



ALLSTATE TAKES INNOVATION TO THE NEXT LEVEL

Allstate’s historical culture as a very traditional, risk averse company with solid core products didn’t lend itself to employee-sourced ideation and innovation. However, five years ago that changed, as the property and casualty insurance provider realized that to improve its position in the market, it needed to drive disruptive change and develop more competitive products and services. With a highly capable employee base, Allstate knew that it had the knowledge and resources necessary to maintain its competitive edge; it just needed a way to effectively tap and harness the collective intelligence of its employees.

Having come to terms with the need to incorporate greater innovation efforts into its core culture and long-term corporate strategy, Allstate created an Innovation Team. The original mission was to create a place for Allstate employees to share and work on their ideas for new products, services or business improvements. A 2,000 square foot Innovation Lab was built to harness the creativity of employees and enable testing of promising concepts. The sunlight-filled Lab, centrally located on the Allstate campus, is packed with whiteboards, toys, books, games and the latest and greatest technology gadgets and software. Originally the Lab was open to all employees to stop in and share their creative concept with the Innovation Team members, who would then provide them with the tools and guidance necessary to help advance their story.

Although the initiative was well received by employees, the Innovation Team quickly realized that their small team of six was spread too thin. It became difficult to adequately engage with the large number of individuals willing to share their ideas. It was readily apparent that Allstate needed a way to efficiently capture, evaluate, and leverage information being shared across their employee base, which was coming in piecemeal across post-it notes and water-cooler conversations, as well as through the interactions in the Lab. They needed a social crowdsourcing tool like Spigit.

CASE OVERVIEW

Company

Allstate

Innovation site name

Innovation Engine

Industry

Insurance

Spigit Products

SpigitEngage

Challenges

Process Improvements

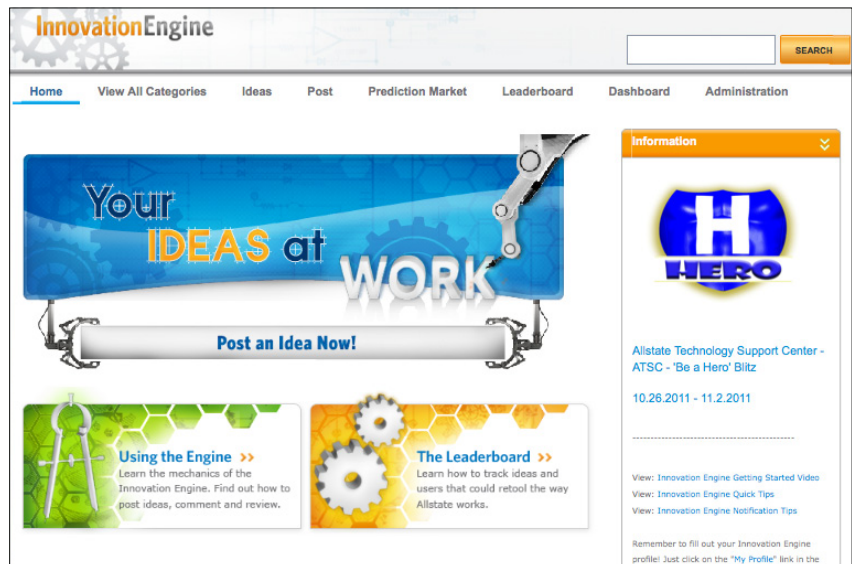
New Products and Services

Implementation Time

4 months

Business Benefits Realized

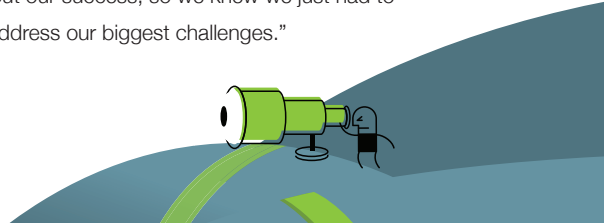
The Blitz process has been instrumental in driving a cultural shift and improving employee engagement across Allstate. Additionally, Blitzes have produced ideas that have resulted in potentially new products (being tested now), improvements to existing products and services and cycle time reduction to existing processes, which have significantly lowered the cost structure.



