

LANSA Case Study

LANSA Web – Tool of choice for Allianz Ireland

Allianz Ireland, one of Ireland's largest multi-line general insurance companies, is part of the Allianz Group, Europe's leading global insurer and financial services provider with a turnover of €82.6 billion and 180,000 people in over 70 countries. After the success of quote & buy sites developed by LANSA business partner MDC, Allianz chose LANSA as their strategic Web development tool for B2C and B2B projects.

Karen Forte, IT manager at Allianz Ireland, explains, "Allianz has a very measured technology investment approach. Initially LANSA was our tactical interim solution. But the LANSA solutions have proven themselves and LANSA keeps evolving. After intensive evaluation, we have elevated LANSA to our strategic solution. LANSA is our tool of choice for Web development until we evaluate again in five years time."



A Tactical Solution

Allianz is a property and casualty insurer offering personal and commercial insurance product lines. The company covers both the Republic and Northern Ireland and is ranked either first or second in Ireland, depending on the criteria used.

In April 2000, Allianz was the first in its field to provide private motor insurance on the Internet. The www.firstcalldirect.ie site, recently rebranded to www.allianzdirect.ie, was based on MDC's InsureIT solution, a LANSA-based eCommerce framework for insurance with online quote & buy across multiple products, forms entry, service rating and back office functionality.

www.allianzdirect.ie now offers motor, home and pet plan insurance.

A sister site, allianzdirect.co.uk focuses on the Northern Ireland market.

"MDC's choice was to use LANSA for Web development," explains Forte. "The site performed well. But we were still analyzing what sort of Internet environment and infrastructure we wanted to deploy for in-house Web development."



Karen Forte, IT Manager at Allianz Ireland.

"We have elevated LANSA from a tactical tool to our strategic tool for Web development."

"At the time our view was that three-tier Java architecture was best practice and we set up a WebSphere infrastructure on that basis for our B2C and B2B projects"

Allianz spent the summer of 2000 getting up to speed with WebSphere and training staff in Java skill sets. A B2B prototype was developed in about six months, but performance problems became obvious when a small pilot group started using the site.

"Based on that experience we concluded that it was going to be a multi-million pound investment to develop the functionality and get the performance we needed. We did not want to launder that much money," says Forte.

"Meanwhile the LANSA-based B2C motor insurance site was happily working away and was expanded to support household insurance. LANSA for the Web was working well, so we chose LANSA as our tactical Web development tool, but our strategic direction was still a three-tier Java and WebSphere architecture."

Allianz continued to engage MDC to deliver Web functionality as business demanded. Several successful Internet projects followed.

B2B Mortgage Win-Win

Although the B2C sites are politically important to Allianz, almost 80 percent of its business is through brokers. When Allianz entered into a scheme to sell household insurance through the largest mortgage provider in Ireland, for a short time, all application forms were sent manually to Allianz. It became obvious how much work was involved in the validation, error correction, data entry, filing of forms, policy printing and distribution.

"Going around the rejection and error correction loop is very labor intensive," says Forte. MDC built a customized version of Insure.IT to provide a B2B extranet solution for the scheme provider. The site provides an inhouse quote & buy capability and can print policies at the point of sale.

"The B2B solution provides virtually hands free business for Allianz."

"Data entry, sorting out errors, form filing, policy printing and distribution are entirely handled by the Scheme provider."

"Over 50 percent of their insurance comes through the B2B solution, providing efficient procedures for them and virtually hands free business for Allianz. The B2B solution lets us grow the joint business without an equal increase in administrative staff and to stay competitive by delivering faster and better service to the consumer."

Automatic MMC Quotations

Allianz decided to offer B2B services to the 400 brokers who handle Mid Market Commercial (MMC) insurance for small and medium sized businesses. MMC can involve any combination of risk, including commercial property, liability, glass, burglary and niche products such as credit guarantee.

"Historically, whether the premiums were 5,000 or 100,000 Euro, the underwriters spent a similar amount of time and effort in quoting," says Forte.

