The Challenge

- Identifying potential LOB impacts
- Documenting accounting policy decisions and their application
- Need for retention of increased data history at a more granular level
- Potential revisions or development of actuarial and valuation models
- Operational impacts including IT and forecasting, planning and analysis, and enhancing internal controls
- Impacts on accounting records including preparation of disclosures
- Interpreting and communicating impacts to stakeholders, including non-GAAP measures
- Impacts on management reporting and KPIs

The Opportunity

- Prepare policy documentation from the start of the project to capture iterative considerations and establish a process that can stand up to audit scrutiny
- Evaluate, revisit and revise policy decisions and judgments based on results of iterative process by commencing the work well in advance of the effective date
- Evaluate systems with focus on sourcing and retaining complete and accurate disaggregated data
- Consider opportunities to automate processes to strengthen reliability of information
- Modernize and streamline the IT, finance and actuarial technology infrastructure

The Bottom Line

Project management and program structure is vital to success in driving decision making, improving efficiency and collaboration, ensuring accountability, and developing capabilities to accurately report and explain results.
Accounting, Actuarial, & Reporting

- Perform a gap assessment of technical specifications relating to accounting policy, actuarial modeling, financial reporting and disclosures
- Identify the scale of potential impact on accounting, actuarial and financial reporting
- Provide suggestions to remediate gaps for conversion
- Conduct financial impact analysis to assess impacts on capital, potential earnings volatility and aid in the determination of accounting policy choices
- Draft white papers related to accounting and actuarial policy choices
- Identify changes to disclosure requirements and draft required illustrative disclosures
- Evaluate existing chart of accounts and revise as needed
- Develop accounting framework that incorporates accounting events, posting rules and framework
- Assist with design, development, and testing of actuarial models

Business Implications

- Assess impact on internal management reporting and KPIs
- Develop the data & reporting requirements for internal reporting post LDTI go-live
- Evaluate compensation metrics and policies where internal remuneration is impacted by US GAAP results
- Suggest amendments to product mix, reinsurance and pricing strategy to optimize profit stream and the balance sheet
- Perform an evaluation of existing third-party contracts and their pricing strategies
- Assess impact on ALM strategy and identify potential adjustments to investment/ hedging activity
- Develop communication strategy and plan, including interaction with auditors
- Develop learning maps and corresponding training plans, including budget for necessary training and effort

Data, Systems, & Processes

- Identify information and data gaps for implementation
- Suggest potential solutions where data may be lacking or not at the appropriate level of detail
- Design and implement process changes involving various functions
- Evaluate changes needed to internal controls over financial reporting
- Identify new IT system needs: convert ERP and G/L
- Facilitate reporting and disclosures, including evaluation of potential tool/solutions
- Support implementation of new actuarial software and/or development of new models
- Perform dry-run data collection process to check integrity of numbers
- Develop transition plan for data transfer and parallel system runs

Organizational Change & Program Management

- Create dedicated project management team with dynamic work plan
- Develop and execute training plans for employees across functions and locations, including board members and senior executives
- Determine if knowledge or skill gaps exist after training and develop talent acquisition plans to fill gaps
- Evaluate and revise job descriptions including roles and responsibilities
- Identify and assess key stakeholder requirements to develop plans for informing and engaging them when needed
- Embed new technical knowledge – build dry runs as needed into plan to test staff understanding
- Define key metrics to assess and report on adoption and business readiness

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