

An insurance company saves more than USD1.6 million with IBM software

IBM WebSphere Application Server and IBM DB2 software slash business and technology costs

Overview

Proactively upgrading software

To provide enhanced productivity and premier availability, this insurance company wanted to upgrade its systems.

Updated systems, improved performance

The insurer worked with IBM Software Services for WebSphere to deploy IBM WebSphere software to update and enhance system performance.

Technology and business savings

The organization saved more than USD1.6 million annually by decreasing service and support costs, cutting administrative requirements and reducing system outages.

Solution Components

Software

- IBM® WebSphere® Application Server
- IBM DB2® Advanced Enterprise Server Edition
- IBM Power Systems™

Services

- IBM Software Services for WebSphere
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This insurance company provides comprehensive coverage options such as personal auto insurance, homeowners insurance and mechanical break-down protection. It employs more than 5,000 people and serves customers in Arizona, Florida, Georgia, Illinois, Michigan, Nevada, New Jersey, New York, Oklahoma, Pennsylvania, Texas and Virginia.

Challenge

The company is serious about employee and customer satisfaction and retention, and a top-of-the-line system helps reduce outages and ensure that employees and customers receive the information they need when they need it. Fast and accurate response times are a key component of the insurance industry.

Taking a proactive approach to technology, the insurer decided to upgrade its systems so it could enhance productivity and improve availability. The company's mission-critical systems must have high availability, and private passenger automobile insurance, which is 80 percent of the organization's business, depends on these systems.

Solution

The company engaged IBM® Software Services for WebSphere® to help offer advice, provide resources and update its existing systems. The IBM team worked with the insurer to deploy IBM WebSphere Application Server V7.0 software and an IBM DB2® Advanced Enterprise Server Edition data server with IBM Power Systems™ software.





With the upgrade in place, the insurer eliminated 52 servers, which consolidates the server storage area and saves energy. The new solution also allows the insurer to be more operationally efficient. The company now experiences enhanced system availability, improved batch processing capabilities, increased speed and stability, and more consistent response times. The business improved its response times by 15 percent and reduced service level agreement (SLA) penalties by 25 percent to 50 percent, which translates to approximately USD250,000 per quarter.

Overall, the company reduced outages by 50 percent. In case of an outage, the insurer can more quickly identify and correct problems. The DB2 data server helps enable the organization to off-load reports and queries into a shadow database, providing enhanced resiliency during a service interruption and faster processing times.

The new solution requires 50 percent less maintenance, allowing the insurer to reassign numerous employees to more value-generating tasks.

Benefits

- Slashes support and service costs by USD1 million annually
- Reduces requirements for full-time systems maintenance employees, resulting in an average savings of USD307,000 per year
- Decreases annual costs associated with outages by 50 percent, or approximately USD300,000

For more information

To learn more about IBM WebSphere software, please contact your IBM marketing representative or IBM Business Partner, or visit the following website, ibm.com/software/websphere.

“WebSphere Application Server is the platform for our next-generation system, and it runs 26 different environments, or 80 percent or more of our mission-critical business. I am happy to say we have never had a problem since upgrading it.”

— Director of IT, insurance company

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