



# Insuring an automated, integrated digital future

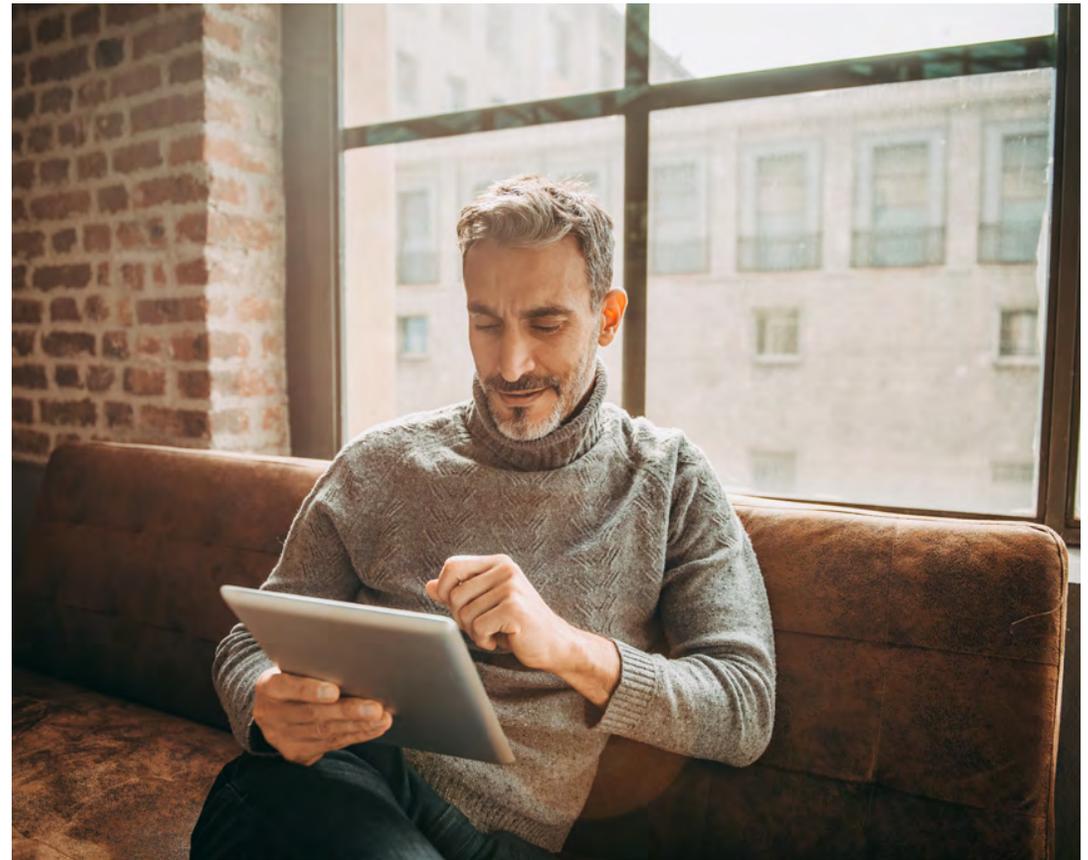
Aon Italy modernizes insurance and risk processes with IBM Cloud Paks

by Kristin Fern Johnson

6-minute read

When COVID-19 brought businesses to a halt in the spring of 2020, Aon Italy was better prepared than many. Several years prior, the company embarked on a digital transformation in which it automated core processes and equipped its employees to work remotely. That foresight enabled Aon Italy not only to survive the crisis, but also to thrive. IBM Cloud Pak® and Red Hat® OpenShift® solutions were key to fueling the transformation.

Aon Italy is a branch of Aon plc, a multinational professional services firm that provides a broad range of commercial risk, reinsurance,



retirement, health, and data and analytics solutions to businesses and consumers. The Italian branch follows the same organizational structure as its parent company, operating in 25 offices throughout Italy.

A strong focus on customer satisfaction and a never-ending quest for improving operational efficiencies lie at the heart of Aon Italy's enduring success. In 2016, as digital technologies were quickly changing the face of the

industry, the company recognized the promise of adopting—and the risks of ignoring—them.

“We wanted to maintain our leadership and market share in Italy,” says Giancarlo Baglioni, Chief Operating Officer for Aon Italy. “But the world was changing, and new competitors were entering the digital arena. We needed to embrace a full digital transformation and a new vision for the future by developing and deploying applications that could reduce time to market, ensure adoption flexibilities and help us stay competitive.”

Aon Italy also wanted to harness the power of its data. The insurance industry is data driven. Much of that data is highly sensitive—such as customer information or claim details—and falls under tight governmental regulations. Data can also provide invaluable insights that can be applied

Automates business processes, potentially easing the workloads of the company’s

1,600

employees

Operates 5 lines of businesses out of

25

offices in Italy

to improving the customer experience or developing new insurance products and services.

Aon Italy divided its transformation initiative into phases, starting with short-term goals that could produce quick, internal wins—by automating its core underwriting process to reduce costly manual errors or its medical reimbursement process to speed response times, for example—then extending its focus to clients and other external communities in the middle-to-long term. To achieve those goals, the company needed to automate its business processes, streamline its workflows, and modernize and integrate its applications and systems across its health, risk, and retirement lines of business.

“We are seeing great results in terms of cost reduction, as well as in some cases revenue increases, due to easier collaboration with clients and prospects.”