Very experienced underwriters spent time on very straightforward cases, creating productivity and cost issues. Also, there was an issue with consistency. By defining a set of underwriting rules and the exception criteria, Allianz introduced a degree of standardization permitting automation for the first time. This rule-based process allowed Allianz to implement a B2B solution.

Allianz's MMC back-end solution is Insure/90, an RPG-based solution from Computer Sciences Corporation. The Web front end, developed with Visual LANSA and LANSA for the Web, asks questions depending on what insurance is required, occupation and industry type. The system decides whether to insure the risk or not and at what rate. Above a certain level an Allianz underwriter needs to be involved, but most of the time, based on their delegated underwriting authority, the broker can arrange insurance from their office, without having to contact Allianz.

"The solution frees the specialist underwriters to concentrate on the more extensive and complex risks, which is where their expertise is needed."

"Just as importantly, we create a much better experience from the end consumers' standpoint. Now we can provide

consistency and standardization. Strategically we view B2B solutions as a major business direction," says Forte.

Other LANSA Web Solutions

www.allianzbroker.com, a B2B site used by approximately 200 brokers for personal lines general insurance, was originally built by MDC and is now maintained and hosted by Allianz. LANSA is used for online quotations, forms printing, referral processing and making client detail inquiries.

The www.allianz.ie static site is built, maintained and hosted by MDC on iSeries. MDC's LANSA-based ManageIT solution is used for end user content management and forms submission. ManageIT lets end users dynamically update page information over a secure connection with user and password authentication.

Call centers have a high staff turnover. Allianz lets applicants submit their CV from the employment opportunities section of the Allianzdirect B2C site using a LANSA application. This saves over 50,000 Euros per year in recruitment fees.

LANSA now Tool-of-Choice

Towards the end of 2002, Allianz undertook an Internet health check exercise with the help of third-party experts, including some of the big five consultancies.

"The resounding outcome of that evaluation was that LANSA was very fit for our purposes," says Forte.

"Backed up by cost considerations, LANSA was, and still is, the best investment for us. We have elevated LANSA from being a tactical solution to being our strategic solution for Web development and deployment."

"Allianz has always been very focused on investing only in technology that was justified from a business point of view. It has been a very measured investment approach. We invest, and if we see benefits occurring, we invest further in the next logical extension of the technology."

"Return on investment can be proven. The level of investment that would be needed for the three-tier Java and WebSphere architecture could not be cost justified. That is why we walked away and pursued a LANSA solution."

"We thought LANSA would be our tactical interim solution. But the LANSA solutions have proven themselves. And LANSA keeps evolving. LANSA is our tool of choice for Web development into the medium term, which is another five years, then we evaluate again," concludes Forte.

Company and System Information

- Allianz Ireland is part of the Allianz Group, Europe's leading global insurer and provider of financial services. Allianz Ireland is one of Ireland's largest indigenous multi-line general insurance companies, with a turnover of in excess of €750 million in 2002 and employs over 900 people. The IT department has 60 staff, including support, technical administration and help desk. Three of the 30 developers use LANSA.
For more information visit: www.allianz.ie
- Allianz has extended Insure/90, an integrated solution for general insurance from CSC. For more information visit: www.csc.com
- MDC is a LANSA and IBM business partner, located in Dublin, Ireland. www.allianzdirect.ie and www.allianzdirect.co.uk are based on MDC's InsureIT solution, a LANSA-based eCommerce framework for insurance with online quote & buy across multiple products, forms entry, service rating and back office functionality.
For more information visit: www.mdc.ie

The Americas:
Headquarters – Chicago, USA
Tel: +1 630 874 7000
Email: info@lansa.com

Europe:
Headquarters – London, UK
Tel: +44 1727 790300
Email: info@lansa.co.uk

Asia Pacific:
Headquarters – Sydney, Australia
Tel: +61 2 8907 0200
Email: info@lansa.com.au

www.lansa.com

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