their progression through some of these key stages.
- The main focus for the next quarter will be for the engagement team to support the level of technical knowledge available to the firms. This will be achieved through further clarity on messaging, refreshing playbooks, the phase one adoption guide and customers journeys, followed by publishing the testing and training approach. These resources will ensure that firms have the detail they require ahead of phase one digital in June 2024.
- The next survey will be conducted in Q4 2023 and will focus on tracking the market's progress towards the adoption of Blueprint Two solutions.
- For those firms that need them, market Blueprint Two champions have change management templates available, including;
 - Stakeholder Analysis
 - Change Impact Assessment
 - Change Plan

Should you have any questions on the survey please [submit them here](#).

Summary of responses from the Q3 2023 survey

- Overall the response rate for this survey was 92% (a 3% increase over the previous survey in Q1 '23) out of 106 market firms.
- The main focus of this survey was to gauge how well market firms are approaching the change in terms of understanding the impact of the change, involving key personnel with the support of senior management, and the resourcing and budgeting requirement that will all feed into a change plan.
- Detailed summary of these results in slides 6 to 12

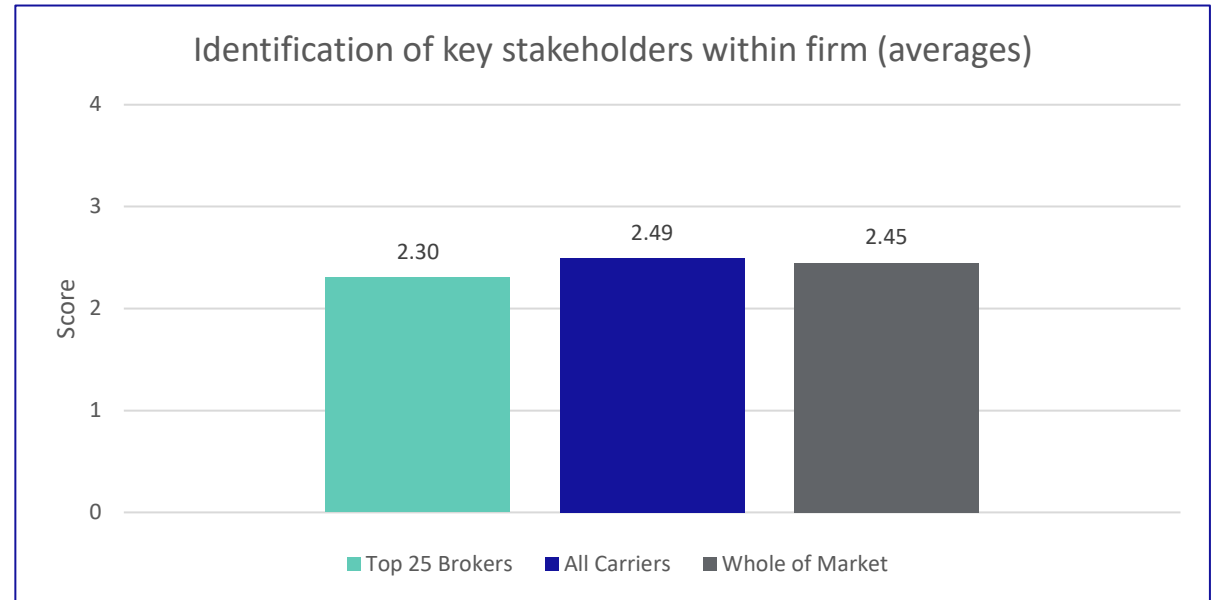
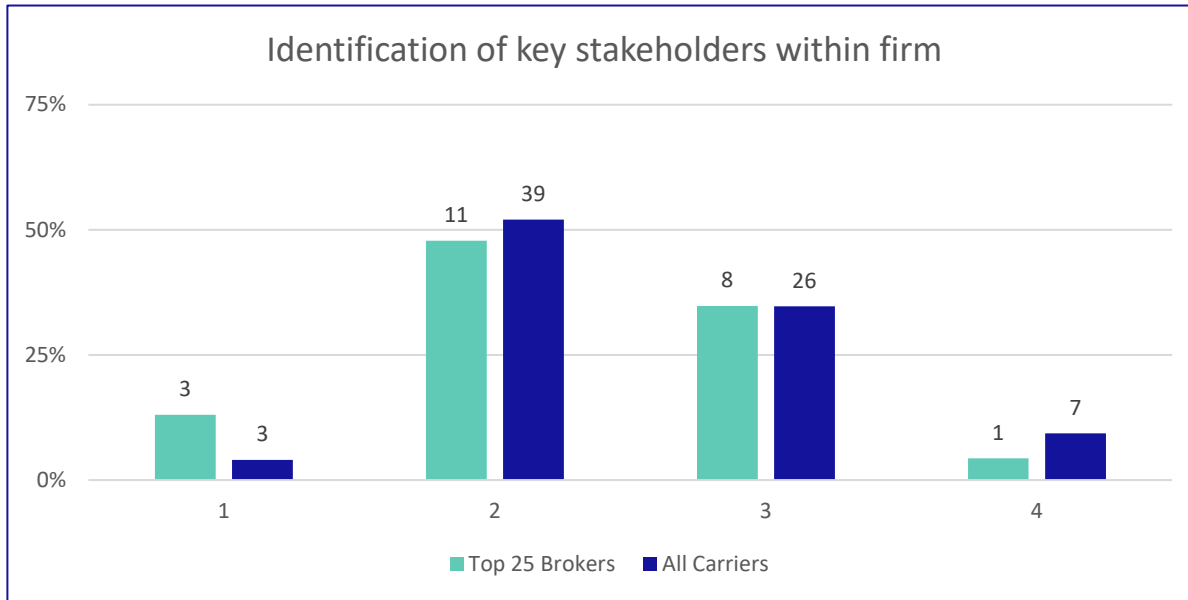
Measure	Target for Q3 23	Result	Q3 23 results/averages		
			Brokers	Carriers	Market
Overall survey responses	Maintain Q1 '23 Baseline	Increased by 3%	96% (+8%)	91% (+2%)	92% (+3%)
Identification of key stakeholders within a firm	New Question	New Question (1-4 scale)	2.30	2.49	2.45
Understanding the impact of the change	New Question	New Question (1-6 scale)	3.74	3.81	3.8
Have allocated resources for Blueprint Two	New Question	New Question (Y/N scale)	71%*	92%*	87%*
Have budget lines allocated for Blueprint Two	New Question	New Question (Y/N scale)	57%*	77%*	72%*
Creation of a change plans within firm	New Question	New Question (1-4 scale)	2.04	2.15	2.12
Familiarity of CDR roles & responsibilities	New Question	New Question (1-6 scale)	4.13	3.62	3.74
Familiarity of MRCv3 content and structure	New Question	New Question (1-6 scale)	4.09	3.41	3.57
Level of senior stakeholder support within firms	New Question	New Question (1-6 scale)	3.70	4.08	3.97

