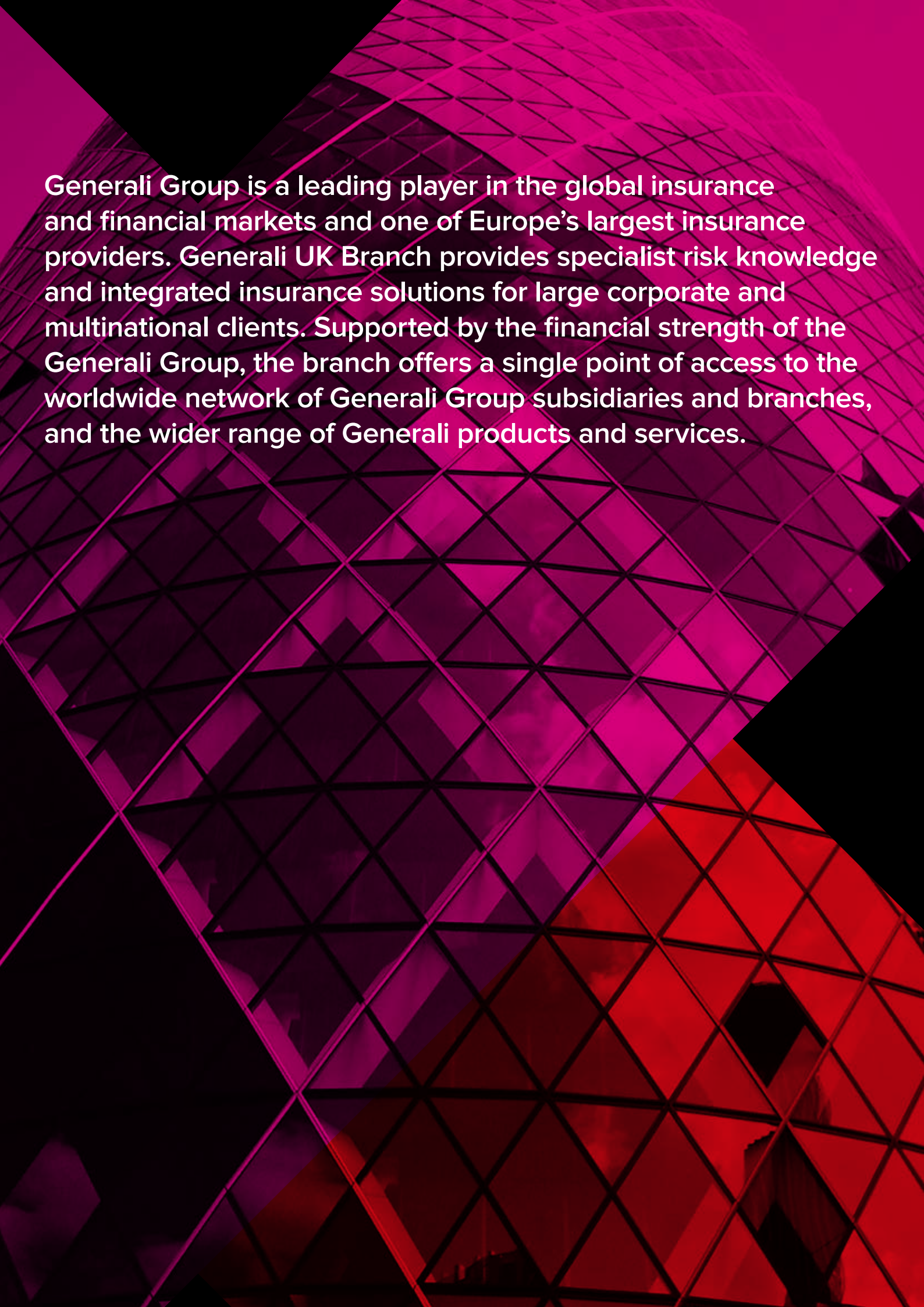


Xuber for Insurers: Generali Case Study

Generali selects Xuber for Insurers

A customer success story.



Generali Group is a leading player in the global insurance and financial markets and one of Europe's largest insurance providers. Generali UK Branch provides specialist risk knowledge and integrated insurance solutions for large corporate and multinational clients. Supported by the financial strength of the Generali Group, the branch offers a single point of access to the worldwide network of Generali Group subsidiaries and branches, and the wider range of Generali products and services.