CHALLENGES

Allstate wanted to engage its employees to help solve the biggest problems facing the company - from business partners and technology groups to call center specialists and claims adjusters.

“With mature products and services and strong competition, the insurance space is ripe for disruptive innovation,” stated Matt Manzella, Director, Strategy & Innovation Services, Allstate. “Our employees are passionate about our success, so we knew we just had to provide a creative way to engage them to address our biggest challenges.”



Although the company had begun incorporating innovation into its core values, the team found the practice of meeting one-on-one with Allstate employees for innovation purposes to be quite difficult and rather inefficient. The team came across a number of great ideas but had no efficient way to capture and broadly share the ideas and grow them into actionable projects. They needed a system that was scalable and allowed for easy administration.

“We reviewed a number of idea management platforms, but what sold us on Spigit was the tools’ highly intuitive functionality and flexibility,” said Manzella. “As a company that was looking to find an effective innovation solution that would enable us to hit the ground running quickly, Spigit was the obvious choice for us.”

PROCESS

With the focus on individual idea consultations being reduced, the Innovation Team worked to create a process to define innovation as a service using Spigit. Allstate needed a way to engage employees in the process of large scale problem solving by harnessing their passion and energy. The team developed a consulting approach focused on collaborating with an internal business partner to crowdsource ideas specifically focused on a problem that partner would like solved. The actual ideation event that utilizes the Spigit tool is known internally as a “Blitz”, and typically lasts ten days.

Over the past two years, the Innovation Team has staged 1-3 Blitzes per month, engaging over 20 distinct Allstate business partners. Before agreeing to run a Blitz, the business partner is put through a vetting process which ensures that the business partner views employees as a viable source of ideas, a challenge has been identified that is meaningful and will resonate with employees and the partner has the capability and the funding to move promising ideas forward.

For the 4-6 weeks prior to the Blitz, the Innovation Team puts the business partner through the steps involved in their consulting approach. During this process, they identify a core team to manage the Blitz, including key stakeholders. They also develop a detailed communications and marketing plan for the Blitz. The Innovation Team spends considerable time with the partner to formulate a challenge statement that is specific and compelling to guide participants and maximize participation. Once the Blitz is live, the Innovation Team is on hand to manage the community, link ideas, review ideas with the core team and get their feedback. After the conclusion of the Blitz, the Innovation Team has the capability to drive and manage proof of concepts of any of the more compelling ideas that the business partner would like to further explore.



THE BLITZ

INVOLVING OVER
1500
EMPLOYEES
SURFACING
100'S
OF IDEAS


19 IDEAS
MADE IT ONTO THE
ALLSTATE
MOBILE ROADMAP


THESE IDEAS
HELPED SHAPE
THE APPLICATION INTO
WHAT IT BECAME

BENEFITS

The majority of idea Blitzes hosted to date within the Innovation Engine have concentrated on achieving process improvements within the company. Although generally a handful of ideas from every Blitz are prototyped and implemented, there have been some Blitzes that have surfaced multiple ideas that have been deemed impactful enough for further investigation. The first Blitz run by Allstate was focused on its mobile application and challenged participants to determine the ultimate functions and features of the protection-related app. The Blitz, involving over 1500 employees, surfaced hundreds of ideas, 19 of which made it onto the Allstate mobile roadmap. These ideas helped shape the application into what it became. The first version of the mobile app, which included much of the functionality suggested during the Blitz, was launched a few months after the idea Blitz.

“We knew that the more people we got involved, the more robust the ideas would be,” stated Manzella. “We wanted to encourage employees to participate in the process of making our company better and giving them a voice in that process.”

One of the Innovation Team’s most successful partners in this process has been Allstate’s financial services division, known as Allstate Financial (AF). They have chosen to create a sub-brand for their Blitz events, which they run on a quarterly schedule. Their innovation effort, referred to as “White Space”, has been very successful for a number of reasons. First, White Space has executive alignment and buy-in from its leadership. The division’s CEO was heavily involved in the launch process, and could even be seen actively seeking out individuals in the cafeteria and urging them to check out and contribute to the White Space innovation Blitz. The AF team has also been very focused on ensuring that all participants are notified as to any actions planned related to their idea. Making sure that participants saw that their ideas were being reviewed and considered, even if they weren’t chosen for implementation, was critical to keeping the levels of user participation high. The White Space Blitzes have produced a number of notable successes, including reducing product development cycle time by up to 8 weeks, launching a social media video campaign and generating ideas that evolved into a soon-to-be-launched life insurance product.