**Giancarlo Baglioni**, Chief Operating Officer, Aon Italy

# An automated, containerized solution

Aon Italy chose [IBM Cloud Pak for Business Automation](#) and [IBM Cloud Pak for Integration](#) as the foundation of its automation journey. Optimized to run on [Red Hat OpenShift](#) on any cloud, the IBM Cloud Paks supported three key components of Aon Italy's transformation strategy: an overhaul of its underwriting processes, modernization of its IT environment, and adherence to the insurance industry's stringent compliance requirements as well as Europe's GDPR regulations.

Aon Italy initially focused on the underwriting process within its



“Affinity” business line, which specializes in customized insurance programs for small-to-medium organizations and their affiliates.

Underwriting—assessing risk and offering insurance options based on consumers' needs and circumstances – is a complex, end-to-end process. At

the time, many of the back-end activities were manual. It could take three days for a customer to receive an insurance quote after submitting a request.

To automate the process, Aon Italy employed several IBM technologies:

- The workflow capability in IBM Cloud Pak for Business Automation enabled Aon Italy to evaluate and streamline its digital workloads, providing a comprehensive view of workflows and priority ranking for back-office employees.
- The decision management capability in the IBM Cloud Pak for Business Automation helped the company create, automate and manage business rules around such areas as pricing, enabling it to quickly and flexibly respond to shifts in economic conditions and providing a single source of truth for regulatory audits.

- The application integration capability of IBM Cloud Pak for Integration connected back-office underwriting-related applications across the enterprise—whether in sales, IT, finance, or other departments—eliminating errors and connecting the right data to the right processes and people.
- Robotic process automation capabilities for back-office activities.

With an environment containerized on Red Hat OpenShift, Aon Italy could keep its sensitive data and applications on premises, while taking advantage of the flexibility, speed, and scalability of a multi-cloud environment for day-to-day activities. The ability to operate in any cloud also provided the company much greater ease in interacting with its many external partners and vendors in a wide range of IT environments.

After this successful implementation, the company expanded its use of IBM Cloud Pak capabilities. As a multi-brand company, AON Italy offers business-to-business solutions across diverse disciplines—such as wealth, automotive, construction, legal and compliance—each with its own data repositories. The IBM Cloud Pak for Business Automation’s AI-powered content management capability provides access to these disparate repositories from a single point of access and is GDPR compliant.

And with IBM Cloud Pak for Integration, Aon Italy is using API management capability to create and expose APIs for internal and external consumption, as well as the message queueing capability to share messages between applications.

# An AI-powered outlook

Today, Aon Italy is very happy with its IBM implementation. Automating and digitizing previously manual tasks has reaped significant benefits companywide through error reduction and time savings. This is especially true in the underwriting process, where reduced delays in proposal generation and improved data quality have resulted in cost savings and faster times to market. Higher quality data also enhances the company's ability to negotiate with suppliers and to establish, measure and meet enterprise service level agreements with corporate customers and partners.

“We are seeing great results in terms of cost reduction, as well as in some cases revenue increases, due



to easier collaboration with clients and prospects,” says Baglioni. “So it supports marketing and selling activities very well. We also are benefiting internally from the reduced

effort needed for various activities.” In addition, the platform saves the company time areas like example quote generation in the underwriting process and medical reimbursement to clients.

Modernization of its IT infrastructure continues to drive Aon Italy's automation transformation. The first containerization project the company undertook was to rebuild its portal application for managing medical reimbursements in a microservices Kubernetes environment. And in 2020, Aon Italy began moving its IBM Cloud Pak for Business Automation solution into a containerized environment running on Red Hat OpenShift.

"We've established a microservices approach," says Baglioni. "The next challenge is to expose each component so we can reuse it and reassign it to other applications, thereby creating a baseline of core components we can reuse for business services. While we don't know yet exactly what our corporate hybrid cloud strategy will be, we want our datacenters to be location-

independent. That way it will be very easy to move our applications as needed."

The company is looking into additional projects to take further advantage of its current IBM Cloud Pak capabilities, particularly those related to AI-powered automation. Every month, the company processes 30,000+ emails that come in through generic email addresses—and the number is increasing. Previously, the process for opening, analyzing and routing or responding to each email was largely manual. But as the volume increases, employees struggle to keep up.

Currently, Aon Italy is exploring the use of the [IBM® Process Mining](#) capability of IBM Cloud Pak for Business Automation to derive insights into the process and identify areas for improvement, and the [IBM Robotic](#)

[Process Automation](#) and data capture capabilities to automate the process combined with IBM Watson to better understand and classify the content of each email. "And perhaps in step two, we could automate follow up actions," says Baglioni. "For more than 80% of our mail, those actions are very easy, such as archiving, replying yes or no, or confirming receipt of documents."

For Aon Italy's evolution using IBM Cloud Paks, the future looks very bright, indeed. "It really allows us to take advantage of the full stack at IBM, because when you incorporate additional components, they are fully integrated with each other," says Baglioni. "We don't have to spend additional funds to integrate them. It's a great strategy on IBM's part for maintaining long-term relationships with clients—especially with us."

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**Giancarlo Baglioni**, Chief Operating Officer, Aon Italy



### About Aon Italy

[Aon Italy](#) (external link) is the Italian branch of Aon Plc, a multinational professional services firm that manages risk and insurance programs for 28 Italian groups in the country’s S&P 40 index, over 8,000 small and medium-sized businesses, and more than 700 public administration companies. Founded in 1982, the company is headquartered in Milan, Italy, and has over 1,200 employees in 25 offices throughout the country.

### Solution components

- IBM Cloud Pak® for Business Automation
- IBM Cloud Pak for Integration
- IBM® Process Mining
- IBM Robotic Process Automation
- IBM® Business Automation Workflow
- IBM® Operational Decision Manager
- Red Hat® OpenShift®

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