Maximize Your Return on Big Data

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Zurich North America Uses Informatica to Migrate and Integrate Financial Data after Mergers and Acquisitions

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Business Need, Integration challenge

**Financial Close Transformation**
- Consolidate and standardize financial information flow
- Streamline process for Regulatory, Compliance, Reinsurance and actuarial data and reporting needs
- Close cycle improvement moving from Mainframe processes to Unix and Informatica

**Merger & Acquisition**
- Applications, back-office process and data migration to unified financial and reinsurance close process and reporting
- Application interfaces conversion to new systems and data migration
- Retiring legacy applications

**MDM**
- Single View of Customer/Broker
- Account retention
- Establish Data Governance
- Improved Data Quality and Integrated information

**Simplification & Cost optimization**
- Appliance strategy for increasing data volumes, architecture simplification and performance gains
- Reduce TCO after decommissioning of the redundant legacy systems
- Mainframe MIPS reduction
Financial Close Transformation

Business Drivers

- Lengthy month end close process (15 days)
- Maintenance Support of legacy integrations with General Ledger
  - One off / custom integrations
  - Multiple “versions of the truth”
  - Fragile data and process integration
- Lack of transparency into financial data feeding SAP

High Level approach

- Build standard interfaces using a standard ETL process
- Consolidate data into an Atomic Data Store (ADS) (lowest possible grain)
- ADS becomes the source for back office feed and Enterprise Analytics environment.
Mergers and Acquisitions

Business Drivers

• Separate month end close efforts for acquisitions
• Landscape and Cost optimization by decommissioning legacy applications
• Improved financial controls and reduced financial close risk and complexity

High Level approach

• Integrate Universal Underwrites and Empire Fire and Marine into the financial close process.
• Decommission duplicate legacy applications (50+)
• Standardize Key Financial Calculations/Processes
• Single feed into General Ledger through consolidated ADS
Business Benefits – FCT, U2Z, E2Z

- Financial and actuarial process - Standardization and consolidation of for risk & compliance
- Significant efficiency gains across data management and reporting
- FCT Program reduced close cycle from 15 days to 8 days
- Appliance implementation and hybrid ETL-ELT redesign further optimized the close cycle from 8 days to 3 days
- Pushdown Optimization further reduced the cycle time from 3 days to 2 days
- Further usage of Pushdown Optimization will reduce our month end close down to a single day before year end
- Headcount reductions ~28 FTEs (~$1.4m)
- Decommissioning Savings ~$1.5m annually
- Decommissioned 50+ applications and servers
Technical / Intangible Benefits

- Enhanced financial control environment – improved audit ability
  - Source information streamlined into ZNAW for feeds to General Ledger
  - Standardization and re-rationalization of revenue recognition rules
  - Shifted many processes from manual to automated

- Mitigated risk of losing knowledge capital by centralizing the work within the Accounting department

- Improved the level of detail accessible for future reporting and brought it to a standard level through single access point (one stop shopping)

- Data incorporated into standard Reserving analysis and close processes
  - No longer running separate close processes, reducing number of GL feeds
Architecture Diagram post FCT, U2Z/E2Z
Master Data Management

**Business Drivers**
- Ability to have a single customer view
- Understand the entire relationship with a customer
- Efficient Clearance and Registration of customers
- Cross sell opportunities
- Customer level analytics & Automation

**High Level approach**
- Least invasive approach as possible
- Not be critical path for any existing in-flight projects
- Identify alignment to approved efforts
- Minimize impacts to existing applications
- Focus on process and organization as a first step
- Build MDM capabilities in small focused deliverables
MDM Solution

Why Informatica MDM
• Least invasive solution on existing application environments
• More flexible vs IBM Initiate
• Allowed us to design data model (did not require use of a proprietary data model)
• Data Stewardship workflow capabilities included

High Level Design
• Hybrid architecture utilizing MDM Hub as reference to source
• Publication and Subscription services built to assist in adoption
• Consolidated customer and broker data into single hub
• Integrated with existing Clearance and Registration process

Tools purchased
Informatica MDM
Trillium for data cleansing
D&B Integration Manager
D&B Optimizer
MDM Benefits