*numbers that answered Yes

Question Responses



Identification of key stakeholders within firm (Stakeholder Analysis)



This is the first time this question has been asked. The aim is to understand how far progressed firms are in identifying their key stakeholders for the project. A strong stakeholder analysis helps in understanding the various stakeholders, their needs and what is required from them to ensure the success of the project.

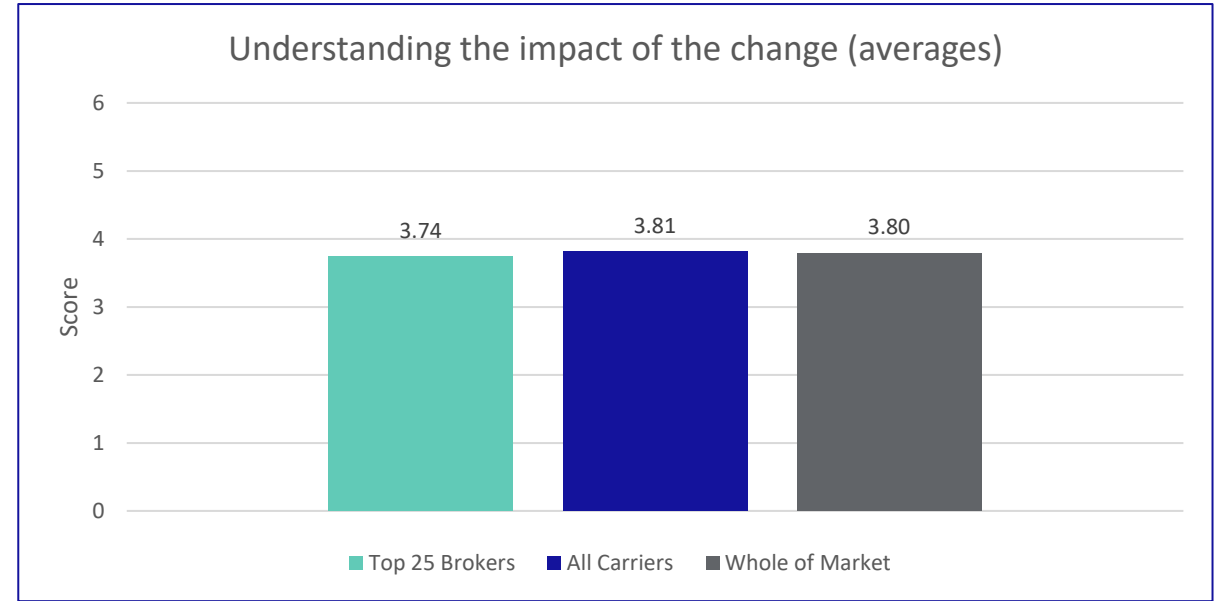
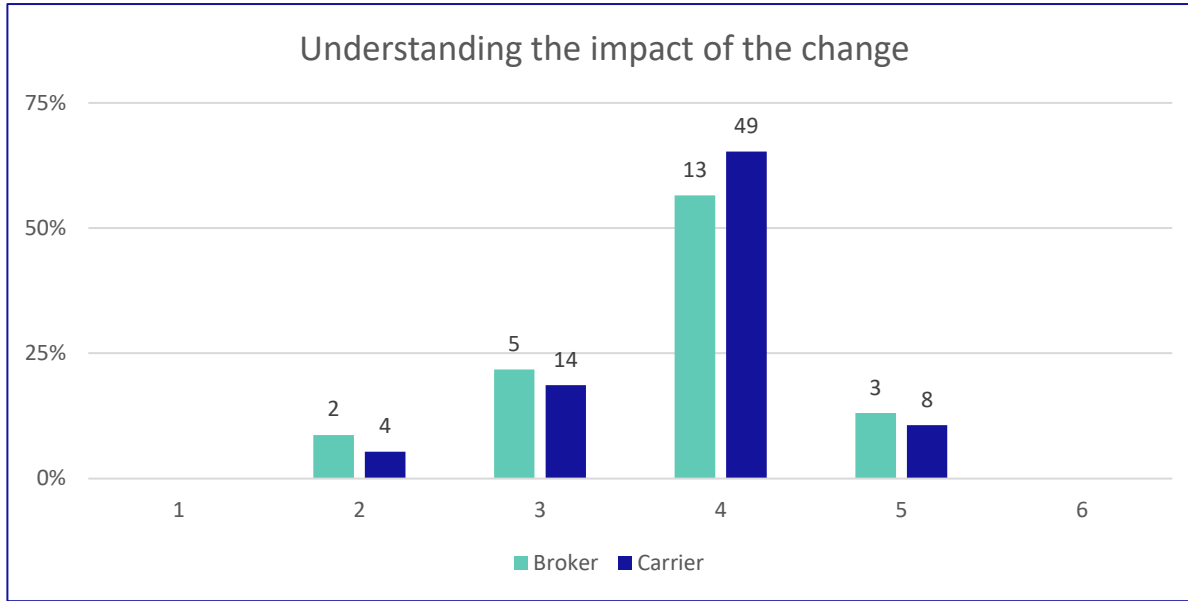
Around half the market firms are still identifying their stakeholders, and 44% of carriers and 39% of brokers have moved on to documenting or have completed their stakeholder analysis so far.