THE WHITE SPACE BLITZES SUCCESSFULLY REDUCED PRODUCT DEVELOPMENT CYCLE TIME BY UP TO 8 WEEKS

"The success that we experienced early on with the Spigit platform gave us the reassurance we needed to expand our efforts, and ensured that we had ongoing executive support for the Innovation Engine," stated Manzella. "The Blitz process helped us understand that there was a great deal of pent-up passion and energy across our employee population. By tapping into that potential we were not only solving problems, we were positively energizing our people."



Two years after launching SpigitEngage internally to its employees, Allstate has received over 2,500 ideas and has successfully implemented a number of ideas ranging from employee recognition concepts, mobile phone apps, and Claims process improvements to new products and services.

"Our mission is to engage our employees to help solve Allstate's biggest pain points," stated Matt Manzella. "Spigit allows us to extend our comprehensive innovation efforts beyond a one-dimensional wiki approach and create a scalable living, breathing social ideation hub."

Although the team historically managed separate business unit-focused Blitzes, Allstate recently launched an enterprise-wide five-day Blitz focused on new products and services aimed at those customers who prefer to interact with an agent. Allstate executive leadership from across the enterprise were heavily involved in the contest - posting ideas, commenting and voting to encourage participation. After five days and over 15,000 page views and 600 posts, the Innovation Services team, in collaboration with Marketing's Insight, Design and Innovation team, whittled over 290 ideas down to the top 40. An offline brainstorming session with a cross-section of idea submitters, leaders, and line

employees was then held to further flush out the concepts. The 40 ideas were then narrowed down to six concepts, which were assigned to teams and presented to a panel of senior executives. While a single winning idea was selected, each idea garnered enough interest from the judges to warrant further research and testing.



With the success of its focused Blitz events, Allstate plans to soon incorporate Spigit's idea market functionality. By allowing employees to invest their earned currency from their Blitz activity, the Innovation Team believes that it will drive increased, more thoughtful participation from Allstate employees. By providing a way for users to have a much deeper stake in the ultimate success of ideas, the team believes the quality of participation will increase and improve user retention.

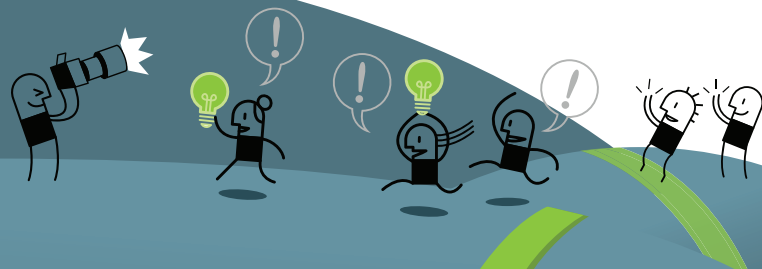
Allstate eventually hopes to expand the Innovation Engine to its Canadian business unit, offering Blitzes simultaneously in French and English so that Blitzes can be delivered to all North American employees.

Realizing the value that the Innovation Engine has generated for Allstate internally, the insurance leader also plans to explore an innovation community for its customers. Understanding consumers' wants and needs is extremely important to Allstate, as this information is critical to its ability to deliver targeted products and services. Through social co-creation, Allstate strives to maintain and improve upon its reputation as one of the leading providers of protection and retirement products.

ABOUT SPIGIT

Spigit, the crowd innovation company, creates a new paradigm for realizing untapped business value - connecting employees, customers and business partners for innovation and insight discovery. Using social crowd technology, Spigit's solutions elicit insight and business intelligence from an organization and transform it into actionable, predictive information. By incorporating game mechanics, social recognition and rewards, idea graduation, and automated workflow, Spigit activates crowds and allows companies to harness the social capital within their internal or external communities.

Spigit's technology is used by the largest and most innovative companies in the world including, Overstock.com, AAA, US Bank, City of New York, Estee Lauder and Capgemini. For more information, visit www.spigit.com, email info@spigit.com or call 1-855-SPIGIT1.



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