• Clearance and Registration process significantly improved
• All in-force policy customers have been cleansed and have a unique Enterprise ID
• Phase 2 currently inflight
  • Create MDM ODS for consumption by applications. Single customer data source.
  • Integrate the MDM data into back end warehouses (Zurich Enterprise Analytics)
  • Complete customer view at any level within corporate hierarchy
  • Cross sell opportunity analysis available
  • Enhanced customer data thru integration with 3rd party data sources i.e. D&B, OneSource
**Simplification—Appliance Integration**

**Business Drivers**
- Optimize Month end close process
  - Spent 6 months with a limit on tuning existing DB environment
- Query and Reporting/Analytics performance
- Scalability - Ability to support new applications and increasing data volumes
- Simplify Administration
- Reduce TCO

**High Level approach**
- Netezza-Informatica solution
  - Phase 1 (Financial close process and reports migration)
  - Phase 2 (ZNAW data warehouse migration)
  - Next Phase: Move other marts over to the Netezza-Informatica platform
- Physical isolation of data integration and analytics platform meeting business SLAs
- Financial close process improved from prior day 4 to day 2
- Month-end Reports availability from prior day 6 to day 3
Architecture Diagram post MDM, Appliance
Engagement Model

Zurich-Wipro
- 5 Years of delivery excellence & partnered success in business enablement and transformation

Informatica–Wipro
- Strategic Partners
- Joint Ownership / GTM
- Beta testing partner
- Six time winner innovation awards

Wipro
- Dedicated AIM Practice
- Zurich ODC & CoE
- Informatica CoE
- Flex data center
- Core-Flex delivery
Solutions or approaches

Business Drivers

- Common Stage and ETL process
- Optimization of IIW model and ETL redesign for large data subsets
- Usage of Data Appliance power
- Hybrid data integration architecture approach
- Customer Master Data Management implementation
- ABC (Audit, Balance, Control)
- Complex and large deployment
- Use Power Exchange
- Regression Test Bed

- For faster testing and easy regression on changes for larger back office process integration projects
Informatica Advantage

- **Informatica Power exchange** for Mainframe. (Eliminates EBCDIC conversion and FTP process)

- **Data analysis and profiling** through Informatica data profiling & quality tools, for business rules and modeling decisions which can further be leveraged for the ETL design.

- **Push down optimization** (example – Informatica push down on the Netezza platform).

- Compatibility with **MQ Series, Web Services** for real time requirements

- Informatica is designed to scale-up based on the demanding business needs
  - Process **data from diverse environments** (mainframe, RDBMS, ESB, XMLs, Excel and flat files)
  - Support for **flat file Look up** - amazingly improved overall conversion procession time.
  - **Transposing column into row** using Informatica Normalizer - very fast when compared to SQL.
  - **Grid computing** for load balancing, **Parallel Processing** features and **Caching** for high performance
  - **Built in objects** and **reusability** architecture to handle recurring tasks for improved productivity.

- Integrated **Metadata management** provides **data lineage** for analysis & modeling.

- **Tighter integration with MDM** (Master Data Management) services (Siperian).

- Fits into an IT organization’s **service-oriented architecture** over standards-based protocols
What to watch out / lessons learned

- Leverage senior management
- Big-bang approach vs. Incremental phased implementation
- Quick decisions with interim directions
- Business Process conversion Complexity
- Program Management office for program tracking, communications and reporting
- Training & Support
Conclusion / Roadmap

• The use of Informatica Integration platform at ZNA helped in
  • Optimal solution delivery and implementation timelines
  • Easy of implementation for transformation rules across disparate systems,
  • Optimized and reusable integration architecture - enterprise information management platform
  • Accelerated data integration for future business objectives / acquisitions.

• Zurich is using Informatica suite of products as the unified platform for enterprise information management / integration
  • Data Analysis/Profiling/ Business Rules management (IDQ)
  • Cleansing (IDQ/ PowerCenter)
  • ETL (PowerCenter / PowerExchange)
  • Push down optimization for Netezza-Informatica ETL
  • Master data management (Siperian MDM)

• Improving Data Quality – Implement Informatica IDQ
  • Improve warehouse data and business analysis - data profiling and quality rules
  • Implement DQ services on SOA framework to be utilized across enterprise DQ needs
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