At this point of the project, it is expected that most firms should be documenting their stakeholder analysis, with a view to completing it as soon as possible. This can then feed into a change impact analysis, highlighting how the change will impact people, process and technology, and then support plans for resourcing, budgeting and change planning. These activities are not linear and, as the next slide shows, more firms have considered the impact of the change.

Based on these findings, there will be a strong drive from engagement partners to work with those market firms who have yet to complete their stakeholder analysis. The benefit of this is to ensure that everyone is identified who needs to lead the change, support the change, or is impacted by the change, and that key decisions and actions are taken to ensure it is successful.

Change Management Readiness Scoring: 1 = Not Started, 2 = Identifying, 3 = Documenting, 4 = Completed

Understanding the impact of the change (Change Impact Analysis)



This is the first time this question has been asked. The aim is to understand how far progressed firms are in their understanding of the impact of Blueprint Two on their business. Completing a change impact assessment helps prepare firms for the change from a people process and technology perspective. A template change impact tool is available to the market.

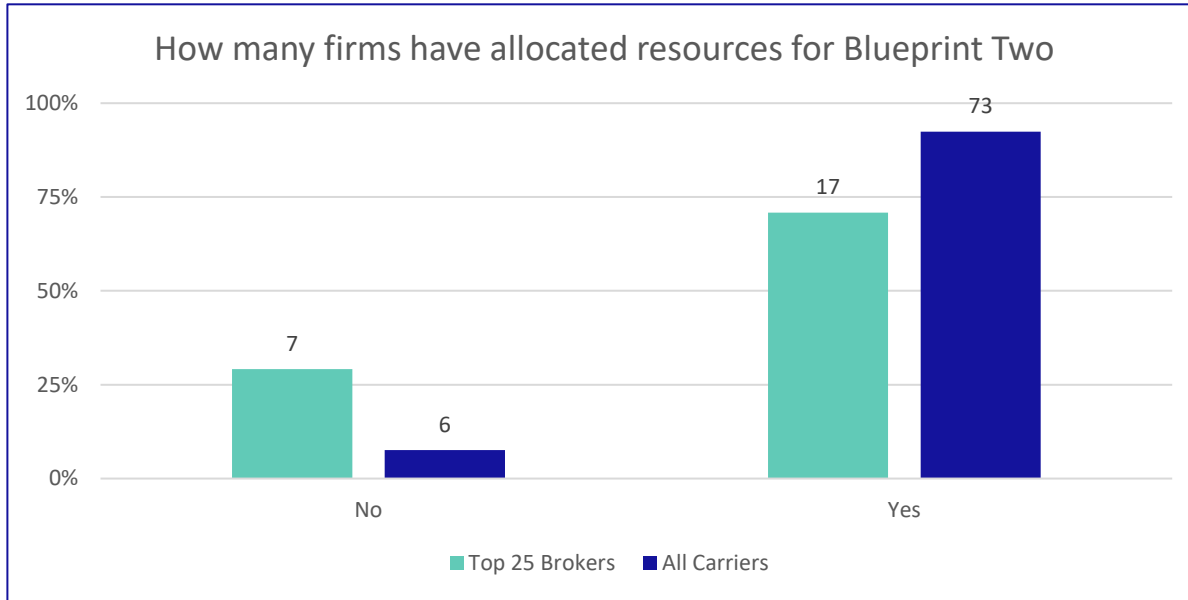
65% of carriers and 57% of brokers have a medium level of understanding on the impact of the change, while 11% and 13% respectively have a high level of understanding. This is encouraging, especially given that there are some elements that the market is awaiting to help assess the impact to their business, including clarity on the approach to customised EDI messages, messaging content and costs.

At this point of the project, it is expected that most firms should have considered the impact, as far as they can, to enable them to move on to managing the change including identifying resources and budget, along with starting to build out their change plan to track progress.

There will be some key elements confirmed during September that will help build a higher understanding of the change impact as we would expect to see market firms moving forward in their understanding and planning in Q4 2023.

Understanding Scoring: 1 = Zero, 2 = Basic, 3 = Low, 4 = Medium, 5 = High, 6 = Expert

