

Case Study: Zurich Financial Services

Zurich Financial Services

The Zurich Financial Services Group is a global leader in the financial services industry, providing its customers with solutions in the area of financial protection and wealth accumulation.

The Group concentrates its activities in four core businesses: non-life and life insurance, reinsurance and asset management. The Group's worldwide presence builds on strong positions in its three key markets – the United States, the United Kingdom and Switzerland. It has activities in more than 60 countries reaching over 35 million customers and employing 70,000 people.



Rapid Development of a Web-Based Pension System

Background

The UK pensions market is going through radical change with a market shift from Defined Benefits (DB) policies towards Defined Contribution (DC) and increasing competition driving policy charges down. Allied to this, the Government's introduction of the stakeholder "low cost" pension has further increased the pressure on the insurance companies.

Zurich Financial Services (ZFS), one of the world's leading financial companies, sought to address these challenges by bringing to market a new, innovative, low-cost DC pension product in advance of its stakeholder product.

To ensure this was a true low-cost offering a number of key principles needed to apply:

- Self-service product via the Internet
- Minimal corrective work on submitted payroll files
- Call centre contact minimised
- Units purchased only with cleared funds
- Low-cost administration system at the core.
- To meet its market needs, such a proposition would also need to demonstrate:
 - 100% error free record keeping
 - A full range of available funds
 - Sufficient disclosure
 - Real-time fund information
 - Web-based education (fund calculators, etc.).

ZFS had to move rapidly with this significant new business venture as the market just wouldn't wait. Late entry meant getting left behind. With a

self-imposed deadline for market launch, ZFS recognised that it needed to take a new approach to system development if the extremely demanding timescale was to have any chance of being met.

The traditional, major software houses were considered but discounted for reasons of cost and an insistence on imposing their own solutions. Instead, ZFS sought a more flexible and agile partner prepared to work closely with the business.

IPL Finance Solution

ZFS selected IPL as its systems integration and software development partner to assist in the development of the DC Pension Administration platform.

The platform was to be based upon modern Microsoft technologies powered by low-cost, high performance Intel-based servers. ZFS had selected Profund's state-of-the-art oPen Pensions administration package to be at the core of the system.

IPL mobilised an experienced multi-disciplinary team to undertake the challenge. Initially, experienced Programme Management, Software Project Management, and Technical Architecture personnel were engaged to establish an overall development programme, the software design and development approach, and the architectural framework for the system.

A team of experienced IPL analyst/designers worked closely with ZFS business analysts, Profund's technical specialists and ZFS's own technical staff to determine the real needs of the business and the system design options for supporting these.

A large number of issues needed to be rapidly addressed before detailed development plans could be put in place. Just a few of these included:

- Web site branding
- Financial and User Information security
- Web site throughput and performance
- ACD and IVR use in the contact centre
- Document and Image management
- Workflow integration
- Legal disclosure
- Integration with ZFS internal systems.

A highly staged delivery programme was developed and the detailed technical design, integration and build of the stages were undertaken in parallel. Because of the close coupling between the IPL and oPen software, regular integration testing of the system was carried out throughout the development, reducing the time needed for system testing.

The architecture was based upon a three-tier design with a SQL Server database, an MTS/DCOM application server layer and an IIS web server. The oPen package provided separate Win32 client functionality.

The web server software was written in VB Script using Active Server Pages technology, with the generated HTML/JavaScript capable of being viewed by a variety of web browsers. Application server components were developed using both VB and C++.

The Outcome

Within 9 months of IPL being selected as ZFS's preferred systems integration and software development partner, our solution was ready for user testing. Within a further 3 months, the new ZFS business was established, the contact centre was set-up and the new system was operational.

Almost exactly a year on from IPL commencing the solution's development, the first new business was taken on the system. The system was subsequently configured to take on Stakeholder business when these pensions were launched.

This highly scalable and secure, web-based pensions system will provide ZFS with a strategic platform capable of supporting other pensions products in the future. Its development was achieved at a fraction of the cost that would have been incurred by outsourcing its development to one of the major software houses, and in considerably less time than a traditional internal IT development.

About IPL

Founded in 1979, IPL has a long history of successfully delivering excellent value consultancy and end-to-end solutions to both the public and private sectors.

IPL's consultancy is renowned for its quality and value. Our consultants are talented and independent-minded individuals with extensive industry experience. We consistently exceed our clients' expectations through a combination of imaginative thinking, managerial and technical expertise and many years of systems engineering experience.

IPL's track record in end-to-end solutions development is exceptional. Our proven development methodology allows us to cut through technical complexity, manage risk and completely focus on delivery. We consistently deliver reliable, efficient and accurate systems to a precise schedule.

IPL is an ISO9001:2000/TickIT registered company having a permanent workforce of 240, revenues of ca. £21M p.a. and 40,000 sq ft of secure office space in central Bath.



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