

Information Builders enables agile information solutions with business intelligence (BI) and integration technologies. WebFOCUS – the most widely utilized business intelligence platform – connects to any enterprise system or application and enables simple and intuitive interaction with information.

Lloyd's of London

Snapshot

Organization

Lloyd's of London, the world's leading insurance market provider, offering specialist insurance services to businesses in more than 190 countries.

The Challenge

Implement a cost-effective, reliable upgrade of FOCUS with minimum risk in transferring its business-critical information.

The Strategy

Information Builders generated a custom Web-based solution using its flagship WebFOCUS enterprise business intelligence solution to handle Lloyd's of London's central accounting and letters of credit functions.

The Results

Integrating seamlessly with the company's operating platform, WebFOCUS makes reporting processes five times quicker and guarantees timely, controlled processing in an easy-to-use, cost-effective package.

Information Builders Solution

WebFOCUS.



Lloyd's of London

Removes Risk From Insurance Processing

As the world's leading insurance market provider of specialist insurance, Lloyd's of London underwrites thousands of policies every year. With its impressive reach and customers in more than 190 countries, the company employs brokers all around the world.

Lloyd's is a society of members, both corporate and individual. These members form syndicates to underwrite insurance and professional underwriters accept risk on their behalf. Supporting capital is provided by investment institutions, specialist investors, international insurance companies, and individuals.

Lloyd's brokers bring business to the market and are its customers' point of contact for settling claims. The risk assessments placed with its underwriters originate from clients and other brokers and intermediaries all over the world.

Together, the syndicates underwriting at Lloyd's form one of the world's largest commercial insurers and a leading reinsurer.

“Communication was key to ensure the project ran smoothly in terms of timeframes and requirements from the new system. The committee met regularly and Information Builders listened to our needs to create an ideal solution for us.”

Lloyd's is dedicated to innovation, speed, and better value for policyholders and participants alike. For example, it ensures direct access to decision-makers so answers on whether a risk can be placed are made quickly, enabling the broker to provide fast, good-value solutions.

Lloyd's Settlement and Trust Fund Operations is responsible for a variety of business-critical functions, most crucially the organization's settlement function, which settles insurance transaction monies between syndicates and brokers.

Lloyd's settlement mainframe system receives input including information on premiums, claims, reinsurance, charges, direct feeds, currencies, legislative cash movements, and letter of credit scheme transactions.

This mainframe system aggregates all premiums and claims for authorized users daily via a PC LAN to all syndicates and brokers and handles some 9.5 million transactions every year. This settlement system ensures that all monies owed by brokers and underwriters are received and all monies owed to brokers and underwriters are paid out on time with statements issued to the appropriate parties to inform them of the processes.

“Since 1983, we had been using PC FOCUS from Information Builders for enterprise business intelligence to streamline these operations,” says Ian Wootten, manager of Lloyd's Settlement and Trust Fund Operations. “We have believed in the power of effective business intelligence practically since its inception.

New Challenges

In 1995, new legislation required Lloyd's to collateralize all its letters of credit and place funds into collateral accounts. Previously, syndicates were not required to put up any cash when setting up a letter of credit.

In the late 1990s, Lloyd's began its shift to a new operating platform based on Windows XP and an ethernet. Lloyd's also expanded its distribution chain and required a system that could generate new payment request types and settle debits and credits with brokers outside the UK. Lloyd's saw the opportunity to evaluate the business intelligence (BI) solution market and replace its legacy system with one that best suited its needs.

At the same time, Information Builders updated its product offering and introduced the Internet-enabled WebFOCUS, which heralded the next generation of enterprise BI.

“Crucially, we sought a solution that guaranteed seamless migration and integration with our existing architecture and processes,” explains Wootten. “The Settlement and Trust Fund Operations are at the core of our business and we could not afford to jeopardize these by using an inappropriate system.”

Lloyd's considered various options, including rewriting its existing codes in another package and deploying a BI solution from other third parties. However, developers quoted prohibitively high costs for these options, which could not offer the security reassurance Lloyd's required for the migration process.

