

MAPFRE

ESM Software is a vital tool when implementing the BSC method for strategy and employee performance management within financial services



MAPFRE

ESM Strategy transforms an organization into one that is focused on a common set of strategic objectives, measures, and initiatives

ABSTRACT

Present in five continents and over 100 countries, MAPFRE is one of the largest insurance companies in the world, employing over 34,000 people and earning a total revenue of over €28.47B in 2019. Their product lines cover a wide range of the insurance business. After embarking on a mission to rapidly expand, MAPFRE engaged with ESM Software Group to develop both a corporate strategy and Balanced Scorecard (BSC) over 10 years ago in early 2009. By having significant workforce engaged in their strategy through the Executive Strategy Manager, MAPFRE continuously innovates and grows in all aspects.

BACKGROUND AND OPPORTUNITY

MAPFRE is one of the largest insurance companies in the world. Founded in 1933, they have a long standing history in Spain and have expanded to other countries as well. Following the worst economic crisis the world had faced since the Great Depression, MAPFRE recognized that they needed a new strategy to sustain their growth and push the company forward. They needed a mechanism in place to ensure sustainable growth regardless of the financial environment they faced.

Not only did they have to deal with the economic crisis and the assets of the existing company, but MAPFRE had also just expanded after acquiring both the Commerce Group based in the US and the Life and Pensions subsidiaries of Caja Duero and ATLAS of Ecuador. Acquiring the Commerce Group was the single largest investment MAPFRE had made to date, and they needed to ensure that their investment paid off. In the face of new markets and new challenges, MAPFRE needed to learn to navigate and thrive in them, but they neither had plans nor solutions.

As a result, **MAPFRE needed to seek a strategy system that could manage their strategy and sustain growth going forward.** Particularly in their Spanish market, there were 106 separate insurance providers in that country alone. MAPFRE needed a strategy to ensure that they would be the company to not only endure the financial crisis, but also to rise to the occasion and finish on top with both the existing and new markets.

THE BALANCED SCORECARD SOLUTION

Recognizing the need for a structured methodology to follow, MAPFRE sought the guidance of ESM Software Group to implement the Balanced Scorecard methodology over ten years ago in Jan. 2009. They began by developing their high level corporate strategy map and scorecard within the ESM software system. In order to do this, they needed to identify the outside forces that impacted their organization and market. They then had to evaluate their current state and identify what needed to be changed to enable future success. They identified their strengths, weaknesses, areas of improvement, and processes they needed but did not currently have. MAPFRE was able to successfully visualize this by using ESM software in order to communicate to the organization the reality of their situation and what needed to be changed.

Additionally, MAPFRE was present in various offices in several different locations around the world, not to mention the new acquisitions in the US and Ecuador. They needed to manage all of their offices and strategies to make sure all parts of the organization were aligned with the overarching enterprise strategy. ESM guided MAPFRE in this process of communication, using cross functional management



teams to adopt BSC throughout the entire organization. They used separate scorecards for each business unit, cascading down from the C-Suite to the lower level business units to align the entire organization behind MAPFRE's strategy. **In order to communicate the 30+ scorecards and changes made, they needed to use ESM software. Without the software, it would have been nearly impossible to manage all scorecards and strategies and clearly align them with an enterprise strategy.**

On top of simply managing the strategies and scorecards, ESM allowed for the communication process as a whole to be greatly improved. The flexibility of ESM enabled teams to easily communicate their values to employees across different locations. By allowing for all employees to view the organization strategy at all times and visualize their individual roles in the high-level strategy, employees were empowered to become strategy focused and execute in their individual roles. This level of transparency enables employees to individually innovate and further the organization.

Furthermore, by having the ESM software completely integrated with their system, it enabled a smooth transition to the BSC methodology. MAPFRE is a large organization with a global footprint. Transitioning to a new framework and strategy was inevitably tedious. However, with ESM's training and coaching in how to use the software, system, and BSC best practices from certified experts in the methodology, success was ensured.

RESULTS

MAPFRE's success speaks for itself on the merits of both Balanced Scorecard methodology and ESM's expertise and software. Using ESM, MAPFRE fully integrated and internalized the Balanced Scorecard system. They facilitated data aggregation on multiple levels, on site trainings to ensure employees were fully educated on the methodology, ongoing support to ensure continual learning and growth, and fully cascaded the BSC system throughout the entire organization.

Using ESM and BSC in conjunction, MAPFRE not only increased their revenue, but also expanded beyond financial goals. They created an initiative to increase their social responsibility, winning a social responsibility award in Mexico, as they expanded to increasing their awareness of social causes such as sponsoring blood drives, increasing healthcare awareness, and fighting for feminism and women rights. They also raised their employee and customer satisfaction and increased their ranking for best companies to work for in Spain by 25 positions. They expanded to online and mobile environments, winning a best app award for their services.

Not only did MAPFRE improve their services and social responsibilities, but they also increased their overall presence. In 2015, they had 3.1 million Google searches and 420,000 publications per minute on Twitter. They are also one of the current major sponsors of Rafael Nadal, hosting an annual Rafa Nadal Tour, which consists of a series of tennis tournaments for younger ages, aimed not only to aid in the actual sport, but also to teach young players about sportsmanship, camaraderie, and self-improvement.

MAPFRE grew tremendously in a short period of time, and their growth also proved to be sustainable. MAPFRE continues to grow, earning a revenue of €28.47B in 2019, and even expanding to Brazil in 2011 to become the first company ever to offer vehicle insurance and emerge as the largest financial services institution in all of the country.

As MAPFRE implements and improves their new expansions and processes to drive quality services in all of their business units, **ESM continues to drive a healthy strategy management reporting environment to ensure sustainable and continuous growth, both financially and socially.**

ESM SOLUTIONS FOR FINANCIAL SERVICES

ESM Software is a vital tool when implementing the BSC method for strategy and employee performance management within financial services. By empowering employees to be fully involved in strategy, they can take initiative and implement strategy both efficiently and effectively, allowing continuous growth and innovation to occur.

CONTACT DETAILS

55 Old Bedford Road, Suite 107
Lincoln, MA 01773
781-541-4465

inquiries@esmgrp.com

www.esmgrp.com