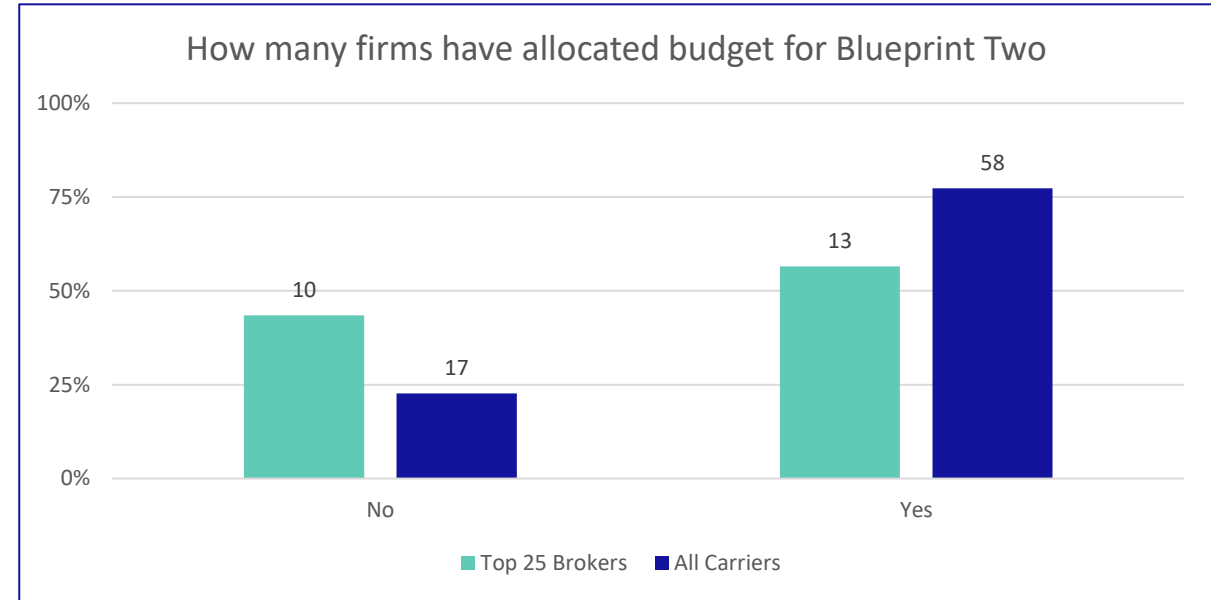
How many firms have allocated resources and budget for Blueprint Two



92% of carriers and 71% of brokers have resources allocated to the Blueprint Two project.

While almost three quarters of Brokers have allocated resources, this is notably lower than the number of carriers who have allocated resources. It will be essential that resources are allocated within every market firm to enable each firm to continue to operate in the market from June 2024.

In completing the survey some firms anecdotally confirmed that they had some resources in place, but not all of the resource that they need. The engagement partners will continue to monitor and highlight where firms have insufficient resources in place to be ready for adoption of phase one digital in June 2024.

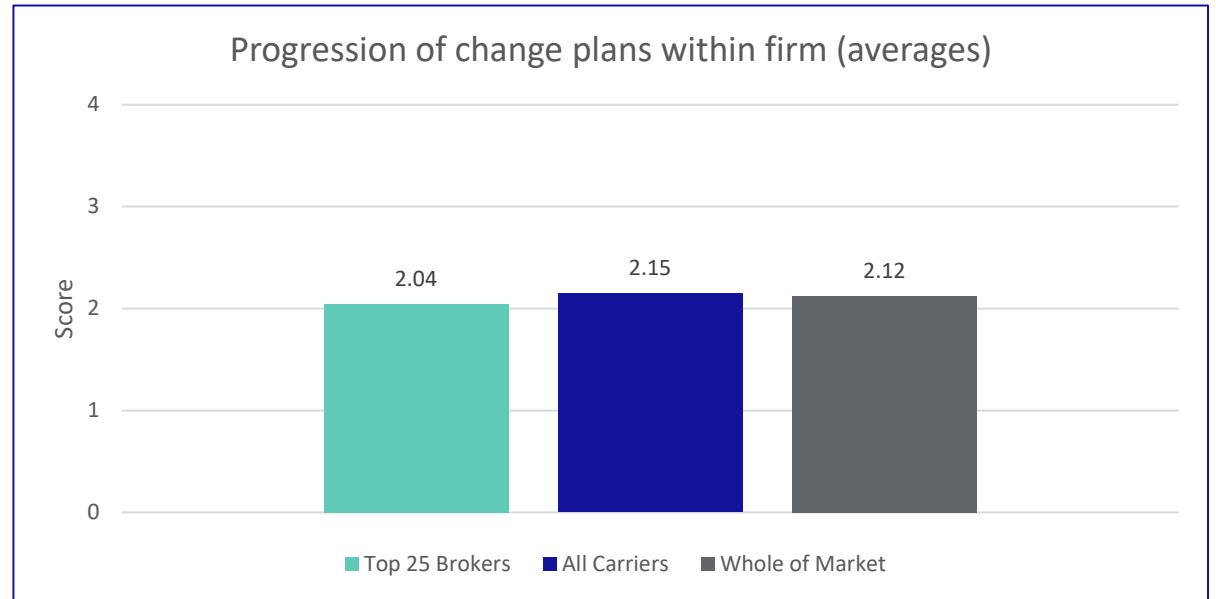
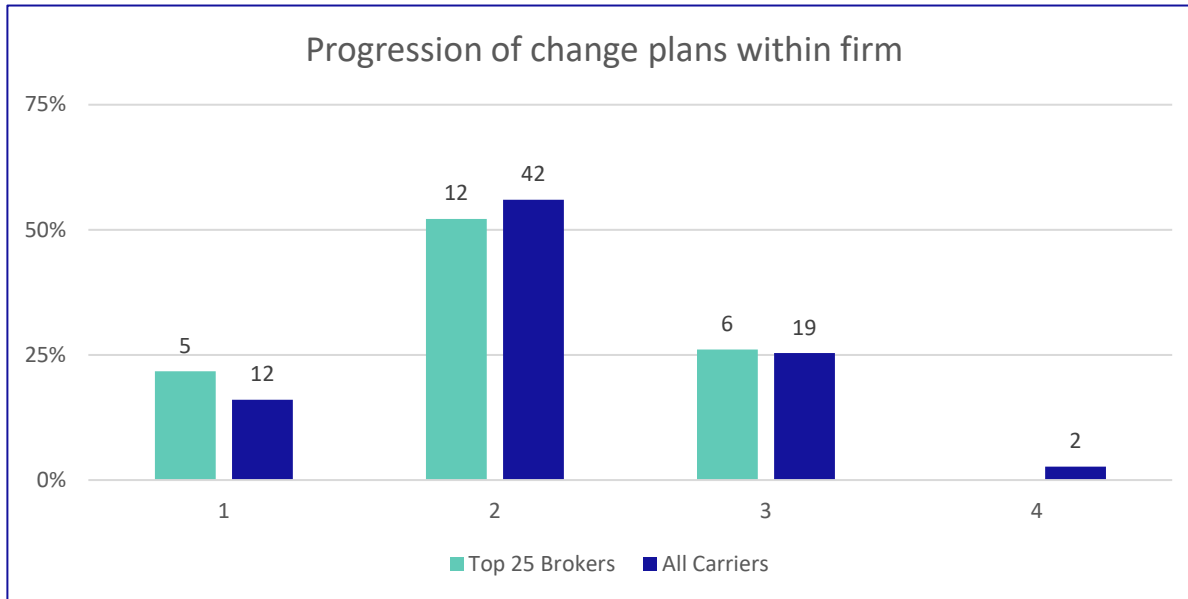