“For the first time, we have a system that incorporates our offices in different physical locations, which also speeds up the consolidation process across sites. Because WebFOCUS is Internet-based, where our processes take place is now immaterial.”

WebFOCUS from Information Builders, on the other hand, offered greater flexibility with a platform that could transfer Lloyd’s existing code directly into the new package. In addition, its advanced inquiry package was attractive to Lloyd’s as powerful and easy to use.

Expert Consultancy

Lloyd’s selected the full implementation and support package from Information Builders.

Lloyd’s board of directors and IT team approved the Settlement and Trust Fund Operations department’s business case and Information Builders began the migration project. It established a project committee headed by Wootten with personnel from the technical team, systems experts, Information Builders system engineers, and an external auditor to drive the migration and installation and ensure all necessary controls were in place.

“Communication was key to ensure the project ran smoothly in terms of timeframes and requirements from the new system,” says Wootten. “The committee met regularly and Information Builders listened to our needs to create an ideal solution for us.

The steering committee was instrumental in selecting the version of WebFOCUS Lloyd’s required. Following extensive consultation, Information Builders recommended its version 5.2.3, based on CGI, which provided a more modern, Windows-focused feel with drop-down menus rather than New Atlanta’s server-side products.

Information Builders created a custom Direct Credit Facility to streamline overall operations and collateralize each letter of credit for new issues, increases, decreases, reductions, drawings, and refunds.

Improved Efficiency

Following extensive beta testing to ensure complete reliability, the new tailored system went live in February 2004 for settlement processes and for letters of credit in May 2004. Information Builders continued support for the legacy PC FOCUS system throughout the migration to ensure current production integrity and no loss of data.

WebFOCUS downloads files from the Settlement and Trust Fund Operations’ mainframe to the STFO LAN daily.

Users can create payment files and detailed, accurate reports in whichever currency they require at the touch of a button. WebFOCUS ensures that all reports conform to the various banking interfaces. If a settlement user needs to alter reports, WebFOCUS ensures that all corresponding figures match.

Password-protected filters on the LAN control which users are authorized to make changes. Details of any amendments show in reports for external auditors to ensure operations remain transparent and secure.

WebFOCUS reformats files according to precise user demands, settles payments to banks and other parties, and processes letters of credit in their preferred formats. In addition to the United Kingdom, it allows Lloyd’s to settle credits and debits to Australia, France, and the United States.

Find Out More

To find out how our solutions can help your company succeed, talk to an Information Builders representative today. Contact your local Information Builders office, visit us at **informationbuilders.com**, or in the U.S. and Canada, call **(800) 969-4636**.

"Much of the code remained the same throughout the transition so there was very little risk of an interruption in our operations," says Wootten. "When we went live with the new system, we had no problems and it continues to work reliably and cost-effectively with minimal maintenance requirements."

The robust WebFOCUS architecture means Lloyd's now experiences less downtime. In addition, operations are up to five times faster than previously, thanks to the WebFOCUS user-friendly interface and its ability to simplify complex programs and commands into touch-button operations.

"For the first time, we have a system that incorporates our offices in different physical locations, which also speeds up the consolidation process across sites," adds Wootten. "Because WebFOCUS is Internet-based, where our processes take place is now immaterial."

Over the Web, Lloyd's operators in any location, such as Central London and Kent, can request a letter of credit, check the issue is set up appropriately, ensure sufficient funds exist, and generate a letter of credit request to the bank.

Information Builders ensured the new system is flexible to adapt to future business and market changes. For example, Lloyds is currently planning to add four new currencies and adapt WebFOCUS for other departments.

"I have been impressed with WebFOCUS from day one and a cost-benefit analysis clearly justified our spend," says Wootten. "Testament to the success of the project, our external auditors didn't even mention it! Information Builders truly understands our business needs and consistently delivers professional service and advice and created a solution that meets our needs precisely as we continue to evolve our market-leading business."