



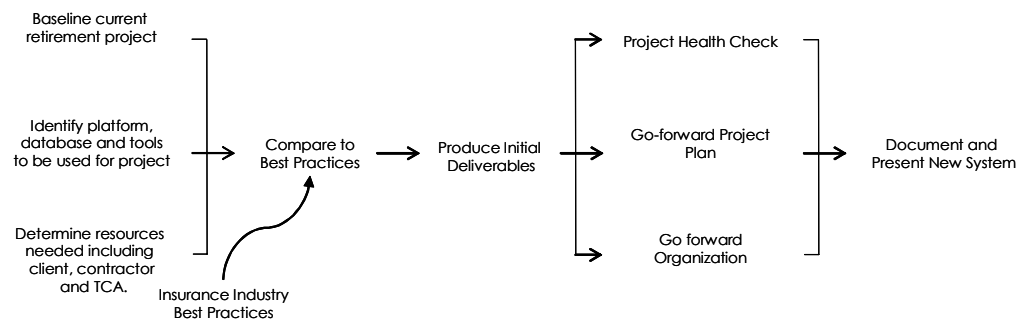
insurance legacy system replacement

A large (\$4B+) insurance company was in the process of reducing costs, improving financial reporting, and eliminating expensive technology. Several failed attempts had been made to retire a legacy system, circa 1970, that processed underwriting information. The system processed information regarding loss, premiums and expenses. Approximately 27 million records were processed each month with an annual support and use cost exceeding \$2,000,000. Due to the age of the system, it was difficult to modify and use. The system consisted of a significant amount of "hard coded" software with minimal documentation.

Technology Consulting Associates, LLC (TCA) was hired to provide a "health check" on the current project and to take over the implementation of a replacement system. The objective of the project was to replace the legacy system with a more responsive, easier to modify system utilizing current, less expensive technology.

vision

The following diagram summarizes TCA's approach:



Objectives

- ✓ Create a new system leveraging current client/server and web technologies to process the Underwriting information
- ✓ Provide standard and user-defined reporting for corporate and field personnel
- ✓ Utilize current technologies and tools to quicken delivery and get the system in by year-end

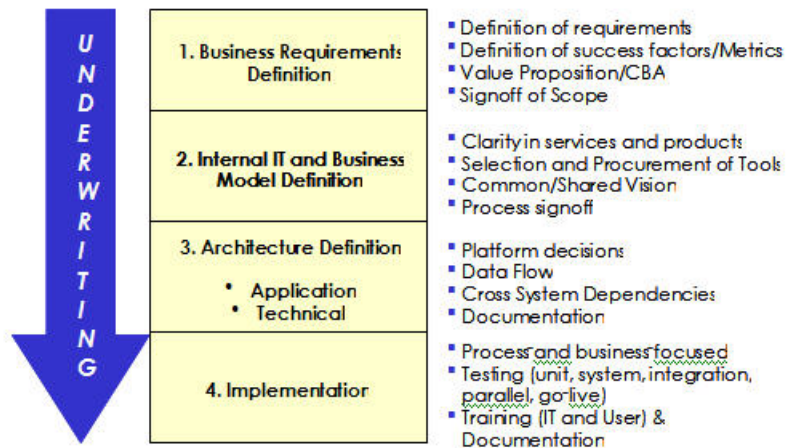
Deliverables

- ✓ Project work plan and organization
- ✓ Operational Data Store to process state provided entries and manual entries from non-automated systems
- ✓ Provide a data mart with user-oriented reporting tools for in-house and field use.

Initially, TCA provided a "health check" on the project underway using the client's methodology and the insurance industry's "best practices" for underwriting and for reporting tools.

TCA then made recommendations on schedule, project plan, personnel and tools to be used on the project.

The implementation activities utilized a combination of Rational Rose methodology and the Oracle AIM methodology as demonstrated by the following:



results

The following were delivered:

- Complete underwriting ODS with documentation utilizing:
 - Oracle as the database
 - Oracle forms for on-line maintenance
 - Informatica as the ETL tool
 - Cognos as the reporting tool
- Complete process documentation
- Complete system documentation
- Training material
 - User Training and Manuals
 - IT Training
- Re-skilled IT department
- Reporting structures in star schemas for easy and quick reporting

value

Both the business and IT departments reaped the benefits of the project.

- IT support staff was reduced by over 30%
- IT costs were reduced by over 70%
- Data Mart utilizing Cognos reporting was implemented providing corporate and field personnel with timely reports
- Financial close time was reduced and accuracy was improved
- System documentation was created and provided on-line with complete maintenance capability
- Training environment and training material were provided both for the business and technology communities enabling knowledge transfer and cross training