

## SHOULD INSURERS CONSIDER A MINIMAL VIABLE PRODUCT (MVP) APPROACH TO IFRS17?



### Legerity's IFRS17 Foundation SaaS provides a best practice Out of the Box solution for IFRS17

For many insurers, IFRS17 is a once-in-a-generation chance to transform the back office. However, with tight deadlines, limited budgets, over stretched resources and competing business priorities, an MVP approach to achieving IFRS17 compliance can be a very attractive option.

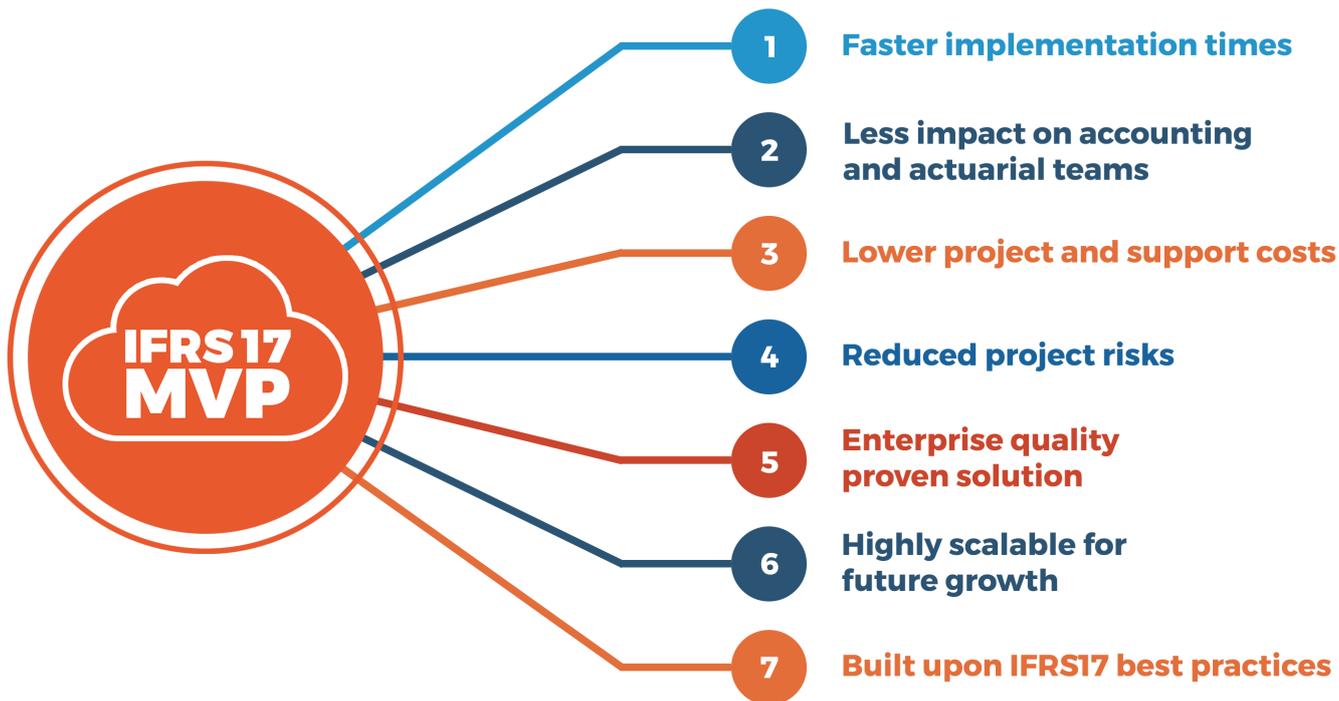
At our recent IFRS17 Out of the Box webinar, the Legerity SME team explained how an MVP approach could not only deliver IFRS17 minimum compliance, but also provide an important building block to a transformational financial system architecture.

Legerity's IFRS17 Foundation SaaS is a cloud-based solution that provides a comprehensive Out of the Box best practice configuration for IFRS17.

