

## One system – one interface – uniform processes

A uniform policy system covering all lines of business on the composite segment and an efficient SAP-based solution for the motor insurance made for optimised workflows at ÖVBS.



The ÖVBS Öffentliche Versicherung Braunschweig insurance company safeguards crucial competitive advantages with a uniform SAP-based policy management system for all composite segments and seamless link-up of the field service. After all, the SAP Policy Management solution implemented by msg systems provides continuous processes, accelerates product development and permits flexible service. In addition, the msg.motor add-on developed jointly with msg systems now for the first time allows standardized handling of all business processes for the motor insurance.

# Success Story: Öffentliche Versicherung Braunschweig

The ÖVBS Öffentliche Versicherung Braunschweig insurance company is one of the oldest insurers in Germany. It was way back in 1754 that Duke Carl I. founded the Braunschweig state fire insurance company the foundation for a success story. Today the ÖVBS is the undisputed market leader for life and composite insurance in the region. The company insures 75 per cent of all residential buildings, 50 per cent of household and personal effects and half fall private vehicles in South Eastern Lower Saxony. The ÖVBS has 400,000 customers with a workforce of 600 employees in the back-office and 500 in the field service; manages 1.3 million insurance policies and records gross premium revenues amounting to 345 million Euro.

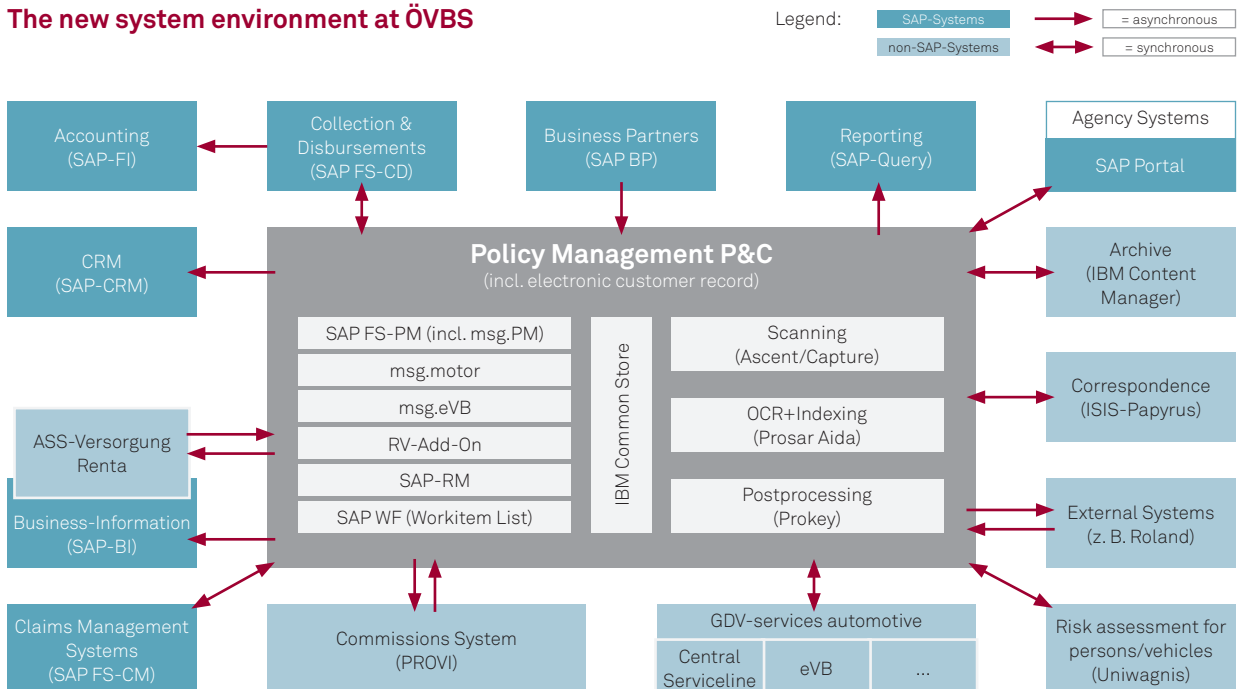
## Best-of-class standard solutions

Like many other traditional insurers, ÖVBS also had an organically grown IT environment including sepa-

rate policy management systems for property and liability insurance, accident and automotive, as well as different systems for back-office and field service. As the tariffs were programmed by the IT department instead of being modelled by the business departments, sorting out the tariffs was often a longwinded and elaborate process. „To enhance our efficiency and tap into durable competitive advantages in the dynamic insurance business, we were looking out for a modern insurance IT with straight-through processing and a central platform with uniform user interfaces for all employees“, explains Dr. Bernd Höddinghaus, IT Director at ÖVBS.

