

MODERNIZING LEGACY APPLICATIONS BOOSTS EFFICIENCY AND BUSINESS

Challenge

To better serve insurance brokers and policy holders while reducing the time and cost to administer insurance policies.

Solution

Modernize and extend the Branch Policy System (BPS) to the Web with an interface that leverages and reuses existing key functionality. Refactoring was used to separate the presentation layer and the database access layer from the business logic. blive, a Web-based interface, leverages essential business logic from the BPS system.

Benefits

- Reduced policy administration costs
- Improved service to brokers and policy holders
- Reduced cost and effort of developing J2EE applications
- 98% of brokers and policyholders use the reengineered applications
- Application programs were modernized in less than one month and return on investment is expected in 13 months
- Reduced time to process policies from 7 days to 7 minutes



Hibernian General Insurance of Ireland, established in 1908, is one of Ireland's largest and most respected insurers.

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“Now we are able to reuse business-critical functionality that has been developed over the years in Natural and Adabas. We’ve realized a significant benefit, as we have reduced the effort and cost required to develop our new J2EE applications because we are reusing, rather than cloning, existing functionality available on the mainframe.”

Mark Sinnott | Broker Project Manager | Hibernian General Insurance of Ireland

Improving Service and Reducing Costs

Hibernian General Insurance’s business philosophy is to provide competitive products and excellent service to customers. Consequently, the organization is constantly striving to improve operations. One of Hibernian’s key applications is its Branch Policy System—a character-based application used by internal administration and call center staff to service insurance brokers and policy holders.

To improve response times to these customers and reduce the costs of administering insurance policies, Hibernian decided to take a service-oriented approach and create a Web-based, easy-to-use interface that leverages and reuses existing key functionality contained within the business-critical Branch Policy application.

Developed using Software AG’s Adabas data management system and its Natural programming language, BPS supports the administration of personal and commercial lines of general insurance. Recognizing that major changes to its policy-processing systems were needed to improve service to brokers and consumers and reduce administrative costs, Hibernian began investigating options.

“Initially we planned to replace our legacy application with an off-the-shelf general insurance package,” explains Mark Sinnott, the Broker Project Manager for Hibernian General Insurance of Ireland. “However, over the years, there has

been a large investment in this system which has provided our users with a very high-level of functionality. We found this extremely hard to replace with an off-the-shelf general insurance package.” Instead, Hibernian decided to extend the capabilities of BPS by creating a Web-based interface, blive, which takes advantage of key features of the existing application. The Web interface could reduce the costs of administering insurance policies by providing self-administration capabilities to brokers and give brokers and policy holders the ability to access information using the Internet.

Hibernian also wanted to retain a single processing system with one view of the truth. To ensure flexibility to support these and future requirements, Hibernian took a service-oriented approach to extend the BPS application.

Reusing Business-Critical Functionality

First, Sinnott and his team decided to separate the BPS presentation layer and the database access layer from the business logic stored in the application. “This newly de-coupled application could then be opened up to new channels of business while retaining its original functionality,” Sinnott explains. To achieve this, Hibernian used Software AG’s Natural Productivity Package, a set of tools for developing and maintaining Natural applications using a single, remote Windows-based development environment.

Complementing the package is Natural Engineer, a maintenance and reengineering tool that let Hibernian restructure its existing application and reuse essential business logic. Refactoring, a plug-in option for Natural Engineer which automates tasks to reduce time and effort, enabled Hibernian to perform that logic, and IO layers and open up back-end mainframe operations to a J2EE environment using Natural’s API. A Java presentation layer now allows users to access the existing Natural application via MQ middleware.

Hibernian restructures existing code into components, which are then easily integrated into MQ middleware. “You end up with a multi-layer application with a presentation layer that still operates in the host environment,” says Sinnott. “This allows users to carry on exactly as they are used to working; they’ll know no difference,” he adds. But behind the scenes, the business logic is driven by calls made to objects that can be offered up to different channels.

Cost-Effective and Efficient Service

Today, Hibernian processes 800,000 policies representing 2 million transactions per year, with applications that support a Web channel but still take advantage of the legacy investment. About 2,000 users, in 400 brokers' offices, use blive. Approximately 95% of home business policies and 70% of van policies are processed on the Web-based blive application, far surpassing the original target of 20%.

Hibernian says 25 programs were refactored in less than one month. As a result, administration efficiency has risen dramatically. Policies that used to require seven days to process now require a mere seven minutes. The new tools also reduce the costs of developing and maintaining new J2EE and Web-based applications while giving Hibernian the ability to develop for mixed platforms from a centralized and modern integrated development environment.

Sinnott estimates that Hibernian will see an investment return in only 13 months, well before the original goal of almost four years. "In a very short time we can gain the benefits of the investments in the back-end systems and completely regenerate those systems to be re-used in multiple channels," Sinnott says. "We are armed and ready for a Service-Oriented Architecture."

KEY COMPONENTS

Natural and Adabas

Provide, respectively, the application development and data management infrastructure for the Branch Policy System.

Natural Productivity Package

Increases application development and maintenance productivity.

Natural Engineer

Enabled Hibernian to restructure its existing applications and reuse critical business functionality.

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