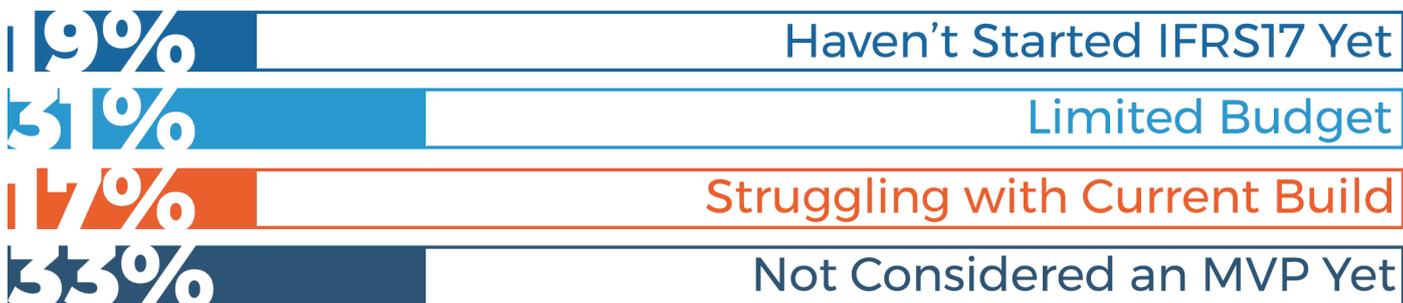
Supporting both GI and Life business lines, IFRS17 Foundation includes all the standard calculations and accounting rules to meet IFRS17 compliance. With a simplified interface for actuarial and Policy and Administration (PAS) data, system integration is made easy, and standard adaptors are provided for General Ledger journal uploads.

There are many benefits of an MVP approach to IFRS17:

- Faster implementation times
- Less impact on accounting and actuarial teams
- Lower project and support costs
- Reduced project risks
- Enterprise quality and proven solution
- Highly scalable for future growth
- Built upon IFRS17 best practices



The webinar, which was attended by a large audience of insurance specialists from around the world, included a poll asking the group why they were considering an Out of the Box approach to IFRS17. The poll results were as follows:



**Haven't Started IFRS17 Yet (19%)**

Legerity has run a series of IFRS17 webinars over the last two years. We regularly poll the audience on the status of their IFRS17 programs. Fortunately, it seems there are fewer firms still waiting to start their programs.

The firms that are waiting may be delaying until there is more movement from the market. They may also be banking on a further delay to the standard. Those that haven't already assessed the resources and requirements for IFRS 17 by now are at a disadvantage to their peers as timelines continue to tighten.

Attendees from these firms definitely recognized the benefits of taking an MVP, Out of The Box approach to fast track their projects.

### Limited Budget (31%)

A **press release from Deloitte** in 2018 stated that “more than one in three (35%) global insurers are budgeting over €50m (£44.2m)” for IFRS17. This was before the news of a delay to the standard, pushing the compliance deadline back to January 2022. The figure was attributed to technology spend and insurers intending to upgrade their systems.

In the same month, **InsuranceERM** ran the headline “IFRS 17 implementation costs average €160m per insurer, say CFOs”.

Utilising an IFRS17 Out of The Box solution, firms can control costs through selection of different licensing and support options early in the project assessment. Legerity’s IFRS17 Foundation SaaS covers all aspects of software delivery and hosting in an efficient OpEx model – removing the need for the high CapEx costs of traditional IT system provisioning and projects.

### Struggling with Current Build (17%)

A number of insurers who started their IFRS17 programs early are starting to struggle. Problems may relate to an internal technology build, a delayed or incomplete vendor solution, problems around data management and data integration, or even nailing down the business requirements.

During the webinar, Legerity looked at ways of re-aligning and accelerating projects. For those just starting out on their IFRS17 journey the MVP approach can significantly reducing delivery risk, implementation timelines and cost. And for firms that may have been unsuccessful with their first attempt or are looking to plug gaps in their end to end architecture, this is an opportunity to re-align or replace.

### Not considered an MVP yet (33%)

Project teams may be unaware an IFRS17 Foundation solution is available.

Legerity’s Out of the Box IFRS17 Foundation is a fast track way to deliver IFRS17. Based on a pre-configured cloud-based SaaS, IFRS17 Foundation provides a powerful, best in class solution that can be implemented with minimum disruption and at a sensible cost.

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Legerity are the specialists in IFRS accounting change. Our IFRS17 Foundation SaaS is an enterprise quality, pre-configured and fully managed solution that allows the rapid adoption of IFRS17 with minimum impact on existing systems and processes.

**To discuss how Legerity’s FastPost platform could transform your finance and risk function, contact [info@legerityfinancials.com](mailto:info@legerityfinancials.com).**