

Case Study: Zurich Germany



Zurich Germany transforms its motor insurance business

Client name: Zurich Germany

Location: Germany

Industry: Insurance

Challenges

- Achieve capabilities in product development, insurance underwriting and policy processing
- Establish a set of business practices and promote the reuse of product definitions
- Streamline rules creation and testing in new-product development

Solution

- Establish a performance task force made up of Zurich and DXC professionals
- Deploy DXC's VP/MS, a rules and calculation engine designed for insurance
- Build a single-product infrastructure to support multiple channels, including mobile

Results

- Delivered increased efficiency with a "build once, deploy to multiple markets" environment
- Reduced CPU time significantly compared to existing legacy architecture
- Provided increased ability to enter new insurance markets

Increased competition in the insurance sector has leading companies looking for ways to bring new products to market faster. Firms such as Zurich Germany, which is growing its market share in Germany, are also adopting new technology to improve communication with agents and standardize business practices.

As part of a significant transformation program, Zurich Germany undertook a major upgrade of its general and commercial motor insurance software. Needing versatile technology that would help standardize its operations, Zurich licensed DXC's Visual Product Modeling System (VP/MS) software. VP/MS is delivering a number of benefits, including increased business agility and improved time to market for Zurich's insurance products.

When implementing a new sales system, Zurich Germany was looking for a solution with features such as the ability to build cross-company business process standards, as well as a web application based on Java that could run online and offline. The new system, called TAS 2.0, also needed to be compliant with BiPRO, a neutral German association of insurers, brokers and IT providers that intends to optimize and build cross-company business process standards.

Leading technology

DXC's VP/MS was a perfect fit to give TAS 2.0 the technical power and agility to help Zurich remain an insurance leader in Germany. VP/MS is a suite of cross-industry software tools capable of standing alone or being integrated with other software to allow the rapid configuration of product definitions, rules and calculations without the need for program coding.

In addition, VP/MS enables product models to be created and tested in a central repository that forms a single source for product rules and calculations. VP/MS also allows for the creation of product-specific quotations and new-business screens by integrating with a distribution platform, and features seamless support for mobile devices such as tablets.

TAS 2.0 is now supporting Zurich Germany's various motor insurance sales channels, which include agents, brokers, banks and other networks. One of the biggest benefits of having VP/MS integrated with the system is that it can be embedded in other software and deployed easily to any platform, including mainframe systems of insurers, thus ensuring full platform neutrality and reusability of insurance products.

From the beginning of TAS 2.0, Zurich recognized that by putting VP/MS at the heart of its business, it could maximize reusability of its product models for each line of business, as well as its general insurance back-office applications. This has leveraged the investments made during the TAS implementation. With VP/MS, Zurich has also been able to build a single product infrastructure.

Centralizing infrastructure

Building a single product infrastructure was a true challenge that involved establishing a dedicated performance task force made up of Zurich and DXC employees. The project was divided into three stages that included the full integration of VP/MS models into Zurich's Motor Policy Administration System. To accomplish this, DXC came up with a new version of VP/MS XE Server, providing the modified functionality needed by Zurich.

After successfully implementing TAS for motor insurance, Zurich started on the VP/MS mainframe integration and consolidation project. By extracting and centralizing product business rules with VP/MS, Zurich is now achieving advanced capabilities in underwriting, product development and policy processing.

Zurich's window for motor batch processes is tight and temporary, especially at the end of each year — a peak time for customers to change insurers. Therefore, a general Zurich expectation was that the elapsed time of VP/MS performance would not exceed a factor of 1.1. This means that the CPU elapsed-time performance needed to be identical to what the company was getting with its existing mainframe.

By combining three factors — using software functionality efficiently, hardware optimization and network optimization — performance for the new environment was reduced to a factor of 1.13, which was a desirable result for the Zurich/DXC task force. On achieving this milestone, Rita Kruse, program manager, Zurich Germany, said, "We appreciate DXC's supporting the task force. The result the team achieved is fantastic — we successfully reached our performance factor goal of 1.1."

Other successes included CPU time being significantly reduced in comparison to the existing legacy architecture. Reduction in CPU usage has resulted in decreased mainframe operation costs for Zurich, which was achieved in part by simply relocating the VP/MS Runtime onto Windows Server systems.

This case study was originally written by CSC, which is now a part of DXC Technology as of April 2017.

About DXC Technology

DXC Technology (NYSE: DXC) is the world's leading independent, end-to-end IT services company, helping clients harness the power of innovation to thrive on change. Created by the merger of CSC and the Enterprise Services business of Hewlett Packard Enterprise, DXC Technology serves nearly 6,000 private and public sector clients across 70 countries. The company's technology independence, global talent and extensive partner network combine to deliver powerful next-generation IT services and solutions. DXC Technology is recognized among the best corporate citizens globally. For more information, visit www.dxc.technology.