



apparent that ‘off-the-shelf’ or ‘out-of-the-box’ technology offerings will fall well short of meeting the rigors and demands needed to adequately support the diverse risk portfolios found in the captive sector.”

#### Key considerations

One of the most critical considerations Teetelli mentions for selecting the right captive solution will be to determine the configurability of the system. In other words, how flexible is the architecture of the system so that it can be modified and changed, without an extended process, to adapt and support specialized business requirements.

“This type of flexibility in systemic architecture needs to parallel the flexible transactional landscape that is native to the captive industry, and will be critical to the success in making the right choice in a technology solution,” he adds.

Making the right choice is the key challenge such heightened technological emphasis poses captive clients. How can they ensure that they are choosing the right technology for their company’s needs?

As a highly specialized risk vehicle, it is critical that a vendor has a firm understanding of the captive industry, and better yet, has some industry experience. Teetelli advocates this as possibly the most vital consideration when determining your company’s technology requirements.

“I too often hear the former woes of our clients in recanting prior failed or inadequate vendor experiences,” he recalls. “They reflect that ‘they just could not connect the dots’ or ‘they just could not grasp a foundational understanding of our business.’ Captive vehicles are highly specialized, and a lack of understanding on behalf of the vendor can result in deleterious results; failing to match the right technology to support their business requirements.”

#### Keeping up

Of course, a trademark of technology culture is its fast-moving nature. One understandable concern, therefore, has always been that any upgrades in technology will, as the industry continues to progress, soon be obsolete themselves.

In Teetelli’s view, the key to keeping up with the ever-changing face of the industry and mitigating, what he refers to as “hitting the brick wall”, is to find a vendor whose products have the architectural flexibility to be equally responsive to changes in business requirements.

“One of the cornerstones that drive the captive industry is innovation, and the ability to creatively respond to market conditions and opportunities,” he says. “Fluidity and flexibility are critical foundational elements to allow and support this type of dexterity. Similarly, the technologies that drive and support their operations should



also exhibit similar characteristics.”

He continues: “Off-the-shelf or out-of-the-box solutions are obviously not the choice, if they were, these types of technologies would have dominant positions within this industry today. It is those vendors who have product offerings that are easily configurable, and which can be responsive to the dynamics of the industry that they service.”

These types of vendors, Teetelli says, keep pace by updating their product offerings to incorporate new advances in technology; effectively keeping the technology current. Making an investment in that type of technology will, therefore, keep the captive owner ahead of the curve, assuring them that their business processing requirements will not outpace their technology provider.

#### Aspire

It was with these concerns in mind that led Maple to develop its Aspire Information System nearly a decade ago – a product to which flexibility was integral. “We were keen to design a system with a very flexible architecture,” says Teetelli, one of the product’s principal designers. “In doing so we segregated the development into two distinct components, a comprehensive backbone, which is the engine that drives Aspire, and client-side modules that are custom configured to each client incorporating their specific business requirements.”

By approaching development in this manner, Maple effectively created a setting where it could offer high levels of custom configuration to each client, meeting their business requirement needs without affecting the core, and more difficult to modify components found in the backbone.

“What this means to the captive client is an ability to offer high levels of custom configuration that are maintained easily, and more importantly can accommodate changes as the captive changes its trading environment,” he adds. “Effectively by virtue of its native architecture, Aspire easily caters and supports the captive business model, while also affording adaptability to changing markets and product portfolios.”

#### Practical implications

Naturally, captive managers will be keen to unearth Aspire’s practical implications. What role can it play in assisting them with their work-load and, ultimately, in growing their portfolios?

Both Maple’s existing captive and traditional clients have sharply increased their capacities for processing and administration without the need to add more resources and head counts, and Teetelli sees a growing and important resource role for the Aspire product in the captive arena.

“Aspire is an end-to-end solution that handles policy and claims administration requirements,” he says. “But, more importantly, it also addresses the financial components on the back-end such as reinsurance transactioning and statistical reporting. The financial analytics and data handling that Aspire supports will play a more critical and comprehensive role in balancing work-loads, resources and sustaining capacities for portfolio growth.”

As regulation continues to become more dominant in the captive sector, so too will the role technology has to play. And, as far as Teetelli is concerned, as long as the industry understands its need to adapt – and as its history of innovation certainly suggests it does – there is no reason why the challenge presented by technology won’t be met head on.