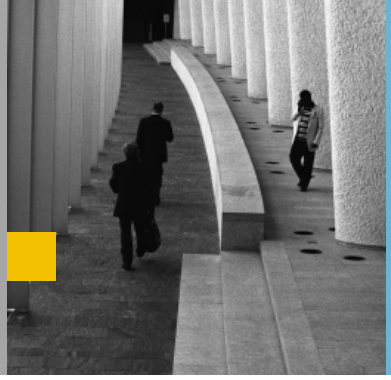
SAP Customer Success Story
Insurance – Life Insurance, Property Insurance



"The SAP Records Management application finally standardizes our customer-facing processes. The quality of our customer service has profited immensely from this . . ."

Dennis Lidzba, Managing Director, Braunschweig IT, Öffentliche Versicherung Braunschweig

AT A GLANCE

Company
- Name: Öffentliche Versicherung Braunschweig
- Location: Braunschweig, Germany
- Industry: Insurance
- Products and services: Life insurance, property insurance
- Revenue: €338 million (gross premiums in 2005)
- Employees: 1,100
- Web site: www.oeffentliche.de (German only)
- Implementation partner: xft GmbH

Challenges and Opportunities
- Manual, paper-based processes are slow and error-prone.
- Heterogeneous applications lack integration.
- System interruptions occur frequently.

Objectives
- Standardize document-based processes
- Create and maintain an electronic client master record for each insured individual
- Integrate SAP® and non-SAP applications to fully support all processes
- Implement client file–oriented schedule management within SAP software

SAP Solutions and Services
- SAP Records Management application
- SAP NetWeaver® platform
- SAP Interactive Forms software by Adobe
- SAP Hosting services

Implementation Highlights
- Implementation was fast and within budget.
- Users adopted solution quickly.

Why SAP
- Provides integrated, master file–based processes
- Has long-term strategy for SAP software

Benefits
- Standardized processing of customer correspondence
- Established a customer master record based on processes and documents
- Seamlessly integrated processes across SAP and non-SAP applications
- Accelerated processing of customer correspondence, thereby enhancing responsiveness
- Improved quality of customer service

Existing Environment
SAP for Insurance solution portfolio, SAP enterprise resource planning software, SAP Customer Relationship Management application, Java-based FJA Life Factory, an application for the insurance industry from FJH AG

Third-Party Integration
- Software: xft add on suite, a software product from xft whose software interface was certified by SAP
- Database: MaxDB
- Hardware: Fujitsu Siemens
- Operating system: Microsoft Windows 2000

ÖFFENTLICHE VERSICHERUNG BRAUNSCHWEIG

SAP® Records Management Automates Business Processes for German Insurance Firm

The insurance industry has long favored custom software solutions, arguing that standard software simply cannot cover its complex needs. Functions ranging from intricate mathematical computations for life insurance to unique record-keeping practices have therefore been handled either through specialized niche software products or manually.

Öffentliche Versicherung Braunschweig (ÖVBS), a life and property insurance company based in Braunschweig, Germany, wanted to take a different approach. The company's software environment comprised SAP® enterprise resource planning software for general business support and the SAP for Insurance solution portfolio, as well as third-party tools. But the customer master file was still a paper folder, and the associated activities, especially correspondence, were still handled manually. "Files and microfiches had to be ordered from the archives and physically transported to the office," recalls Dennis Lidzba, managing director of Braunschweig IT, ÖVBS's internal IT services provider. "Sometimes they were misplaced. Processes were inconsistent. Too much knowledge went unrecorded so employees were often unable to stand in for absent colleagues. We needed software capable of standardizing and automating our processes, and an electronic master record for each customer."

ÖFFENTLICHE VERSICHERUNG BRAUNSCHWEIG

xft

SAP®

Solid Standing on Standard Software

ÖVBS made a strategic decision to rely on standard software wherever possible. "We wanted to include more insurance-specific core processes in our SAP software environment, rather than develop custom software," says Lidzba. "Tight integration and widely available software expertise were very important to us." ÖVBS approached SAP software partner xft GmbH of Walldorf, Germany. xft was able to provide an end-to-end, document-based solution built on the SAP NetWeaver® platform, with the SAP Records Management application as a core application and the xft add on suite, a software product from xft whose software interface was certified by SAP. This solution offered everything ÖVBS needed – an electronic master record for each customer and support for all business processes associated with client correspondence.

Warm Welcome for a Big Change

The implementation was completed within the allotted budget and within six months as planned. The go-live was very smooth, says Lidzba. User training was given in a four-hour course taught by key users. Lidzba was surprised how quickly the new software was accepted: "We had scheduled a four-week transition period with the old and new software running in parallel. After only two weeks, all of our employees fully relied on the new software. This is a great accomplishment, considering the drastic change from working with paper documents to using the software to do everything electronically. The advantages of the SAP software were appreciated instantly."

SAP Records Management and the xft task manager add-on software from xft has replaced the old paper files with an electronic master record that holds the entire customer interaction history structured by policy type. Retrievable in an instant, this record is presented within a consistent user interface that provides access to all tasks and information sources employees need.

All incoming correspondence is now scanned. OCR software extracts key information, such as the customer name or policy number. Forms are identified by bar code. Based on rules, each document is then categorized and assigned by the xft queue manager software from xft to the appropriate customer master record, employee, and task. The software notifies employees when correspondence for them has arrived and supplies key information and basic workflow guidance. "The SAP Records Management application finally standardizes our customer-facing processes," says Lidzba. "It logs every step – including reply mail – chronologically in the master record. Being able to read and trace back all correspondence instantly within the context of the master record helps our employees be more productive and focus on customer service rather than on searching for files. Any employee can assist any customer competently and quickly. All other required information is just a mouse click away. The quality of our customer service has profited immensely from this, and misplaced files are a matter of the past."

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POWERED BY SAP NetWeaver®

All business processes span applications, thanks to the seamless integration of the SAP software. “This integrated software landscape makes our work much easier and more efficient,” says Lidzba. “Everything works together beautifully, and all processes are transparent and easy to maintain.”

Open Architecture

Underlying the records management infrastructure is the enterprise service-oriented architecture (enterprise SOA) supported by the SAP NetWeaver platform. ÖVBS’s third-party, Java-based life insurance contract management software was tied in as a service as well. “As an open-standard architecture, enterprise SOA facilitates interfacing and data exchange, opening additional perspectives for future system expansion,” explains Lidzba. ÖVBS is currently implementing SAP Interactive Forms software by Adobe to support the Insurance Mediation Directive advanced within the EU. This directive enforces due diligence in insurance policy sales by requiring the minutes of each sales conversation to be signed by the customer. The solution – based on functionality from the SAP Records Management application and the xft queue manager software – captures the signed form electronically and attaches it to the master record as a tamper-proof document.

“By establishing automated, electronic document–based processes,” Lidzba summarizes, “we have created a new standard for our enterprise. Any new business area or process to be automated and included in the system in the future will follow this paradigm. By keeping with the standard, we can minimize our administrative overhead.”

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