77% of carriers and 57% of brokers have a budget line allocated for the Blueprint Two project.

Looking at the figures, there is a higher proportion of brokers which do not have a budget line allocated. It is expected that most firms would have considered budget by this point, with a view to including a request in the 2024 budget planning cycle.

In completing the survey, some firms anecdotally confirmed that funding for phase one digital would come from existing change budgets, so may not require a specific budget line. The question will be updated to reflect this if used in future surveys. The engagement partners will check in with those firms who do not have a specific budget line allocated to ensure provision is being made to cover the cost of change for phase one digital in 2024.

Progression of change plans within firm



This is the first time this question has been asked. The aim is to understand how far progressed firms are in developing their change plans for the project. A change management plan is a structured approach that an organisation follows to successfully introduce and manage changes within the company.

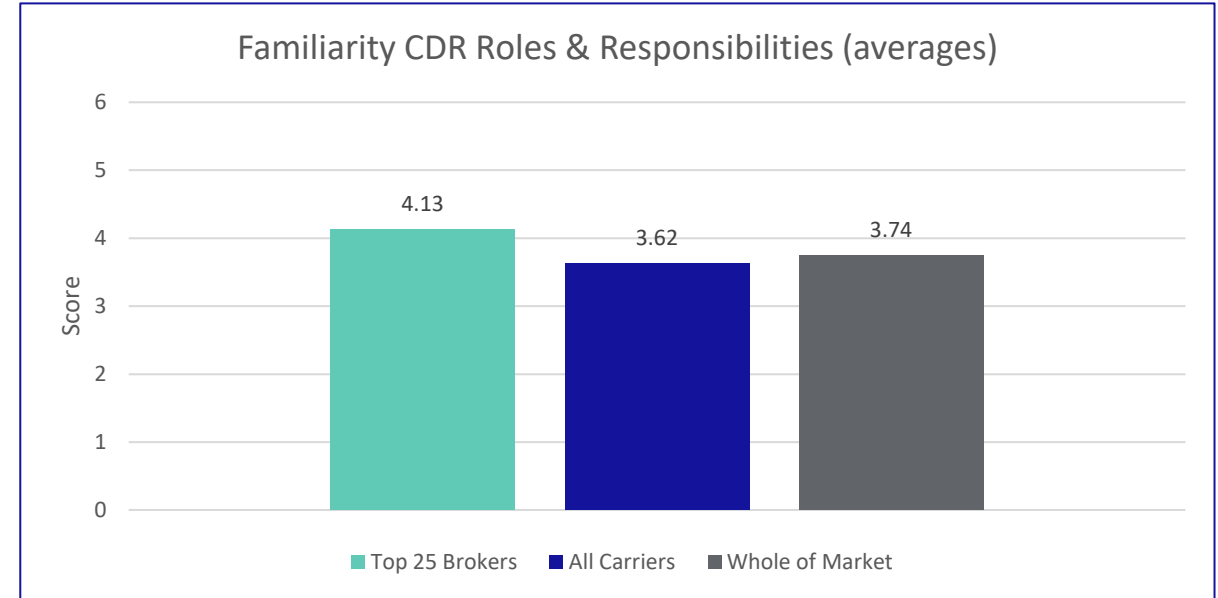
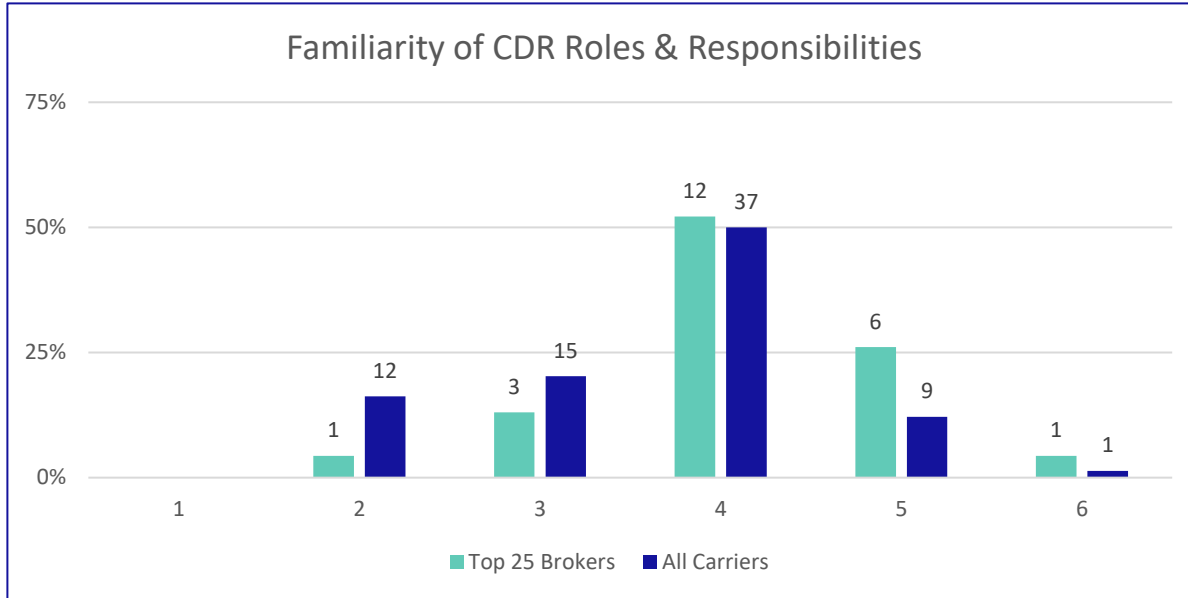
In order to complete a change plan, firms should have first completed a stakeholder analysis and change impact analysis.

