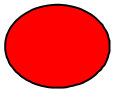


IACA Panel discussion

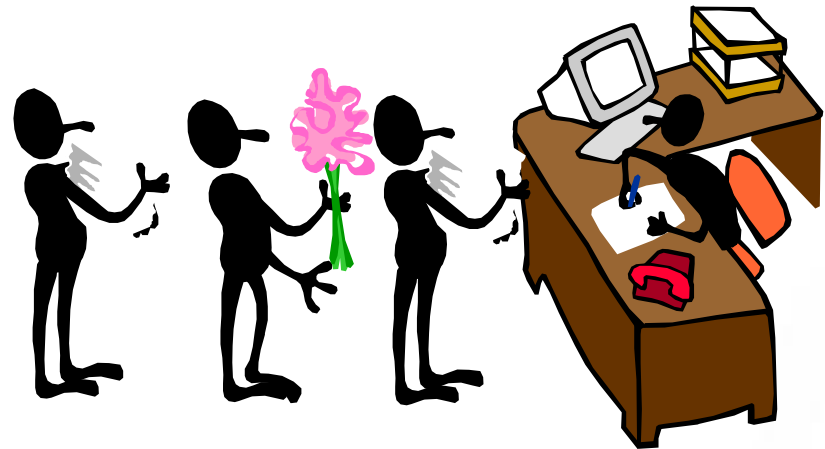
Presented by Ron Akhurst
Watson Wyatt
Japan



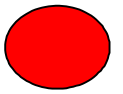
Project management process



- Personal experience largely in insurance projects – both as customer and consultant
- Several global needs which come up time and again
 - **Clarity of instruction**
 - **Openness of communication**
 - **Integration of process**
 - = requires each consultant to provide timely and good advice in a well structured manner



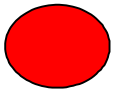
Some other key issues



- Horses for courses
- Local expertise and available resources
- Language and cultural aspects
- Understanding the customer and his needs
- Effective project management by client



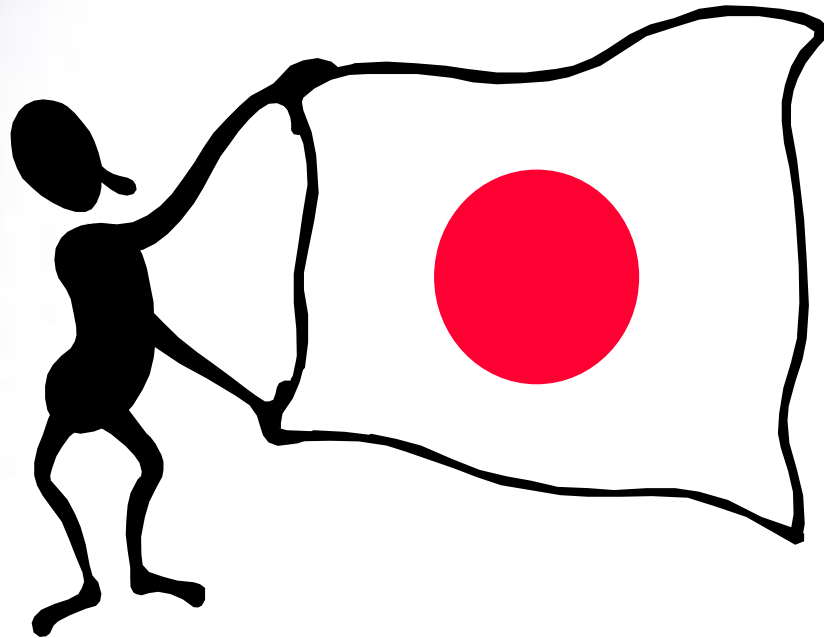
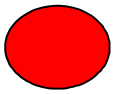
Case study 1



- Major prospective acquisition across many countries
- Competitive bidding process with tight deadlines
- Client set up strong parallel teams, client and consultants all on same internal network with common electronic filing.
- Client teams worked closely with consultants and with each other
- Demanded similar tight and integrated structure from each of the consultants involved

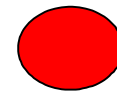


Is it different in Japan



- Answer 1 – of course
- Answer 2 – not really
- Answer 3 – it depends!
- Japanese process spends more time in preparation – then often quicker in action
- Willing to look at international comparisons, but also require customised local solutions
- Demanding of consultants in both language and technique

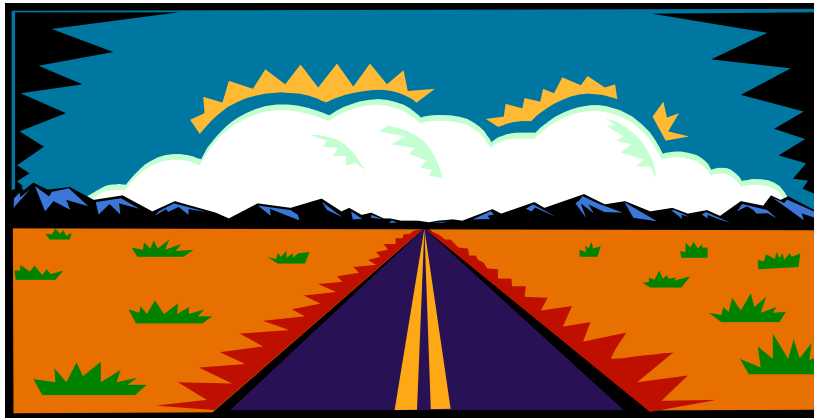
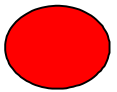
Case study 2



- Japanese companies few but usually massive
- Major asset and guarantee problems
- Interesting questions in recent run of bankruptcies – bidding on what to take away from policyholders
- Tight timescales – court appointed administrators
- Processes now quite competitive - involving both local and international groups



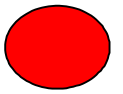
Case study 2 (cont)



- Many parties involved – government/supervisors, courts, policyholders, creditors, other insurers, ..
- Need is to understand
 - Financials (esp. assets)
 - Costs of guarantees
 - Value of sales-forces and other channels
 - Cultural/policyholder issues
 - Management challenges
- Attractive propositions for those big and brave enough



Managing International Projects – summary



- There will be many experts in different fields involved – legal, actuarial, human resource, accounting and others such as investment bankers.
- A major issue is in co-ordinating these participants – and in maintaining good, open communication to get the best out of the consultants involved
- The client needs to commit enough of his own resources to the project and actively control/manage the process
- Also vital to understand the impact of potential cultural differences for the client in managing and achieving anticipated targets post acquisition.