*On 4 July 2014, Xchanging acquired the European operations (people, process, technology) of the Agencyport Group from Agencyport Software Ltd and Agencyport Software US Incorporated. References to Agencyport in this document to refer to Agencyport Software Europe Limited, Agencyport Software Europe (Regional Hub) Limited, Agencyport Software Bermuda Ltd and / or Agencyport Software Europe Offshore Corporation only, and are solely used for the sake of historical accuracy.

Xuber for Insurers was previously referred to as OPEN Core Platform: Commercial

The Business requirement

The UK non-life operation's focus is the commercial 'mid-market' with products covering property, casualty, engineering, marine and aviation including reinsurance support to other group companies. The business provides tailored insurance solutions in a complex market with multi-company programmes, across multiple countries. Generali therefore needs to be able to adapt its service to the demands of an increasingly complex clientele.

In 2009 Generali UK embarked on a transformation of its systems. The mission; to dramatically enhance its operational effectiveness. This cascaded into a number of key objectives:

- Reduce Operational risk – by addressing the potential risk caused by an ageing system, supported by a diminishing pool of skills.
- Increase transparency – by improving the ability to see what was going on across the business
- Drive greater control – by enhancing the ability to manage and direct the business in an effective way
- Provide insight and accuracy – by creating a data foundation with the business tools to report on, and interrogate, business information

Generali selected Agencyport* as an integral part of a project entitled "Xcalibur".

The Data Challenge

One of the biggest challenges of the project at the outset was data migration. The existing platform contained data dating back to 1963, a year when the Beatles released their first album (Please Please Me), and Martin Luther King gave his 'I have a dream' speech.

The system being replaced was implemented during the year NASA launched their first space shuttle mission and Lotus 1-2-3 was launched, nearly three decades ago. The data set was huge, with over 39 million historical technical account records, over 3.6 million historical claim movements and approaching 800,000 policies. To add to the complexity, records were kept in different formats across different systems. Also, over the decades, compromises were made creating holes and inconsistencies. As a result a large part of the project was to refine, cleanse, reconcile and match data ensuring integrity checks along the way.

Data migration requires the alignment and involvement of both business and IT teams. Agencyport's data management team had experience in such matters.

With over 55% of the Syndicates in Lloyd's using Agencyport, and customers representing some \$30 billion in Direct Written Premium (DWP), Agencyport's experience as a market leader in the Lloyd's & London Market proved its worth in this project.

About The Solution

Project Xcalibur was constructed from a number of components, all integrated to create a coherent and contemporary technological architecture, the main elements being:

- Xuber for Insurers - The Agencyport mission critical non-life Business Administration System
- Knowledge Centre - Document Management System
- Business Objects XI - Reporting System
- Risk aggregation and risk modelling solution
- Interface with SAP accounting package

Xuber for Insurers is a solution recently cited in the Gartner Critical Capabilities Analysis Report as one of a handful of policy administration systems to meet the demanding requirements of European general insurers. The assessment is based on Gartner's eight core critical capabilities: Product definition, multichannel support, policy life cycle management, workflow and process management, system configuration, component-based architecture, usability and internationality.

The integration of Knowledge Centre and Business Objects allows Generali to capitalise on class leading components that provide true business insight, rapid document management and presentation, and workflow, all of which assist greatly in addressing the demands of an increasingly zealous regulator and the pressures of Solvency II.

Generali UK Head of IT, Rajeeva Aluwihare commented "The Toolkit allows the solution to evolve. This is critical for the future of our business. The ability to describe our business in metadata means that we can evolve the solution in line with business demand. This also ensures we can upgrade the Toolkit to take advantage of advances in technology."

The infrastructure

In addition to the task of data migration and implementing the Xuber for Insurers solution, Generali elected to move to HP infrastructure, the old system having run on IBM's AS400 technology. As part of this, the IT team adopted the concept of 'virtualisation' which enabled multiple environments to be hosted on each server, supported by a Storage Area Network (SAN) and an off-site Disaster Recovery site.

This has many benefits in terms of performance, the use of space and the saving of energy.