Around half of the market is in the process of identify the components of their change plan, with 25% of carriers and 26% of brokers now in the process of documenting their change plan. This is not unusual at this stage of the project as the plan will usually follow a stakeholder analysis and impact analysis which, as shown in previous slides, are still in progress.

Market firms should have a change plan in place during Q4 and there will be a strong drive from engagement partners to track market firm progress to ensure firms are in a good position to adopt Blueprint Two.

Change Management Readiness Scoring: 1 = Not Started, 2 = Identifying, 3 = Documenting, 4 = Completed

Familiarity of CDR Roles & Responsibilities



This is the first time this question has been asked. The aim is to get a more granular view of the level of familiarity of CDR roles & responsibilities within firms.

82% of brokers and 63% of carriers were recorded as having a medium or higher level of familiarity in this area.

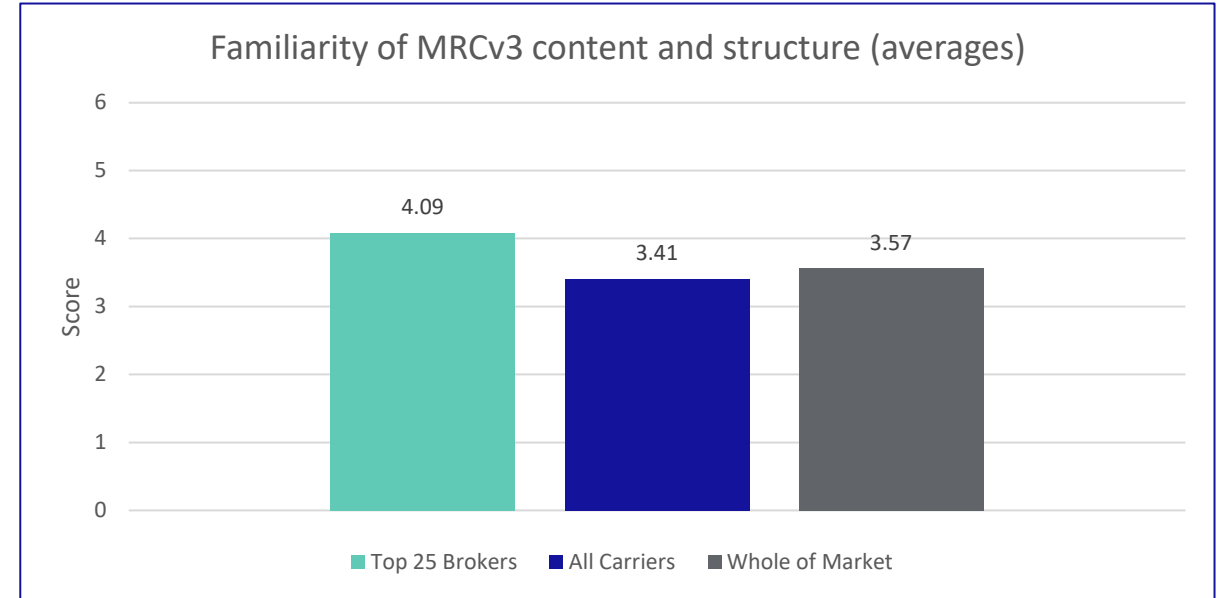
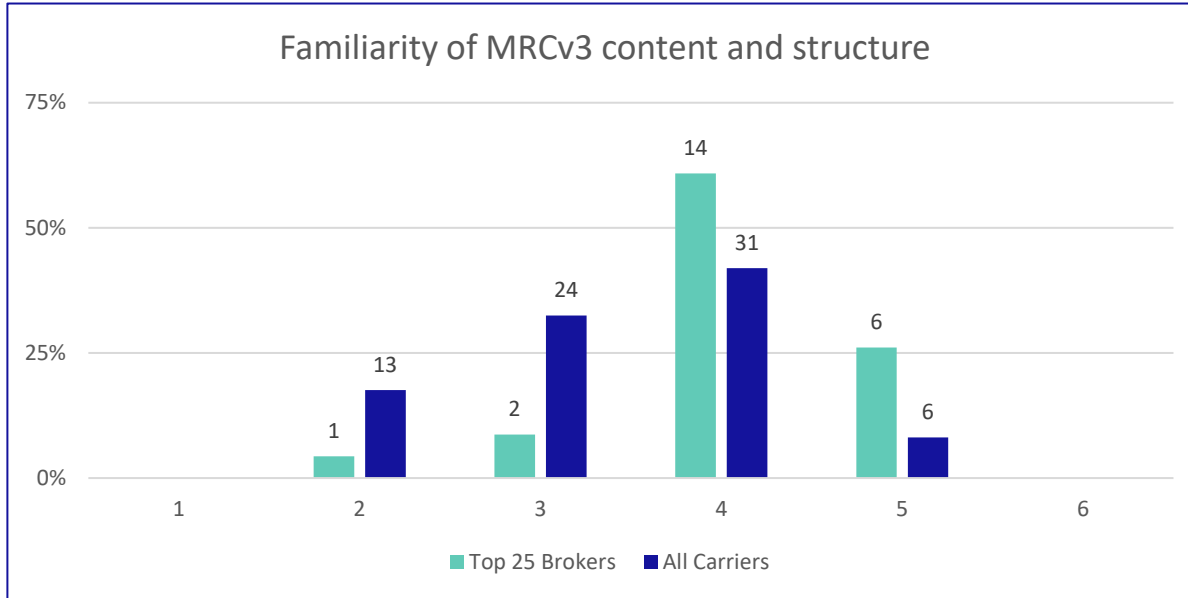
It was anticipated that brokers would be more familiar in this area given they will typically be originators of the data for the CDR, and this is reflected in the results.

