



MODERN APPROACHES TO THE DEVELOPMENT OF BUSINESS PROCESSES IN INSURANCE ACTIVITIES

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Abstract. This article analyzes the methodological foundations of business process management in insurance organizations and highlights modern approaches to their improvement. The study examines issues related to digitalization, process optimization, and the implementation of customer-oriented management systems in insurance companies. The research findings indicate that the application of business process modeling and business process reengineering methods contributes to improving the quality of insurance services, reducing operational costs, and enhancing the competitiveness of insurance companies.

Keywords: insurance activity, business processes, methodology, business process management, digitalization, optimization, efficiency.

Introduction. The development of global financial markets and the expansion of the digital economy impose new requirements on insurance companies. In particular, increasing the speed, transparency, and efficiency of insurance service delivery has become one of the key priorities. Under such conditions, the competitiveness of insurance organizations largely depends on the effective organization and management of business processes.

Traditional management approaches often involve excessive time and resource expenditures in the processes of concluding insurance contracts, handling insurance claims, and making insurance payments. Therefore, the methodological improvement, standardization, and digital optimization of business processes represent an important scientific and practical issue.



The purpose of this study is to investigate the methodological foundations of business process management in insurance activities and to develop scientific and practical recommendations for their improvement.

Today, the rapid development of the economy and increasing competition in financial markets require insurance companies to improve their operations. The insurance sector is an essential component of the national economy, playing a significant role in ensuring the financial security of individuals and legal entities. Consequently, the effective functioning of insurance organizations largely depends on the proper organization and management of business processes. Traditional management systems are often characterized by excessive bureaucracy, complex document flow, and low service delivery speed, negatively affecting customer satisfaction.

Research Methods. In recent years, the concept of Business Process Management (BPM) has been widely applied in enterprises and organizations. This approach enables insurance companies to optimize internal and external processes, improve service quality, and reduce costs.

The study employed a systematic approach, comparative analysis, economic-statistical analysis, business process modeling, and business process reengineering methods. The main business processes of insurance companies, including customer acquisition, insurance contract administration, risk assessment, and insurance claim settlement, were examined. In addition, the impact of modern information technologies on business processes was analyzed.

The theoretical foundations of business process management and the experience of insurance companies in developed countries were studied to assess existing problems and identify opportunities for improvement.

Research Results. The study revealed that business processes in many insurance companies are not sufficiently optimized. In particular, a significant portion of document circulation is still paper-based, repetitive operations exist in



data processing, and the lengthy review period for insurance claims reduces service efficiency.

The analysis identified several key directions for improving business processes in insurance activities. First, it is necessary to standardize all major processes and integrate them into a unified management system. Second, the introduction of electronic document management systems can reduce operational costs and increase service delivery speed. Third, the use of CRM systems and digital platforms enhances customer relationship management and enables the rapid identification of customer needs.

Furthermore, the application of Business Process Reengineering (BPR) methods has been found to significantly reduce the time required for providing insurance services. Digital technologies, artificial intelligence, and Big Data analytics facilitate more accurate assessment and management of insurance risks. As a result, the financial stability and competitiveness of insurance companies improve.

Discussion. The research findings demonstrate that improving business processes is of strategic importance for insurance companies. International practice shows that insurance companies implementing business process management systems have successfully reduced operational costs, improved customer service quality, and accelerated the introduction of new products to the market.

Improving business processes in insurance activities requires not only technological changes but also the modernization of organizational and managerial mechanisms. Enhancing employee qualifications, supporting innovative approaches, and developing a strong corporate culture are important factors in increasing business process efficiency.

Moreover, the implementation of modern business process management methodologies enables insurance companies to establish a customer-oriented management model. This contributes to strengthening customer trust and enhancing market position.



Conclusion. In conclusion, improving the methodological foundations of business processes in insurance activities is one of the key factors ensuring the effective functioning of insurance companies. Through business process modeling, optimization, and digitalization, service quality can be enhanced, costs reduced, and management efficiency improved. In particular, the implementation of BPM and BPR methodologies plays a significant role in increasing the competitiveness of insurance companies.

In the future, the application of artificial intelligence, machine learning, and predictive analytics technologies will further improve insurance business processes. Therefore, insurance companies should actively implement modern management approaches and accelerate digital transformation processes.

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