MITRATECH

Genworth Financial Case Study

Based in Richmond, Virginia, Genworth Financial is among the United States' largest insurance and financial services holding companies. With roots that go back more than a century, it became a publicly traded company in 2004. Today, Genworth Financial has more than $105 billion in assets, employs 6,900 people in 24 countries, and serves the needs of some 15 million customers.

A central database for multiple businesses

As is the case with so many other major corporations, Richmond, VA-based Genworth Financial was formed through the acquisition and/or merger of several insurance companies by its former parent, General Electric Corp.

A 2004 spin-off made Genworth Financial a publicly held company, independent of GE. To meet Sarbanes Oxley, SEC and countless other federal and state reporting requirements, Genworth's corporate legal department needed a matter management system to help it pull together, analyze and report on the substantial compliance and financial data generated by its many businesses.

To streamline the process and better integrate Genworth's various internal legal organizations, the legal department turned to Mitratech's TeamConnect Enterprise, the matter-centric legal operating system for corporate legal departments.

Establishing new processes

Under GE, many of the company's newly-acquired businesses kept their legal departments in place, with each reporting via a dotted line to Genworth's general counsel office in Richmond. Most had their own record-keeping requirements and processes. Corporate records, litigation data, outside counsel expenses, and other data were maintained in a variety of formats, including MS Excel, MS Word or MS Access.

As such, the corporate legal department needed a way to manage and monitor legal performance data supplied by the entire organization. Step one involved implementing TeamConnect Enterprise in 2001. Step 2 involved expanding its use substantially after the spin-off.

One of the earliest and most comprehensive TeamConnect applications involved creating a regulatory compliance database that would allow various legal departments – each in a different location and each representing various domestic and international businesses -- to access and share information.

How it works

In the United States the database is used by six separate legal departments representing Genworth's six primary business areas, including: Long Term Care; Retirement Income & Investments; Protective Life; Employee Benefits; Mortgage; and Headquarters.

Each department is responsible for tracking new and amended regulatory measures -- both on the federal and state level -- that impact the business area it represents. Most employ outside services that track and alert them to new laws, or changes to existing laws. Once a notification is received, each must ensure the measure is entered into TeamConnect, determine what internal compliance measures, if any, must be enacted, and then notify their internal contacts.

5900 Wilshire Blvd. Suite 1500 Los Angeles, CA 90036 - 323.900.1700 - www.mitratech.com
February 21, 2007

Prior to TeamConnect, each department conducted the process independently. A new law in Maine, for example, would be tracked and analyzed separately by each legal organization. Now if an alert is received by one legal department, it checks TeamConnect first to see if it's already been posted. If it has, it's simply uploaded and used to drive the internal compliance measures specific to the department's business area. If it hasn't, that legal department will handle the posting.

"This is exactly what the product is designed to do," says Genworth Financial Quality Leader Ed Landry, who led the TeamConnect implementation program. "Now, only one department has to post it. Further, it helps all our legal organizations operate as one virtual work group. When you consider all the regulatory issues we face corporate-wide, the system has significantly reduced our workload and enhanced our compliance effort."

"The system's great for tracking legislation amendments. It can save a week's worth of work for everybody," adds Anne Scheuerman, a legal coordinator in Genworth's Retirement & Protection business in Lynchburg Va. "Legislation comes in from all 50 states and the federal government too. Last year, we had roughly 1500 changes corporate-wide. I average 12 to 15 new laws per day."

Internal communications

Of course, keeping track of new laws and/or regulatory amendments is one thing. Implementing them internally is another. At Genworth each legal department must 1) establish and list the necessary compliance measures and 2) distribute them electronically to internal contacts within each affected business area.

"For example, a change may impact the way we handle claims for a certain state, and/or how agents interact with customers," Scheuerman explains. "Or it may affect the way certain business areas file information -- right down to the wording and the font. All these changes have to be distributed to and confirmed through specific internal contacts."

The TeamConnect Workflow reporting tool is used to monitor individual "tasks" by each contact. In most instances, a new regulation is copied and sent electronically to each contact, along with an assigned task and deadline. Later, a report automatically lists which recipients have and have not responded, along with the outstanding items the sender still needs to follow up on.

"With TeamConnect Workflow, you can make the report as detailed as you want," Scheuerman says. "We can generate a report that includes the matter, each contact's name, whether they are a legal or compliance representative, who sent it to them, the date each person received it, and whether there were any attachments. It's all right there in one place."

Compliance

A centralized legal database has other benefits as well. For example, Genworth is audited regularly by the Insurance Marketplace Standards Association (IMSA), an independent trade organization that monitors and certifies insurance company compliance performance.

"They're our industry's 'Good Housekeeping Seal of Approval'," Landry says. "If you're in this business, you want their certification. And the IMSA representatives really like the system. Everything they need to review -- the original law, the amendments, all the internal distributions – is available in one database."

Since its inception, Landry says TeamConnect's use has been expanded to other areas, including corporate records and compliance; outside counsel engagement; market conduct exams; claims reviews; and litigation. Further, it has been fully integrated with Genworth's Accounts Payable and e-billing systems.

"An integrated legal system like this one offers significant benefits by ensuring consistent processes, corporate-wide," Landry says. "That's the key. Slowly but surely we're operating more and more like one legal organization, even though we're still located in many different places."