This survey was conducted before and shortly after the Process Role and Responsibility report being issued by the LMG, and confidence levels are high that the report has increased familiarity in this area. The engagement partners will check in with market firms to understand if familiarity has increased, with a particular focus on carrier awareness.

Please use this [link](#) if you would like to view the recent CDR Roles & Responsibilities consultation.

Understanding Scoring: 1 = Zero, 2 = Basic, 3 = Low, 4 = Medium, 5 = High, 6 = Expert

Familiarity of MRCv3 content and structure



This is the first time this question has been asked. The aim is to get a more granular view of the level of familiarity of the MRCv3 content and structure within firms.

87% of brokers and 50% of carriers were recorded as having a medium or higher level of familiarity in this area.

It was anticipated that brokers would be more familiar in this area, given they will typically be more involved in the creation of the MRC, and this has been borne out in the results.

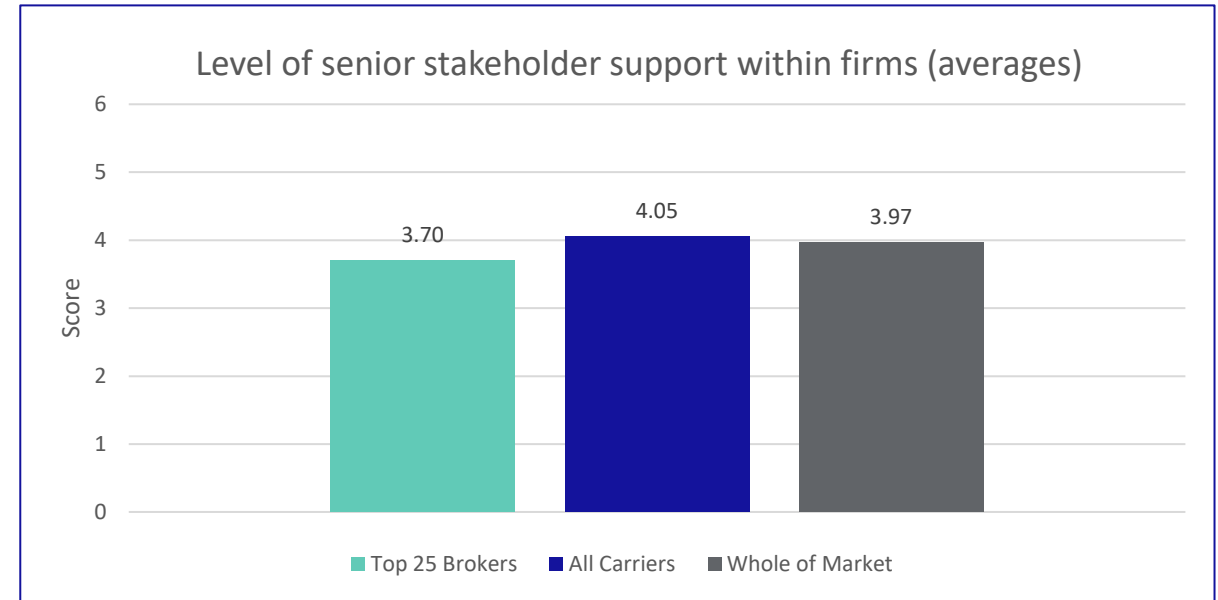
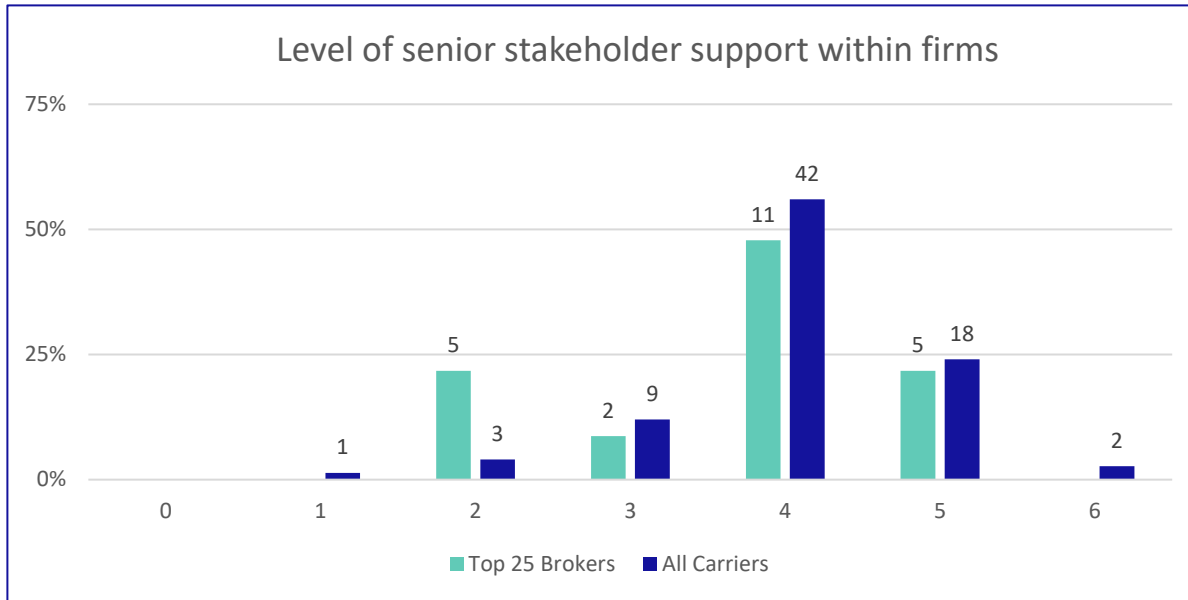
There will be an increased focus, especially with carriers, to raise awareness of the MRCv3, the guidance notes and interactive templates to support the LMG's comments on the use of the MRCv3 from September this year.