To push ahead with modernisation, in 2003 the ÖVBS set up the subsidiary Braunschweig IT GmbH (B-IT). Among others, the aim was to implement an efficient, flexible IT-architecture (see diagram). Here the responsible IT-Managers consequently made use of best-of-class standard solutions instead of individual solutions.

## The new system environment at ÖVBS



# Success Story: Öffentliche Versicherung Braunschweig

The heart of the new system environment in the composite segment consists of the SAP Policy Management system. This integrated solution covers most of the ÖVBS business processes. Given the logical separation between product server and policy management, SAP Policy Management permits product-controlled contract management. New products and tariffs can be easily modelled and integrated into the portfolio. In interaction with other SAP components such as SAP Records Management, SAP Customer Relationship Management and SAP NetWeaver™ Portal, the solution offers a 360° view of the customer. In addition, uniform applications for back-office and field service permit conclusive case processing at the POS.

„The new policy management system gives us a future-proof solution, that ensures a flexible straight-through processing and considerably simplified product development. The enhanced efficiency and a clearly shorter time-to-market bring us major competitive advantages“, is how the advantages of the solution are described by Bernd-Peter Scholz, Head of Development at Braunschweig IT. SAP Policy Management and other components were implemented in several stages. First of all, the solution for residential building insurance was implemented, followed by the property sector. Rollout of the policy system for all composite lines of business should be completed by the end of 2010.

## **Automotive processes now handled in SAP Policy Management for the first time**

In order to fulfil the specific needs of automotive insurance as well, it was necessary to supplement the standard SAP Policy Management solution. Together with B-IT, in 2006 msg systems started to develop the msg.motor add-on which was integrated in the SAP Policy Management, together with msg.eVB, a component for producing electronic insurance certificates. Thanks to this seamless integration of msg.motor,

now for the first time it is possible to handle all business processes also in the automotive insurance in a consistent, flexible and efficient manner SAP Policy Management, as a platform covering all lines of business. As fully developed solution, msg.motor includes all regulations of the German automotive insurance market, offering all necessary functions such as type and regional classes, insurance indicators, change of vehicle, certificates for change of insurance and a merit rating system. In combination with the component msg.eVB, the data exchange with the corresponding licensing offices is automated and a policy compilation triggered accordingly, as soon as the application form and confirmation from the licensing office are available. Another major advantage is based on the modelling and definition of products in msg.motor allowing the administration of several individual sales products at the same time.

## **Fast service and flexible product design**

Car insurance is a highly competitive diversified business characterized by short contract periods and complex execution processes with many external interfaces and frequent contract amendments. Efficient, automated processing is therefore highly significant. “With SAP Policy Management and the msg.motor add-on, we are well equipped to deal successfully with these challenges and score with fast service and flexible product design“, emphasizes Dr. Barbara Stoth, Head of the Automotive Division at ÖVBS.

After the initial introduction phase with the new car business in November 2008, the testing phase was brought to a successful conclusion in April 2009. Thanks to the seamless integration of msg.motor and msg.eVB in SAP Policy Management, it was also possible to proceed even with a first SAP release change without any problems. After going operational, gradually more than 100 users in the automotive insurance department at ÖVBS will use the system for managing nearly 300,000 automotive contracts in the future.

### Implementation of the cross business line policy system SAP Policy Management and development of an motor insurance add-on

#### Project goals

- Joint platform for all composite sectors with uniform application for back-office and field service
- Straight-through processing from proposal to the finished policy
- Conclusive case processing at the POS
- Faster, more differentiated product development saves competitive advantages
- Enhanced efficiency provides savings potential

#### Milestones

- 2003 Foundation of B-IT GmbH; project planning
- 2006 Implementation and rollout for the home insurance sector; Development of the add-on msg.motor
- 2007 Implementation and rollout in the private customer property sector
- 2008 Implementation and rollout in the automotive insurance sector (proof of concept)
- 2009 Implementation and rollout in the automotive insurance sector (new saleable tariff)

#### Advantages msg.motor/msg.eVB

- Standardised execution of all business processes in the automotive insurance sector with seamless integration in SAP Policy Management
- Fulfilment of all statutory requirements and sector-specific characteristics
  - Type and regional classes
  - Insurance plates
  - Change of vehicle
  - Certificate for change of insurer
- Automated data exchange with licensing offices (via msg.eVB) and other insurers
- Independent merit rating
- Simultaneous management of several open-ended products