As Rajeeva Aluwihare explains: "If we hadn't adopted virtualisation we'd have had to build another machine room in London!"

In addition to creating new functionality in support of the business, performance tuning was an on-going activity, with the ultimate aim to provide a highly performing solution for a user population in the UK and the US, a population numbering over 120 in number. Prior to go-live the Agencyport configuration team conducted performance monitoring against the pre-production database alongside Database Analysts to ensure that all areas of functionality had been optimised. This monitoring has continued following 'go-live' to ensure performance expectations are met.

Tailoring the product

Generali worked with Agencyport to tailor Xuber for Insurers to its specific business needs. Some highlights from the project include:

- a) The delivery of an innovative messaging framework christened 'FastClose' - this utilises London Market messaging functionality, 'plugging in' Generali's own bespoke internal messaging processes. This automates the load and matching of claims and premiums from other Generali entities worldwide. Generali can manage its own exception coding and workflow surrounding the automatic and manual validation of FastClose messages which reduces substantially the amount of manual data processing.
- b) The adaptation of the Xuber for Insurers' scheduler – this allows the Daily Rate of Exchange upload to be automated.
- c) The creation of a Letter of Credit facility – where balances are automatically updated from claims records. This provides an elegant data entry facility integrated to claims and contact records.
- d) The construction of a Spreadsheet upload utility – which drives the automatic creation of policy section records from the data loaded. This function is also used to load IBNR information calculated outside of Xuber for Insurers and generates appropriate technical accounts for feeding to Generali's general ledger.
- e) The management of sophisticated reinsurance ceded premiums, commissions and recoveries calculations allowing automatic postings to be made. This saves both time and effort involved in carrying out off-line calculations and data input.

The Benefits

The project took almost 24 months. Generali now has mission critical technology that puts the organisation in an excellent position to address the pressures of today's insurance marketplace. The combination of Xuber for Insurers and the data warehouse delivers a clear line of sight to key information with tools to analyse and report on information, whether through on line queries, adaptive reports or complex reporting cubes for drill down interrogation. Generali employees are benefiting from immediate access to data and the automated processing and matching of policies, risks, and account messages.

In the words of Rajeeva Aluwihare: "The Xcalibur project has created an adaptive, agile platform to respond to demands in a timely manner. This achievement has been a long journey that has taken commitment, co-operation, and support from all parties throughout the project."

Steven Spano, Generali UK Branch President and Project Sponsor said: "Adopting Xuber for Insurers is integral to our becoming a more agile and responsive organisation. With Xuber for Insurers, we will improve the quality of our data and manage workflows more efficiently, ultimately providing better service to our clients. The new system allows us easier access to information, automated processing and matching of policies, risks, and account messages."

Becoming Part of a Community

The final piece of the jigsaw is the benefit that Generali will receive from being part of a vibrant community of insurers such as Hiscox, Travelers, Aegis, Ironshore and Omega. All of the organisations benefit from the evolution of the Xuber for Insurers solution and the collective investment and knowledge that this brings. For example the latest release of the Xuber for Insurers' Toolkit contains a connector to SharePoint and advances in Web Services to cater for the increasingly connected systems universe insurers encounter. This roadmap of enhancements is directly influenced by the User Community through User Group forums organised on a quarterly basis.

"Being part of an active user community is important for Generali", said Steven Spano. "We value the ability to benefit from the collective wisdom of the marketplace and to move our solution forward in collaboration with other insurance market leaders. The reason we ended up on a technology branch line was due to the erosion of support for our old system."

What of the future?

Looking forward, the ability to adapt to changing market opportunities is inherent within the new solution including the ability to define and launch new products. With the success of this implementation Generali is evaluating the use of Xuber for Insurers for other parts of its business. A solution such as Xcalibur, powered by Xuber for Insurers, presents Generali with a powerful platform to achieve similar step-changes in other territories and across global programmes.

Phil Race, Director of Xuber concludes: "There are many organisations in the insurance marketplace that are nervous about transforming their IT landscape, despite the substantial risks involved in retaining older, unsupported and often inflexible systems and the potential benefits available. The success of projects, such as Xcalibur at Generali, prove that with attention to detail, highly capable technology and commitment from all parties this transformation can be achieved."



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