Please use this [link](#) to download a copy of the MRCv3 template if required.

Please use this [link](#) to download a copy of the MRCv3 guidance if required.

Understanding Scoring: 1 = Zero, 2 = Basic, 3 = Low, 4 = Medium, 5 = High, 6 = Expert

Level of senior stakeholder support within firms



This is the first time this question has been asked. The aim of this question was to get a sense of the level of support market firm change champions are getting from their senior stakeholders.

Over 70% of brokers and 83% of carriers cited that their senior stakeholders exhibit a medium to high level of support for the project. However, there is a small pocket of brokers where senior level support could be improved from a basic level and the broker engagement partners will focus on better understanding how this can be achieved.

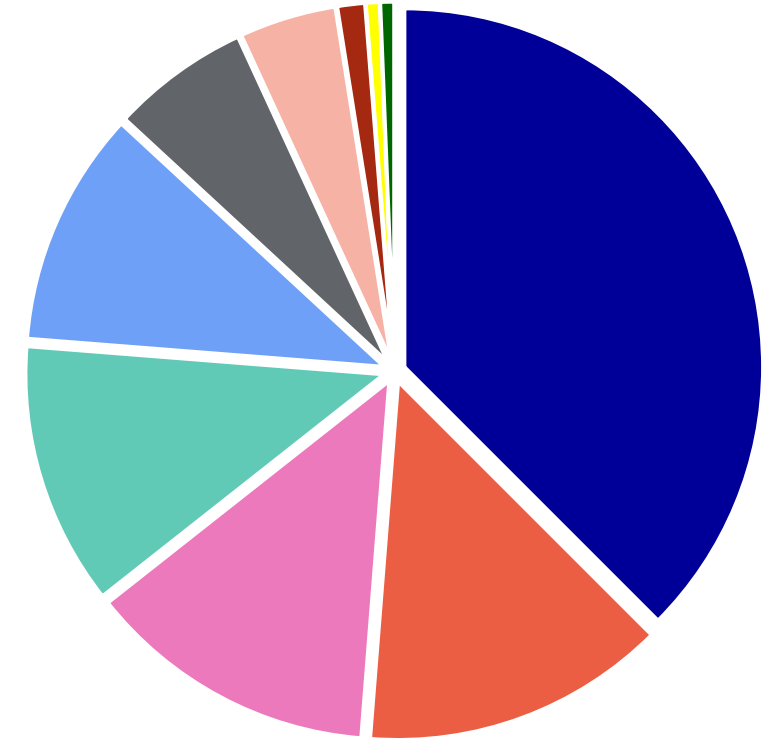
The wider engagement and communications team will be reaching out to c-suite level contacts to both highlight their firms' Blueprint Two champions and the need for their support to move the market forward.

There is also the wider Blueprint Two Working session being held on 25th September where senior market leaders are invited to understand the progress being made, key areas of focus and the plans for adopting the new digital solutions.

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Key areas of concern

Area of concern	Number of mentions	%
Technical detail clarity (customisations, EDI, Writeback etc.)	60	37%
Timeline certainty	22	14%
Vendor Readiness	21	13%
Shortness of testing/training window	19	12%
Contractual, Costs & Benefits clarity	17	11%
CDR/MRCv3 clarity	10	6%
ACORD Standards clarity	7	4%
DA clarity	2	1%
Prop Treaty clarity	1	1%
FCP reconciliation clarity	1	1%
Total	160	100%



Market firms were asked if they had a main area of concern in relation to Blueprint Two to gain insight on key areas of priority for the market.

The 3 main areas of concern were:

- Clarity of technical details (37%). This related to concerns on when detail of messaging content and customisations would be shared with the market to ensure sufficient time to manage and changes that may be required.
- Certainty of timelines (14%). This related to the ability to deliver within the current timelines.
- Vendor readiness (13%). This related to whether market firms service providers would have a solution in place in time for June 2024.

The above three areas accounted for 64% of the concerns raised.

There is a great deal of work being undertaken to provide clarity of technical details and certainty of timelines. This will be communicated further in the Market Working Session on 25th September.

Regular vendor forums are taking place and it is recommended that firms regularly meet with their vendors to ensure progress in this area.

Appendix

Q3 2023 Survey question set



Q3 2023 Question set

Question	Results location
Have you now identified everyone whose insight is needed/role is impacted to plan for Blueprint Two (stakeholder analysis) e.g. different departments/offshore depts. ?	See Slide 6
How well does your firm understand the impact of the new deployment plan for Blueprint Two on current people, processes and technology (change impact analysis)?	See Slide 7
Has someone been identified to lead on the changes, and do you have the necessary resources required to deliver Blueprint Two within your firm?	See Slide 8
As you go into your 2024 budget discussions, regarding the Blueprint Two programme, do you have a line item allocated in your firms' financial plans?	See Slide 8
Do you have a high-level change plan in place to help manage the changes required under Blueprint Two (change plan)?	See Slide 9
How familiar are you with your organisation's roles and responsibilities to create a Core Data Record (CDR)	See Slide 10
How familiar are you and your underwriting/broking teams with the content and structure of the MRCv3?	See Slide 11
What would you say is the level of senior stakeholder (e.g., C-suite/Exco) support/understanding of Blueprint Two within your firm?	See Slide 12
Do you have a main area of concern regarding Blueprint Two, if so, what is it?	See Slide 13